

Budget Update: Fiscal Year 2016 and 2017

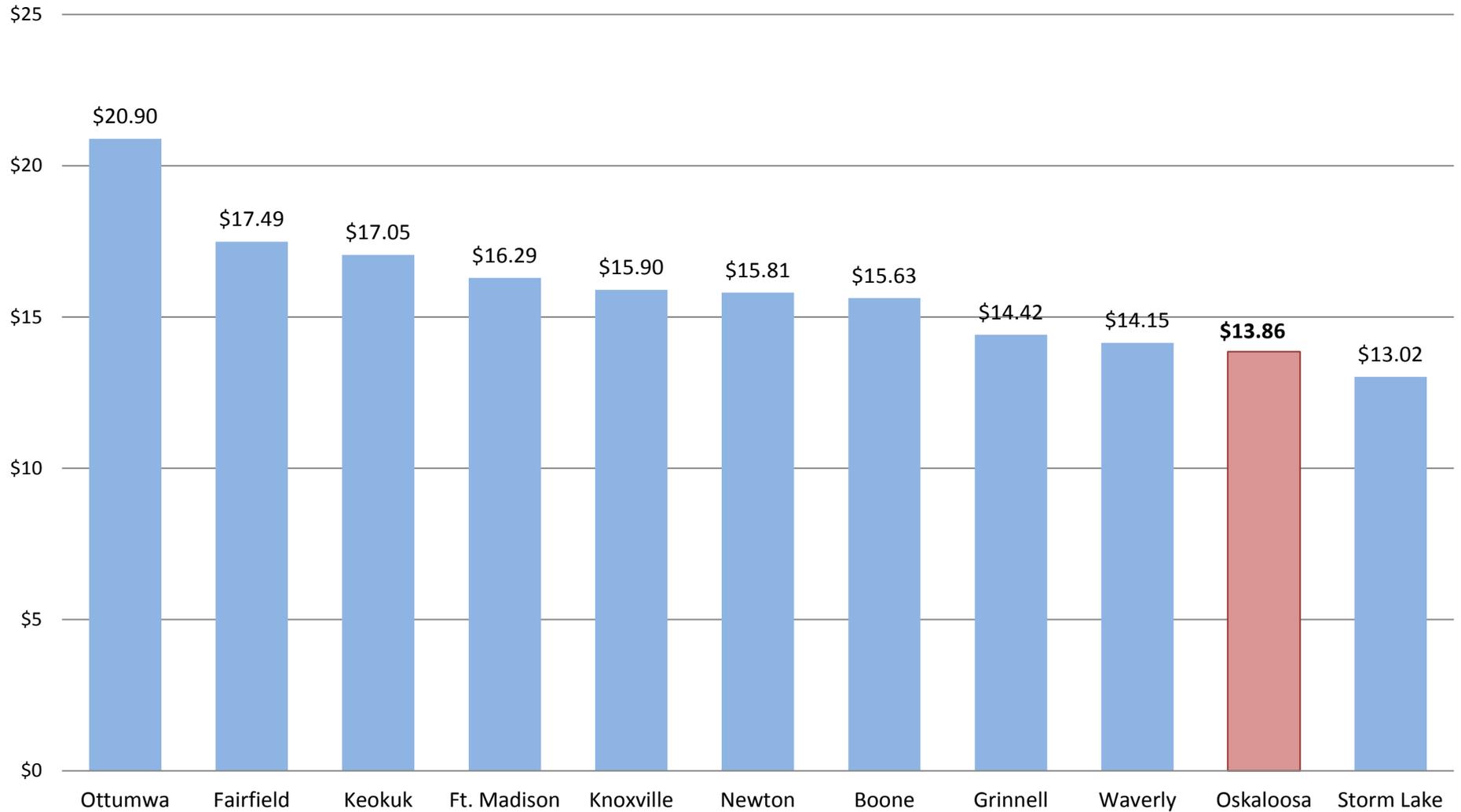
City of Oskaloosa Council Meeting
March 07, 2016

Budget Calendar

- 09/30/2015 - Five year CIP requests due to management
- 12/18/2015 - Department budget requests due to Clerk
- 01/25/2016 - City Council budget study session held
- 02/01/2016 - Proposed budget to Council (public hearing set)
- 02/18/2016 - Budget made available to public
- 03/07/2016 - Budget hearing (final budget adopted)
- 03/15/2016 - Certified budget to County Auditor
- 05/31/2016 - Printed budget books available publicly
- 07/01/2016 - Fiscal year 2016 begins

