



# Budget Presentation

Indianola City Council, 6 January 2020



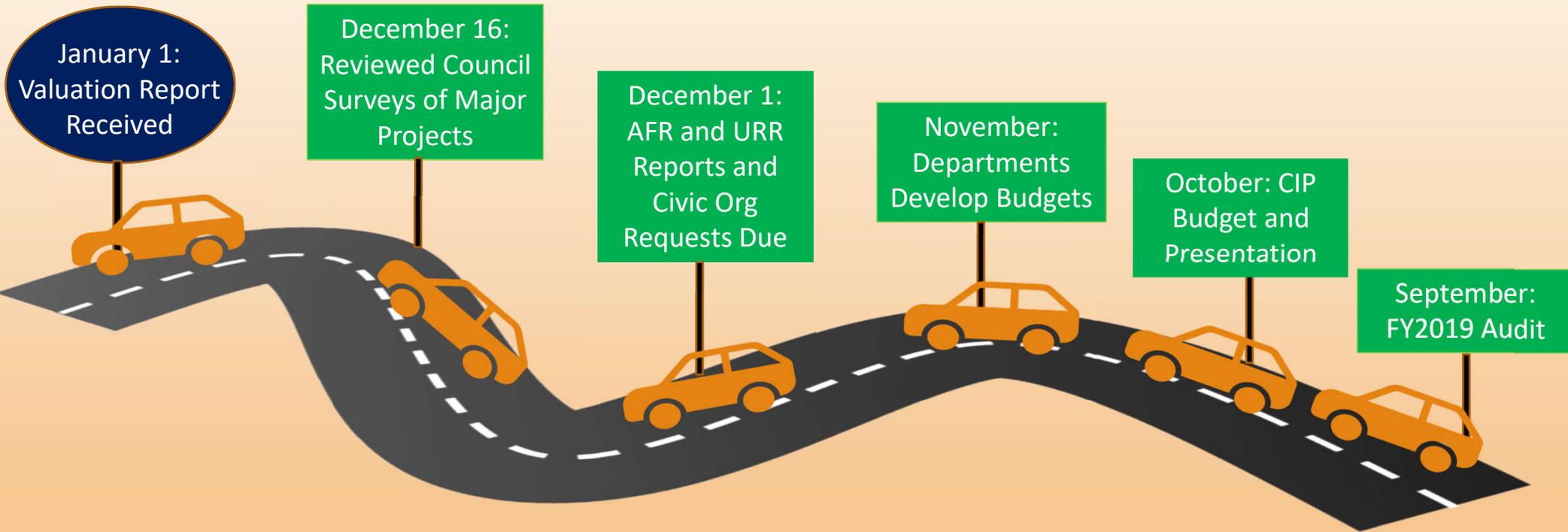
# Agenda

---

- Current Progress on FY21 Budget
- Revenue/Expenses/Unknowns
- Valuations
- Civic Organization Requests
- Update on Council Survey Items
- Current Outlook on FY21 General Fund/Debt Service Budget
- Next Steps



# FY21 Budget Progress Roadmap



# FY21 Budget Components

Revenue	<ul style="list-style-type: none"><li>• Property Valuation Increased</li><li>• Hotel/Motel Tax Remaining Steady</li><li>• LOSST: \$1.2 Million (up from what was original forecasted: \$800,000)</li><li>• RUTF: Electric Vehicle Surcharge and U.S. Census</li><li>• Reviewing Certain Fee Increases (Building Permits and MEC Natural Gas and Electric Franchise Fee)</li></ul>
Expense	<ul style="list-style-type: none"><li>• Wage Adjustments – budgeting at 3% Increase</li><li>• Liability Insurance (property, auto) and Workers’ Comp – budgeting increase of 5%</li><li>• Health Insurance –budgeting increase of 10%</li></ul>
Unknown	<ul style="list-style-type: none"><li>• Backfill funding-will not use for ongoing budgetary items</li><li>• PILOT Payment: IMU has indicated preliminary revenue numbers-no large increase</li><li>• IMU has not indicated if Clerk duties will continue</li><li>• IMU admin budget unknown-will determine amount from utilities for billing</li><li>• GEMT Revenue level will be largely unknown for now</li></ul>



# FY21 Valuation Increase

---

<b>Fiscal Year</b>	<b>100% Actual Valuation</b>	<b>Taxable Valuation (with Rollbacks)</b>	<b>Taxable TIF Increment Valuation</b>	<b>Total Taxable Valuation</b>
FY2021	1,053,914,602	568,699,179	76,070,552	644,769,731
FY2020	985,746,865	541,061,480	78,588,074	619,649,554
FY2019	959,746,865	523,080,763	72,340,746	595,421,509
FY2018	880,877,509	492,577,085	66,681,130	559,258,215

- First time Indianola has reached \$1 Billion in 100 percent valuation
- The valuation growth was 6.5% growth on 100% assessed value, resulting in 3.9% growth on taxable (TIF plus non-TIF) valuation for FY 21
- Start to return some of the TIF increment to the general fund



# Civic Organization Requests

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**

**Total Committed: \$85,714**

Remaining Available: \$39,826

These requests have been incorporated into the budget but direction is required.

	FY 2020	FY 2021	Difference
DSM Metro Opera	6,500	10,000	3,500
Indianola Concert Association	500	500	-
Keep Indianola Beautiful	6,000	6,000	-
National Balloon Classic	10,000	15,000	5,000
Chamber of Commerce	8,500	10,000	1,500
Greater DSM Partnership	7,500	7,500	-
YMCA	5,000	5,000	-
ICYF (Helping Hand)	7,500	7,500	-
Warren County Fair	-	10,000	10,000
Dollars for Scholars	-	500	500
Sustainability Committee	-	250	250
	<b>51,500</b>	<b>72,250</b>	<b>20,750</b>

- Options:
1. Accept as is.
  2. Modify grants to fit within budgets
  3. Decline Some or All Requests



# Council Survey Items- Current Status

---

- Reviewing Scheduling of GO Debt and Grant Funding
- GO Debt Proforma Presentation on February 3
- City Hall/Public Safety Building Architectural Services
  - Not Capital Project Expense
  - One-Time Expense-use GF Backfill?



# Current FY21 General Fund Budget Outlook

---

- City Tax Levy forecasted to increase by 35.95 cents.
  - New levy: Property and Liability Insurance (19.9 cents)
  - Employee Benefits (increase of 8.75 cents)
  - Debt Service (increase of 7.3 cents)
- What is the payback?
  - 2 new police officers; salaries and benefits (\$201,418)
  - 2 additional police vehicles and equipment (\$120,594)
  - New FT and PT library staff (\$99,213)



# FY21 Budget Next Steps

---

- January 9<sup>th</sup>: WRRF Meeting
- January 27-31: Meetings with Mayor/Council on Budget
- February 3: GO Debt Proforma Presentation and Set Hearing for Maximum Property Tax Hearing
- February 18: Budget Presentation and Set Hearing for FY21 Budget Adoption
- March 2: Maximum Property Tax Hearing and Resolution
- 2<sup>nd</sup> March Meeting (TBD): FY21 Budget Hearing and Adoption



