



Fiscal Year 2018 Budget



FY 18 Budget

- Background
 - Budget process started in spring 2016
 - Budget calendar approved May 2nd
- Purpose
 - Provide an introduction to draft budget
 - No decisions tonight
- Deadline
 - March 15th



FY 18 Budget

What's New

The following are new additions to the City's budget document:

- A copy of the budget calendar approved by the City Council
- A copy of the Financial Policies approved by the City Council
- Capital Improvement Program (includes the Vehicle & Equipment replacement schedule)
- FY17 Accomplishments
- FY18 Strategic Priorities (activities/programs proposed for funding)



FY 18 Budget Objectives

Current Budget Priorities

- Focus on activities that further Strategic Plan
- Strive for compliance with Financial Policy
- Continue development of Capital Budgeting
 - *First time preparing the budget using Zero Based Budgeting*



FY 18 Budget

Overview

- Maintain flat property tax rate (\$12.70)
- Continue to reduce debt
- 18% increase for health insurance
- Utilities (Electric +7%, Gas +2%, Water 0%)
- Funding requests from civic partners
- 2.25% Tax Valuation Increase (PY 1.6%)



FY 18 Budget

5 Year History

Tax Rates

FY 2014 - \$11.20

FY 2015 - \$12.70

FY 2016 - \$12.70

FY 2017 - \$12.70

(Proposed) FY 2018 - \$12.70

Debt Service

FY 2014 - \$3,000,167

FY 2015 - \$3,938,045

FY 2016 - \$4,018,539

FY 2017 - \$3,357,483

FY 2018 - \$3,036,150

Tax Valuations

FY 2014 - \$468,464,180

FY 2015 - \$468,506,382

FY 2016 - \$475,010,758

FY 2017 - \$483,153,784

FY 2018 - \$494,070,591

Total debt - \$32,818,450

(as of January 1, 2017)



FY 18 Budget

5 Year History

Revenues/Expenses

FY 2014 – Property Tax Funds \$7,918,300/\$8,507,100

FY 2014 – Non-Property Tax Funds \$21,181,100/\$22,495,400

FY 2015 – Property Tax Funds \$8,547,000/\$8,360,750

FY 2015 – Non-Property Tax Funds \$13,428,400/\$14,168,900

FY 2016 – Property Tax Funds \$8,617,400/\$8,597,000

FY 2016 – Non-Property Tax Funds \$14,125,100/\$13,987,000

FY 2017 – Property Tax Funds \$9,610,000/\$9,489,200

FY 2017 – Non-Property Tax Funds \$14,877,900/\$14,270,700

FY 2018 – Property Tax Funds **\$9,958,904/\$9,879,091**

FY 2018 – Non-Property Tax Funds **\$17,344,527/\$17,870,300**



FY 18 Budget

CITY BUDGET ESTIMATES Re-estimated FY17 & FY18 Projections

DEPTS	7/1/2016 BEGIN BALANCE	RE-EST NON-TAX REVENUE	FY17 TAXES	RE-EST EXPENSES	7/1/2017 ENDING BALANCE	FY18 NON-TAX REVENUE	FY18 TAXES	FY18 EXPENSES	PROJECTED ENDING BALANCE
001 GOVERNMENT	1,605,783	2,954,800		2,986,500	1,574,083	2,918,154		2,678,178	1,814,059
011 POLICE	828,321	388,600	2,357,200	2,744,000	830,121	390,435	2,523,747	2,957,435	786,868
015 FIRE	533,886	93,000	492,400	683,200	436,086	124,327	510,373	787,969	282,817
016 AMBULANCE	320,187	771,600	447,500	1,118,300	420,987	770,849	472,893	1,178,708	486,021
041 LIBRARY	43,603	97,200	445,400	537,700	48,503	94,112	482,605	573,957	51,263
042 PARK & REC	478,555	383,866	940,800	1,305,400	497,821	359,744	989,493	1,388,331	458,726
045 POOL	25,744	141,200	90,000	211,700	45,244	153,761	93,411	237,013	55,404
071 GENERAL FUND DEBT	54,750	-	80,000	79,900	54,850	-	75,000	77,500	52,350
SUBTOTAL	3,890,829	4,830,266	4,853,300	9,666,700	3,907,695	4,811,382	5,147,522	9,879,091	3,987,508