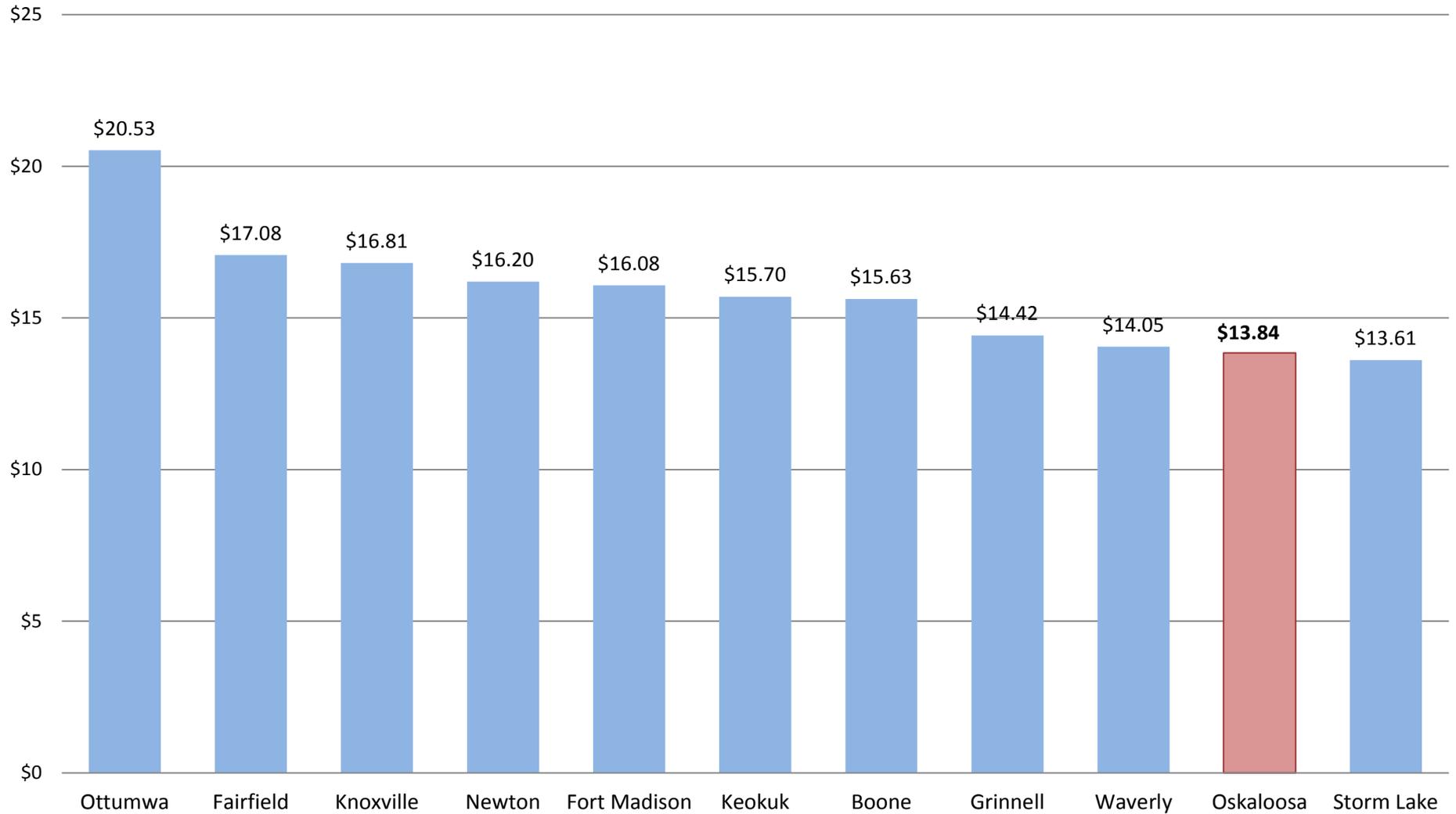
Comparable Cities - FY2015 City Rate High to Low

