

# City of Indianola FY 2020 Budget Workshop

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CITY COUNCIL  
STUDY SESSION  
FEBRUARY 4, 2019



# FY20 Budget Components

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- Revenue

- Property Tax Rate: \$13.27 (\$8.10 General, \$4.274 Emp Ben, \$0.89678 DS)
- Property Valuation Increased: (Non-TIF: 3.12%, TIF: 8.64%, Average: 3.79%)
- Hotel/Motel Tax: \$150,000
- LOSST-Lowering by \$200,000---Will use for First Time in FY20 for new WWTP
- Grant Revenue-SAFER (\$160,000)
- PILOT: Sewer at \$158,663 and tentative numbers from IMU for **Electric at \$732,000** and Water at \$71,400
- PILOT Payments to be split evenly between General Administration and Police
- IMU Fiber Franchise Fee tentatively budgeted at \$68,000 (May be offset by Mediacom Franchise Fee decline)

- Expense

- Wage Adjustments – proposed increase of 2.5% (CBA and Market) (IMU is budgeting 3% Wage increases/Market is 2.5-3%)
  - Liability Insurance (property, auto) – Estimate from broker
  - Workers' Comp – increase of 5%
  - Health Insurance – increase of 10%
- } Won't know anything until April-June timeframe

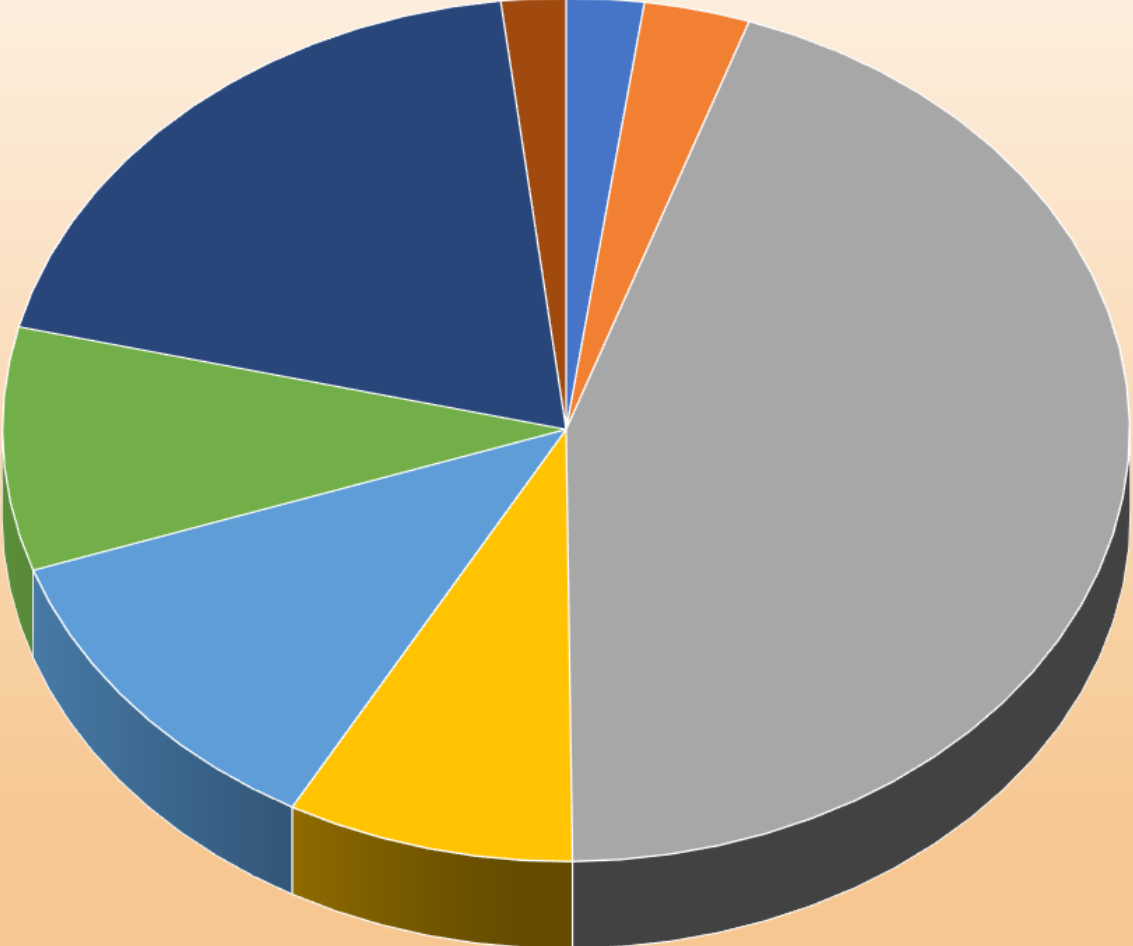


# FY20 Property Tax Breakdown

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<b><u>Property Taxes Breakdown</u></b>	
Operations	4,256,199
Employee Benefits	2,312,509
Debt Service	555,690
V/E and Capital Projects	250,000
Ag Land	4,847
	<b>7,379,245</b>

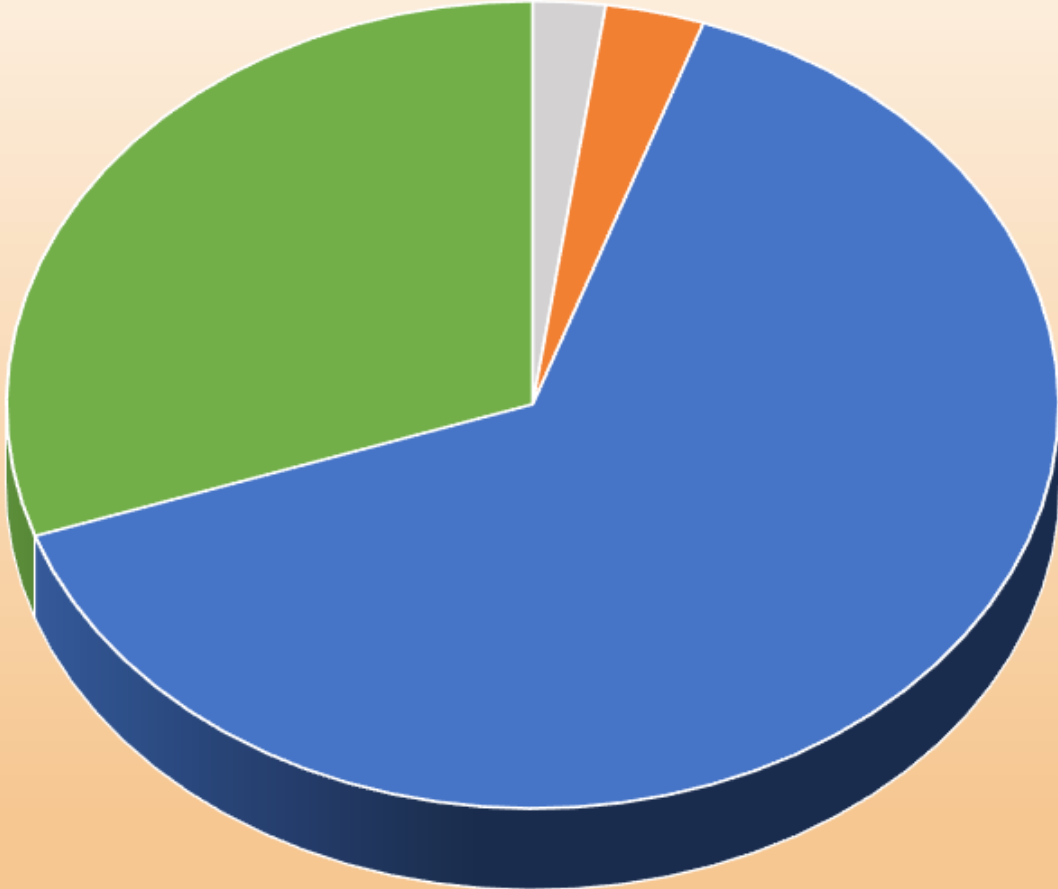
# FY20 Property Tax Breakdown-Departments