	Tax Valuation	Gen'l Rate	Total Asking	Total
General Fund (Regular)	494,070,591	11.45	5,657,108	\$ 12.70000
General Fund (Ag)	1,431,395		4,300	
Debt Service	560,751,721	1.25	700,940	
TOTAL			<u>6,362,347</u>	



FY 18 Budget

DEPTS	7/1/2016 BEGIN BALANCE	RE-EST NON-TAX REVENUE	FY16 TAXES	RE-EST EXPENSES	7/1/2017 ENDING BALANCE	FY17 NON-TAX REVENUE	FY17 TAXES	FY17 EXPENSES	PROJECTED ENDING BALANCE
99 Franchise Fees-MEC	476,911	90,000			566,911	95,000			661,911
110 Road Use Tax	1,255,218	1,782,700		1,707,900	1,300	1,800,422		2,037,972	1,062,468
115 YMCA Maintenance Obligations	185,566	100,000		40,000	245,566	100,000		20,000	325,566
121 Local Option Sales Tax		1,400,000			1,400,000	1,000,000			2,400,000
125 TIF--Downtown	949,928		1,845,000	1,635,400	1,159,528		2,077,145	1,332,900	1,903,773
141 Library Special Revenue	37,192	16,700		22,000	31,892	18,000		18,325	31,567
142 Park & Rec Special Rev	140,752	25,000		75,000	90,752	25,000		24,000	91,752
160 Downtown Revolving Loan	149,711				149,711				149,711
161 Downtown Biz Plan	32,715	60,000		60,000	32,715	30,000		60,000	2,715
177 Police Forfeiture	19,830	20,000		20,000	19,830	20,000		20,000	19,830
190 Vehicle Reserve Fund	67,352	1,425,000		566,100	926,252	803,707	220,000	1,518,707	431,252
199 Police Retirement	89,871	1,500		12,500	78,871	1,800		12,500	68,171
200 Debt Service	1,209,910	1,593,200	893,400	2,591,800	1,104,710	1,169,300	700,900	2,355,650	619,260
301 Gen'l Fund Capital Projects	406,192	3,421,000	470,000	2,333,933	1,963,259	417,000	289,900	2,252,000	418,159
321 Street Capital Projects	126,164	468,933		468,933	126,164	421,067		491,067	56,164
344 Community Athletic Facility	2,601	5,000		5,000	2,601	5,000		5,000	2,601
353 Community Re-Development	(52,192)	75,000		75,000	(52,195)	75,000		75,000	(52,195)
650 Stormwater Utility	502,133	200,000		183,600	518,533	205,000		197,900	525,633
670 Recycling	90,333	217,200		215,500	92,033	215,500		211,680	95,853
820 Health Insurance	690,402	1,623,700		1,595,000	719,102	1,942,082		1,868,060	793,124
830 HRA	243,539	107,600		100,000	251,139	108,000		91,000	268,139
840 Flex/Short Term Disability	204,708	53,200		55,500	202,408	53,100		51,600	203,908
850 Liability Insurance Reserve	27,796	20,000		20,000	27,796	7,400		12,400	22,796
	6,826,629	12,705,733	3,208,400	11,540,667	10,957,596	8,732,378	3,287,945	12,655,761	10,102,158
610 Sewer O & M	589,695	1,653,600		1,653,600	589,695	1,681,169		1,681,169	589,695
710 Sewer Capital Projects	414,560	3,124,100		2,920,400	618,260	3,157,535		2,827,869	947,925
771 Sewer Reserve	114,239				114,239				
781 Sewer Plant Imp	367,572	25,000		25,000	367,572	25,000		25,000	367,572
791 Sewer Revenue Bonds	301,863	699,000		699,000	301,863	680,500		680,500	301,863
Sub-Total Sewer	1,787,929	5,501,700		5,298,000	1,991,629	5,544,204		5,214,539	2,321,294
SUBTOTAL (THIS PAGE)	8,614,558	18,207,433	3,208,400	16,838,667	12,949,225	14,056,582	3,287,945	17,870,300	12,423,452
GRAND TOTAL	12,505,387	23,037,699	8,061,700	26,505,367	16,856,920	18,867,964	8,435,467	27,749,390	16,410,960