- General Government, \$145,949
- Streets, \$200,000
- Police, \$2,925,503
- Fire, \$541,847
- Ambulance, \$764,218
- Library, \$598,374
- Parks and Rec, \$1,268,882
- Pool, \$121,820

# FY20 Property Tax Breakdown-Function

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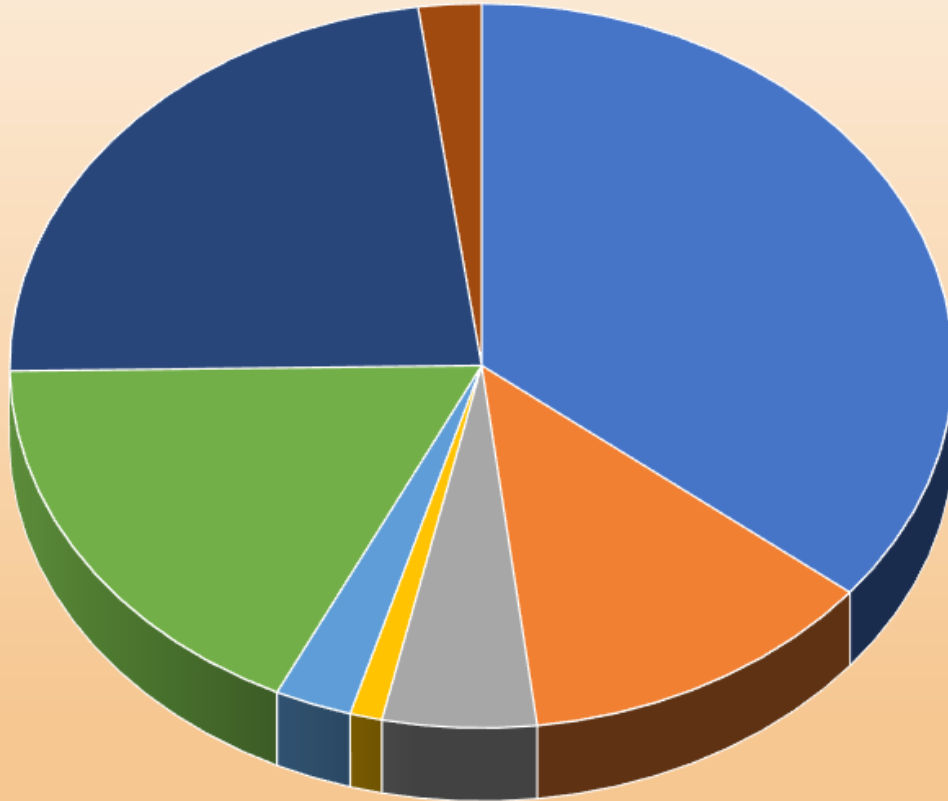
- General Government, \$145,949
- Streets, \$200,000
- Public Safety \$4,231,568
- Culture and Rec, \$1,989,076

# FY20 Property Tax Dollar-Departments



# Sources of Revenue (except Debt Proceeds)

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- Property Taxes, \$7,242,593
- TIF Revenues, \$2,502,609
- Other City Taxes, \$1,067,478
- Licenses & Permits, \$222,880
- Use of Money and Property, \$535,114
- Intergovernmental, \$3,569,437
- Charges for Fees & Service, \$4,674,507
- Miscellaneous, \$436,985

# FY20 General Fund Overview

General Admin	2,175,161	3,077,007	3,079,586	2,172,582	-	71%
Dwntwn Rev Loan (IEDA)	207,448	36,059	36,059	207,448	-	
Dwntwn Biz Loans	77,019	30,000	30,000	77,019	-	
Police	1,390,791	3,469,865	3,493,664	1,366,991	23,800	39%
PD Forfeiture	19,830	-	-	19,830	-	
PD Retirement	40,143	-	25,000	15,143	25,000	
Fire	362,674	706,011	706,011	362,675	-	51%
Ambulance	(71,839)	1,708,466	1,708,466	(71,839)	-	-4%
Library	199,301	679,541	679,541	199,301	-	29%
Library Spec Rev	40,402	22,000	22,000	40,402	-	
Parks	532,769	1,624,686	1,624,686	532,769	-	33%
Parks Spec Rev	103,353	6,000	6,000	103,353	-	
Pool	146,988	290,741	290,740	146,988	-	51%
YMCA	359,430	100,000	20,000	439,430	(80,000)	
GF Debt	56,355	-	-	56,355	-	
MEC Franchise	596,090	100,000	-	696,090	(100,000)	
<b>Total</b>	<b>6,235,914</b>	<b>11,850,375</b>	<b>11,721,753</b>	<b>6,364,536</b>	<b>(131,200)</b>	<b>54%</b>