FY 18 Budget

Department Highlights

Police (011)

Budget of \$2,957,435

FY 17 Accomplishments:

- On boarded 2 officers
- Vacant Sgt. Position filled via promotion
- IPD COP program expanded to ICOPS and ICUBS outing

FY18 Strategic Priorities:

- Purchase of replacement portable and mobile radios
- Add 3rd Detective
- Scheduled to replace one vehicle
- Partnering with Fire Department on a public safety staffing study



FY 18 Budget

Department Highlights

Fire/Ambulance (015 & 016)

Budget of \$787,969 (Fire)
Budget of \$1,178,708 (Ambulance)

FY 17 Accomplishments:

- In the process of upgrading fleet as result of the sale of underutilized equipment to better serve the City
- Established a maintenance schedule for Departmental apparatus
- Applied for grants totaling \$792,281 for staffing and equipment
- Closed out a FEMA Disaster Project as a result of flooding in 2015

FY18 Strategic Priorities:

- Use reserves to fund purchase of SCBAs (mandate requires compliance by 2018)
- Budget for “pager pay” to allow for flexibility in scheduling personnel to assist in responding to calls for service during over night hours
- Partnering with Police Department on a public safety staffing study
- Purchase of a new ambulance



FY 18 Budget

Department Highlights

General Government (001) (CMO, Clerk, HR, IT)

Total Budget of \$2,678,178*

FY17 Accomplishments:

- City/IMU restructure
- Development of Capital Improvement Plan & Vehicle/Equipment Replacement schedule
- Development of Financial Policy
- Selection of City Engineer
- Selection of new Health Insurance broker
- Implemented exit interview process
- Developed City Marketing Video

FY18 Strategic Priorities:

- Evaluate renovation options of City Hall/Public Safety
- Replacement schedule for departmental technology needs
- Continue work with health insurance committee
- Continue funding of Home Base Iowa
- Review Personnel Manual

** Includes other costs such as street lights and building maintenance*



FY 18 Budget

Department Highlights

Community Development (001-1700)

Budget shown on previous slide

FY 17 Accomplishments:

- Presented a property maintenance code assessment to City Council for direction
- Conducted permit reviews/inspections for major community projects including new hotel, Casey's, and senior apartments
- Increased maintenance code enforcement and reconciled 190 complaints (as of December 2016)
- Assisted in the development of the 2017 Street Replacement Project

FY18 Strategic Priorities:

- Budget includes funding for services needed to conduct review of City's Abatement Program
- Conduct review of property maintenance code



FY 18 Budget

Department Highlights

Parks & Recreation (042)

Budget of \$1,388,331 (P & R)

Budget of \$237,013 (Pool)

FY 17 Accomplishments:

- Staff realignment resulting in savings of \$50,000
- Increased Pickard Softball Complex Revenues by \$24,500
- Hwy 65/69 Median Plan Designed – Planned for Spring 2018
- Aquatic Center Improvements- shallow pool reconstruction, pool heater installation, repainted bathhouse and refinished slides

FY18 Strategic Priorities:

- Update Park Master Plan
- Ash Tree Removal
- New Greenhouse
- Pickard Complex Storage and Concession Building
- 65/69 Median installation
- Proactive pump maintenance and evaluation



FY 18 Budget

Department Highlights Library (041)

Budget of \$573,957

FY17 Accomplishments:

- Reworked security contract for annual savings of \$495/year
- Reduced printing costs
- Received grants from the following:
 - WCCP - \$5,752 for children's storytime room renovation
 - NSF Rural Gateways - \$3500 for science education
 - WC Master Gardeners - \$1,200 to beautify main entrance

FY18 Strategic Priorities:

- Budgeted funds for transfer to reserves in order to have departmental budget meet 25% reserve goal
- Prioritize an increase in funding of electronic resources
- Seek outside funding to add AV equipment in meeting room



FY 18 Budget

Department Highlights

Street Department (110)

Budget of \$2,037,972 (Road Use Tax Funded)

FY 17 Accomplishments:

- Put into service a multi-function truck including plow, salt/sander, dump box, & cement truck
- Poured 1,364 yards of roadway concrete and 274 tons of Hot Mix Asphalt
- Implementation of Roadway Projects in CIP

FY18 Strategic Priorities:

- Continue to train on & utilize multi-function truck
- Review & Establish schedules for stormwater cleaning, cracksealing & crosswalk painting
- Work with City Engineer to continue development of road reconstruction and rehabilitation program as part of CIP



FY 18 Budget

Department Highlights

Water Pollution Control O&M(610)

Budget of \$1,681,169 (Enterprise Fund)

FY 17 Accomplishments:

- Televised & cleaned over 51,000 ft of sewer lines & tested additional 24,000 ft
- Implemented Time of Sale Ordinance
- Rebid Generator Maintenance Contract resulted in savings of \$40,000

FY18 Strategic Priorities:

- Continue Maintenance of Collection System: Televising/Clean & Smoke Testing
- Continue progress with new Waste Water Treatment Plant
- Upgrades to Morlock Lift Station



FY 18 CIP / V&E Budget

CIP (301 & 321)

Total Budget of \$2,743,067

Funded by different sources

- Continue median beautification
- Pavement indexing to better prioritize road projects
- Master planning to prioritize stormwater projects
- Morlock Liftstation



FY 18 CIP / V&E Budget

Vehicle & Equipment Replacement Schedule (190)

Total Budget of \$1,518,707

Funded by different sources

- Rural Fire Truck \$525,000
- Ambulance \$205,000
- SCBA \$278,000
- Police Radios \$135,000
- Police SUV \$28,000
- IT Equipment \$70,000
- Various Pickups and Construction Equipment



FY 18 Budget

Community Requests

- Indianola Concert Association
 - \$300
- Greater Des Moines Partnership
 - \$5,000
- Chamber of Commerce
 - \$5,000 (President's Club membership)
 - \$30,000 (investment requests)
- National Balloon Classic
 - \$15,000
- IMPACT
 - \$8,750



FY 18 Budget

Community Requests

- Keep Indianola Beautiful
 - \$6,000
- CVB
 - \$23,000 (historical level)
- Des Moines Metro Opera
 - \$18,000
 - building permits waived
- WCEDC
 - \$25,000
- Kiya Koda
 - ~\$29,000 (requesting increase for FY 18)

Total:
\$154,050*

*BRAVO included
*Kiya Koda not included



FY 18 Budget

Next Steps

- Meet with council members to review details
- Study Session/Council Meeting to receive (need Council input) :
 - Direction regarding civic funding requests
 - Direction regarding Kiya Koda request
- Set Public Hearing (Feb 6, 2017)
- Publish in Newspaper (must be submitted by Feb. 14, 2017)
 - Appear in February 21, 2017 paper
- Public Hearing/Approval of Budget (Mar. 6, 2017)
- File with Dept. of Management (Mar. 15, 2017)



FY 18 Budget

Going Forward

Questions?