General Fund Balance Policy Requirement: 25%





# FY20 Special Revenue and DS Overview

<b>Fund</b>	<b>Beginning</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Ending</b>	<b>Fund Balance Use</b>	<b>Fund Balance Percent</b>
RUTF	1,686,774	1,800,013	1,974,099	1,512,688	174,086	77%
Emp Benefits	53,390	2,382,155	2,316,936	118,609	(65,219)	5%
LOSST	4,639,061	800,000	1,100,000	4,339,061	300,000	394%
	<b>6,379,224</b>	<b>4,982,168</b>	<b>5,391,034</b>	<b>5,970,358</b>	<b>408,867</b>	
TIF	2,595,651	2,502,609	1,079,086	4,019,174	(1,423,523)	372%
Debt Service	911,654	1,795,560	2,074,645	632,569	279,085	30%

RUTF is the only Fund with a Fund Balance Policy Requirement: 50%



# FY20 Capital Projects Funds Overview

Fund	Beginning	Revenue	Expenditures	Ending	Fund Balance Use	Fund Balance Percent
Vehicle and Equipment	1,169,981	774,416	909,416	1,034,981	135,000	113.81%
General Fund Cap Projects	571,657	319,800	194,800	696,657	(125,000)	357.63%
Streets Capital Projects	27,757	262,000	262,000	27,757	-	10.59%
Wellness Center	(2,580)	2,580	-	-	(2,580)	
D&D	42,449	-	10,000	32,449	10,000	324.49%
	<b>1,809,264</b>	<b>1,358,796</b>	<b>1,376,216</b>	<b>1,791,844</b>	<b>17,420</b>	

Vehicle and Equipment is the only Fund with a Fund Balance Policy Requirement: 5%



# FY20 Storm, Recycling, Sewer Overview

<b>Fund</b>	<b>Beginning</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Ending</b>	<b>Fund Balance Use</b>	<b>Fund Balance Percent</b>
Storm Sewer	543,675	204,000	346,693	400,982	142,693	115.66%
Recycling	97,480	282,562	282,293	97,749	(269)	34.63%
Sewer-Operations	1,192,009	1,650,000	1,866,594	975,415	216,594	
Sewer Reserve	114,239	-	-	114,239	-	
Sewer-CP	1,069,826	3,236,300	3,131,147	1,174,979	(105,153)	
WTPP Construction	430,072	8,325,000	8,200,000	555,072	(125,000)	
Sewer Sinking	547,896	825,397	825,397	547,896	-	
				<b>3,367,601</b>	<b>128,865</b>	

Storm Sewer Fund Balance Policy Requirement: 25%  
 Other Utility Fund Balance Policy Requirement: 100%

Note: Total Sanitary Sewer Expenditures minus intrafund transfers=\$3,322,741  
 Fund balance total for all funds=\$3,367,601



# Property Tax Difference--FY19 vs. FY20

Rollback Percentages	FY2019	FY2020
Single-Family Residential	55.62%	56.92%
Commercial	90.00%	90.00%
Industrial	90.00%	90.00%
Multi-Family Residential	78.75%	75.00%
FY2019 Levy		\$ 12.70
FY2020 Levy		\$ 13.27

**Council Direction?**  
**\$12.70 or \$13.27**

		Difference in City Taxes		
Home Value		FY2019	FY2020	Difference
\$ 100,000		\$ 706.39	\$ 755.30	\$ 49
\$ 200,000		\$ 1,412.77	\$ 1,510.60	\$ 98
\$ 300,000		\$ 2,119.16	\$ 2,265.91	\$ 147
Comm/Ind Value		FY2019	FY2020	Difference
\$ 500,000		\$ 5,715.00	\$ 5,971.50	\$ 257
\$ 1,000,000		\$ 11,430.00	\$ 11,943.00	\$ 513
\$ 2,000,000		\$ 22,860.00	\$ 23,886.00	\$ 1,026
MultiFamily Value		FY2019	FY2020	Difference
\$ 500,000		\$ 5,000.63	\$ 4,976.25	\$ (24)
\$ 1,000,000		\$ 10,001.25	\$ 9,952.50	\$ (49)
\$ 2,000,000		\$ 20,002.50	\$ 19,905.00	\$ (98)



# Difference Between 2.5% and 3% Pay

	2.50%	3.00%	Difference
Comm Dev	\$ 242,827	244,012	1,185
Finance	\$ 330,710	332,323	1,613
IT	\$ 144,608	145,314	705
HR	\$ 90,810	91,253	443
Police	\$ 2,290,142	2,299,839	9,697
Fire	\$ 292,388	293,814	1,426
Ambulance	\$ 1,143,296	1,148,873	5,577
Library	\$ 330,432	332,044	1,612
Parks	\$ 719,402	722,618	3,216
Streets	\$ 603,306	606,249	2,943
WPC	\$ 501,719	504,166	2,447
			30,865

Council Direction?  
2.5% or 3%

\*Includes Pay, FICA/Medicare, and IPERS/MFPRSI



# Community Requests

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Projected Hotel/Motel: \$150,000  
To Parks/Rec: \$25,000  
Available for Requests: \$125,000

**Obligated by 28E (2/7 of Hotel/Motel):**

**BRAVO: \$42,857**

**CVB: \$42,857**

WCEDC Dues in Economic Development

Not Recommended:

Kiya Koda: under contract until end of FY20 (FY20 contract amount is \$34,944)

IMPACT: Prior City Councils have ask to have them directed to IMU

## Budgeted Requests:

Des Moines Metro Opera: \$6,500

Indianola Concert Association: \$450

Keep Indianola Beautiful: \$6,000

National Balloon Classic: \$10,000

Chamber of Commerce: \$8,500

Greater Des Moines Partnership: \$7,500

ICYF (Helping Hand): \$7,500

YMCA Fundraiser: \$5,000



# Community Requests—Council Direction

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## Community B.:

Revenue: 129,500

Expense: 137,164

## Economic Development:

Revenue: \$38,664

Expense: \$31,000

Total Difference: \$0.00

## Council Direction on Community Requests



# Parking Lot Items

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- Public Safety Staffing and Additional Staffing: **In Budget** (SRO Revenue not included yet.)
- CH and Public Safety Building Analysis: (\$60,000) Remaining FB in General Fund Debt Service
- Accounting System Upgrade: (\$46,640) Use of FY18 Pilot Payment “True-Up”
- Trail Prioritization Study: Use of Parks Special Revenue Fund 142 (\$5,000)
- Other Items
  - Pickleball Courts: \$40,000-\$175,000
  - Fine Arts Commission: Volunteer Commission Members; No known cost at this time
  - Entrepreneur/Sustainability Roundtable: \$3,500
  - Replacement Trees: \$15,000
- Still Researching or Place on Hold:
  - Facility Maintenance Contract-Still Researching
  - Square Assessment Followup-FY2021
  - Swimming Pool Study-Still Researching





# Parking Lot Items- Council Direction

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- CH and Public Safety Building Analysis:
- Accounting System Upgrade:
- Trail Prioritization Study:
- Other Items
  - Pickleball Courts:
  - Fine Arts Commission:
  - Entrepreneur/Sustainability Roundtable:
  - Replacement Trees:



# FY20 Budget Next Steps

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- February 4: At City Council Meeting-set public hearing (notice will include levy Council gave direction on earlier)
- February 18: Deadline to send budget hearing notice to paper
- February 20: Budget notice publication
- March 4: Budget public hearing and adoption
- March 15: Deadline to submit budget to state