By Nonconsolidated Property Tax Rates per \$1,000 AV

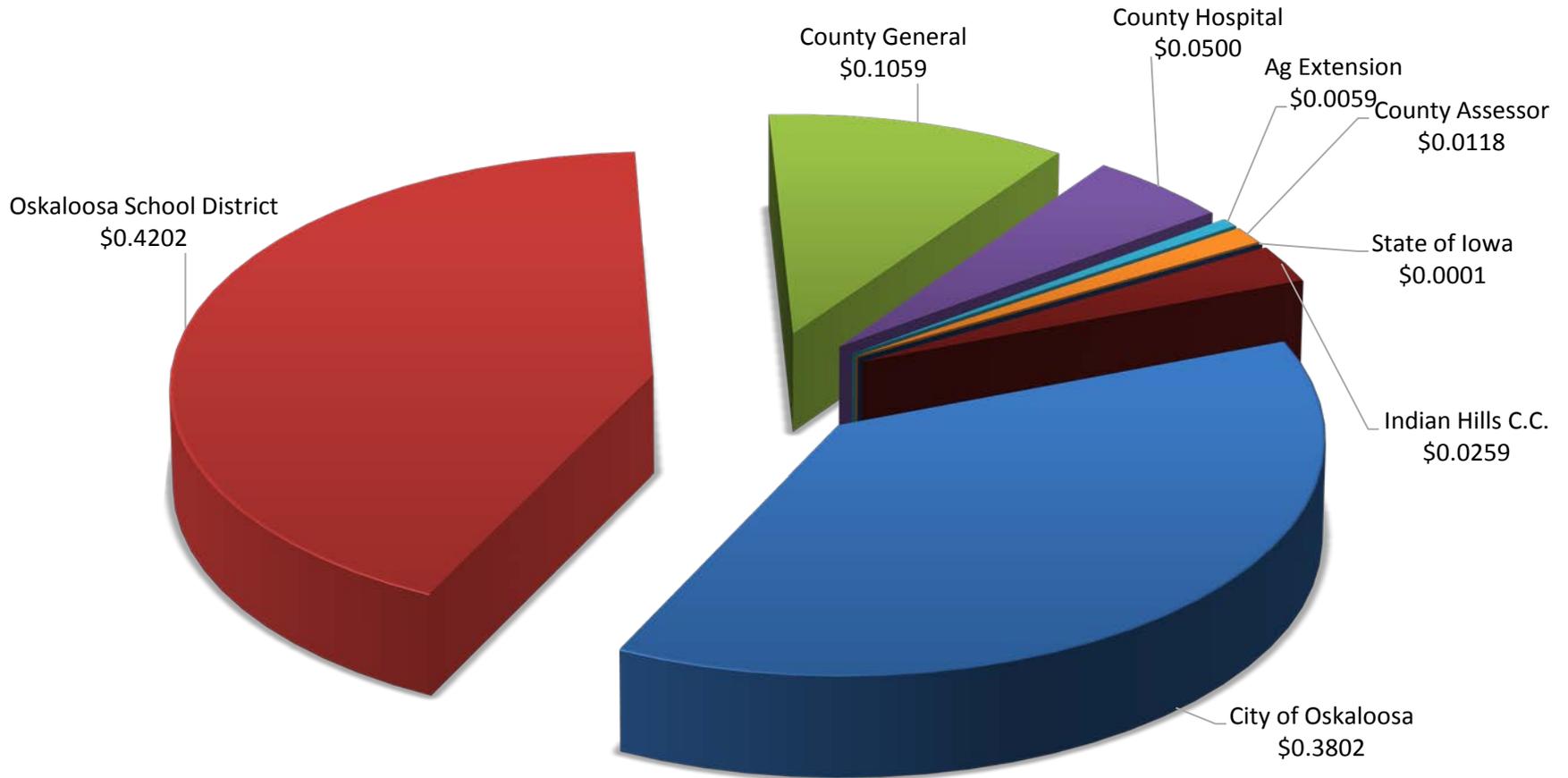


Comparable Cities - FY2016 City Rate High to Low

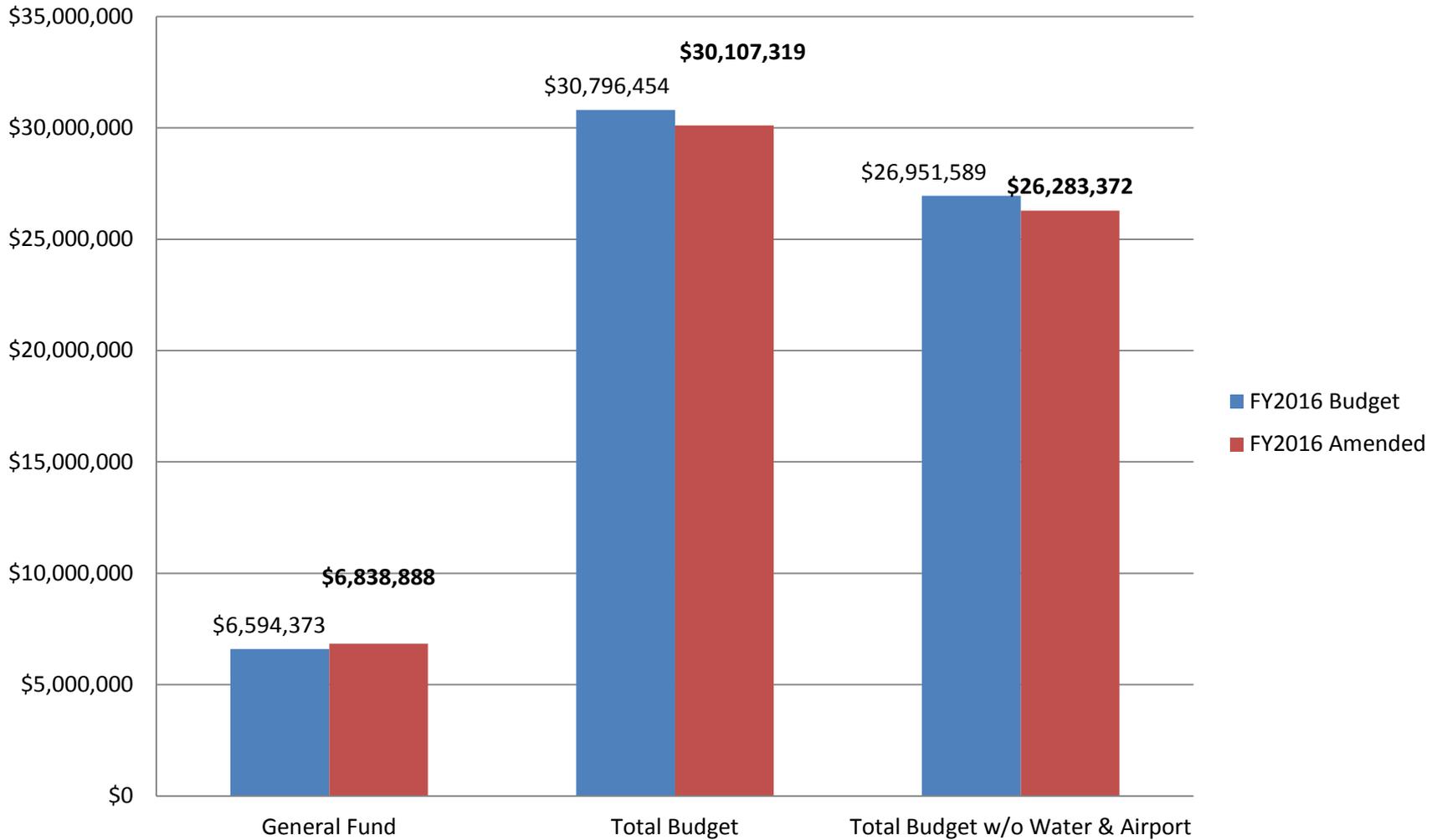
By Nonconsolidated Property Tax Rates per \$1,000 AV



How a \$1.00 of Property Tax in Oskaloosa is Divided by Entity - FY2016



FY2016 Budget vs. FY2016 Amended Budget



FY2016 Amended Budget
Recommended to be Approved on
March 7, 2016:

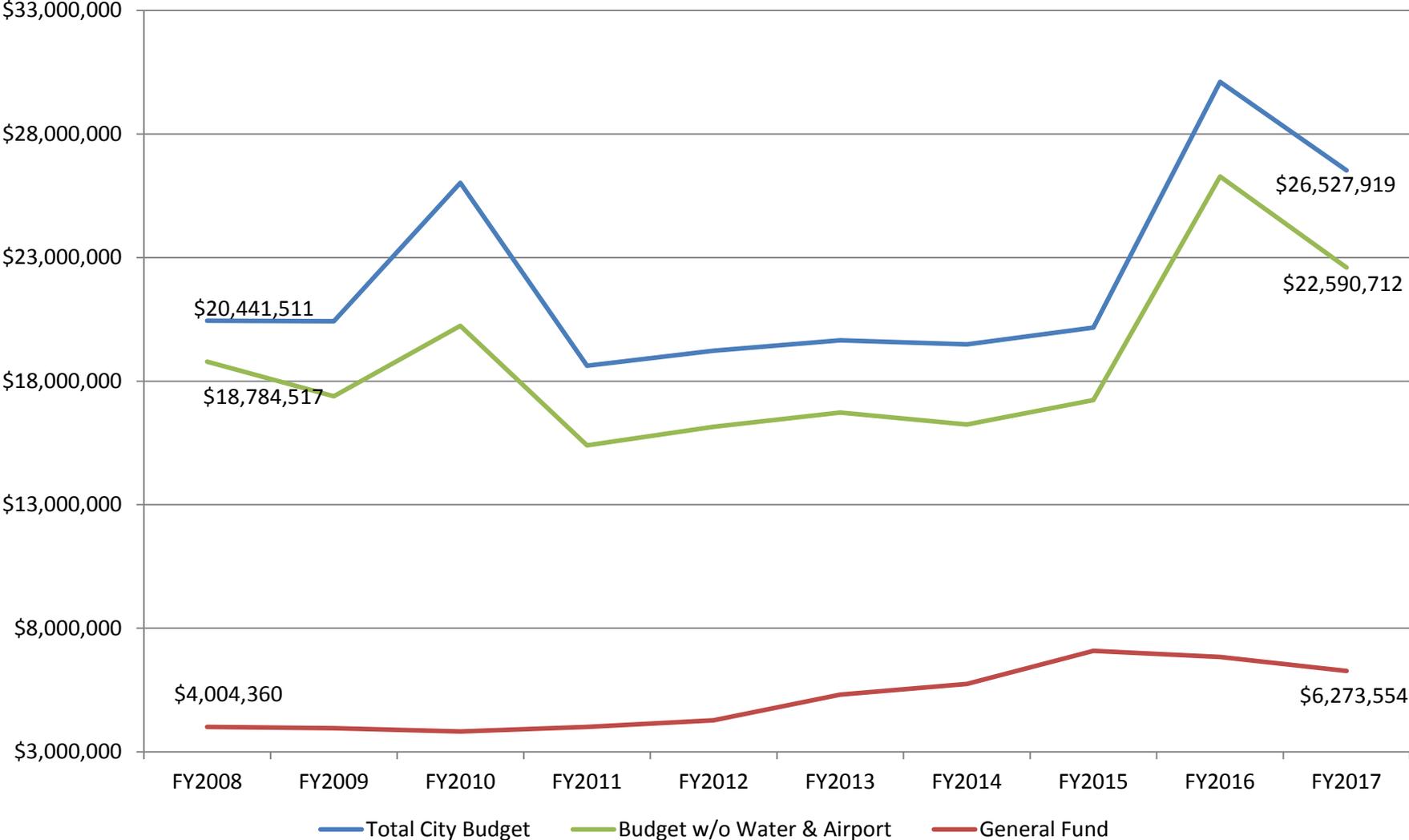
\$30,107,319

Questions from the City Council?

FY2017 Recommended Budget:

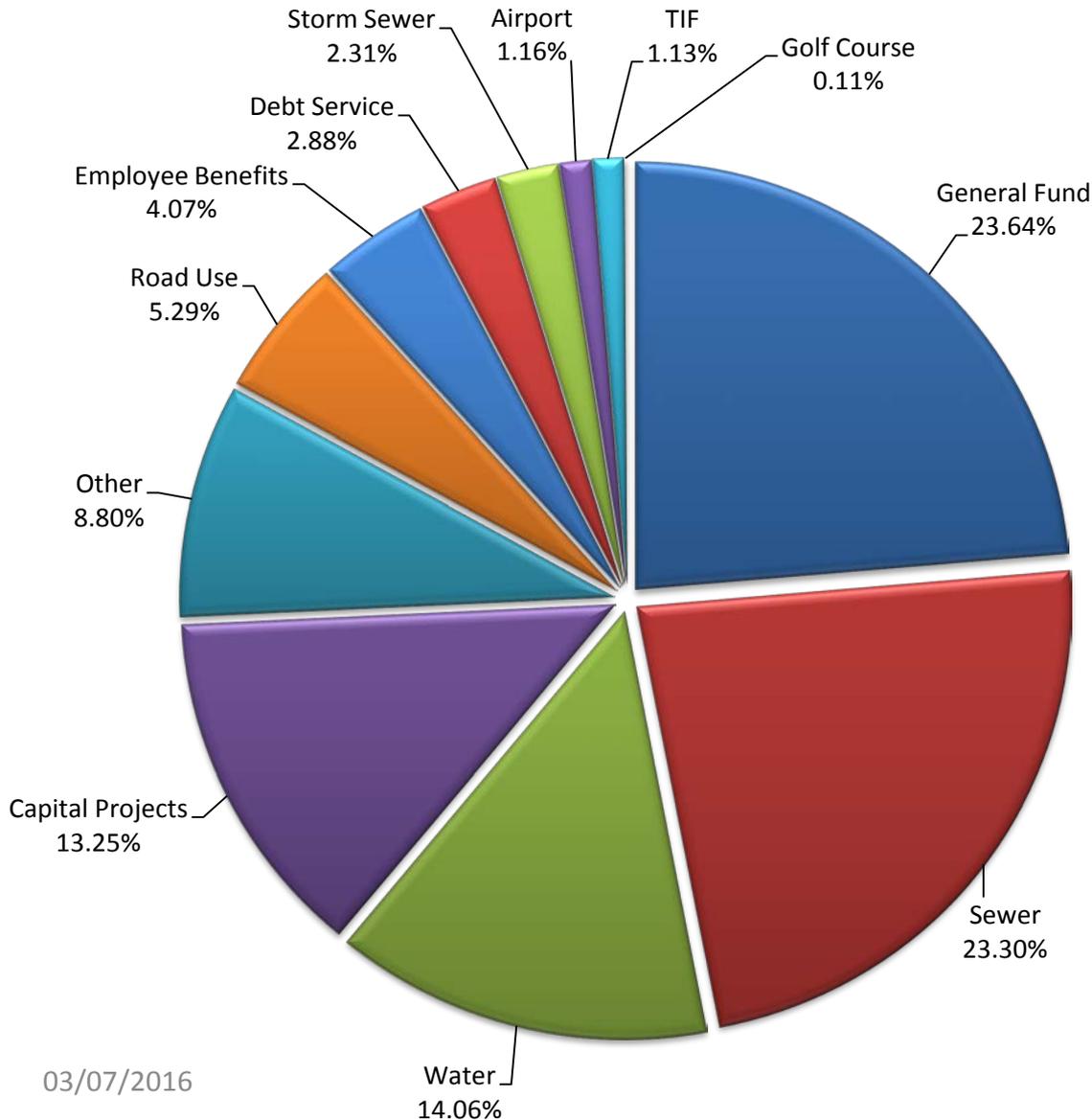
\$26,527,919

City Budget by Fiscal Year



Proposed Expenditures

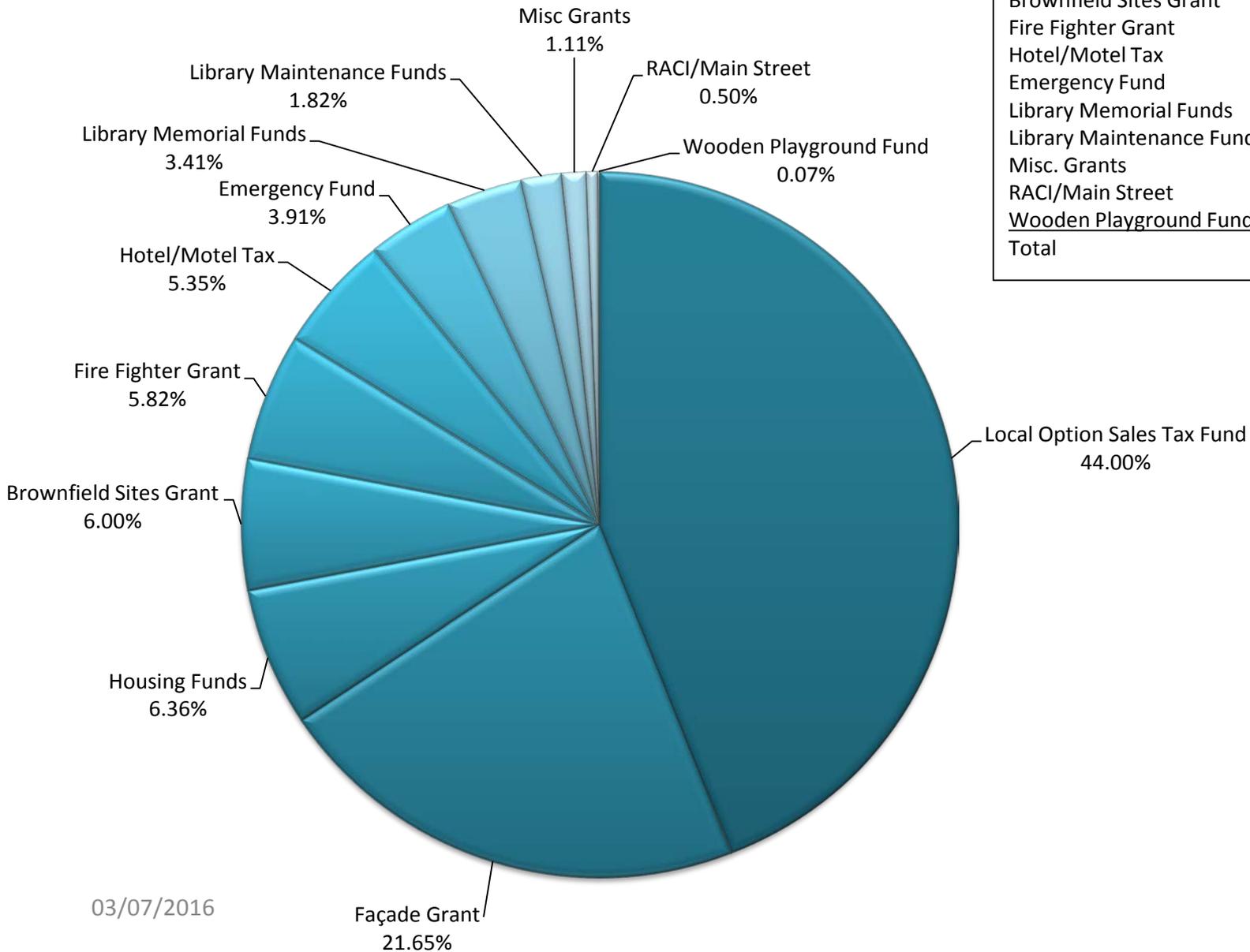
All Funds FY2017 (including Transfers)



General Fund	\$ 6,273,554
Sewer	\$ 6,179,954
Water	\$ 3,729,426
Capital Projects	\$ 3,513,805
Other	\$ 2,334,578
Road Use	\$ 1,402,736
Employee Benefits	\$ 1,080,704
Debt Service	\$ 763,203
Storm Sewer	\$ 611,974
Airport	\$ 307,781
TIF	\$ 300,613
Golf Course	\$ 29,591
Total	\$ 26,527,919

Proposed "Other" Expenditures FY2017

Local Option Sales Tax	\$ 1,027,059
Facade Grant	\$ 505,529
Housing Funds	\$ 148,470
Brownfield Sites Grant	\$ 140,000
Fire Fighter Grant	\$ 135,900
Hotel/Motel Tax	\$ 125,000
Emergency Fund	\$ 91,228
Library Memorial Funds	\$ 79,650
Library Maintenance Fund	\$ 42,500
Misc. Grants	\$ 26,000
RACI/Main Street	\$ 11,600
<u>Wooden Playground Fund</u>	<u>\$ 1,642</u>
Total	\$ 2,334,578



Property Tax Rate Review

FY2016 Property Tax Rates:

General	\$8.10000
Insurance	\$0.34010
Band	\$0.05498
Emergency	\$0.27000
Trust /Agency	\$2.82974
<u>Debt Service</u>	<u>\$2.25000</u>

Total Rate \$13.84482

FY2017 Property Tax Rates:

General	\$8.10000
Insurance	\$0.35274
Band	\$0.05261
Emergency	\$0.27000
Trust /Agency*	\$2.95915
<u>Debt Service</u>	<u>\$2.25257</u>

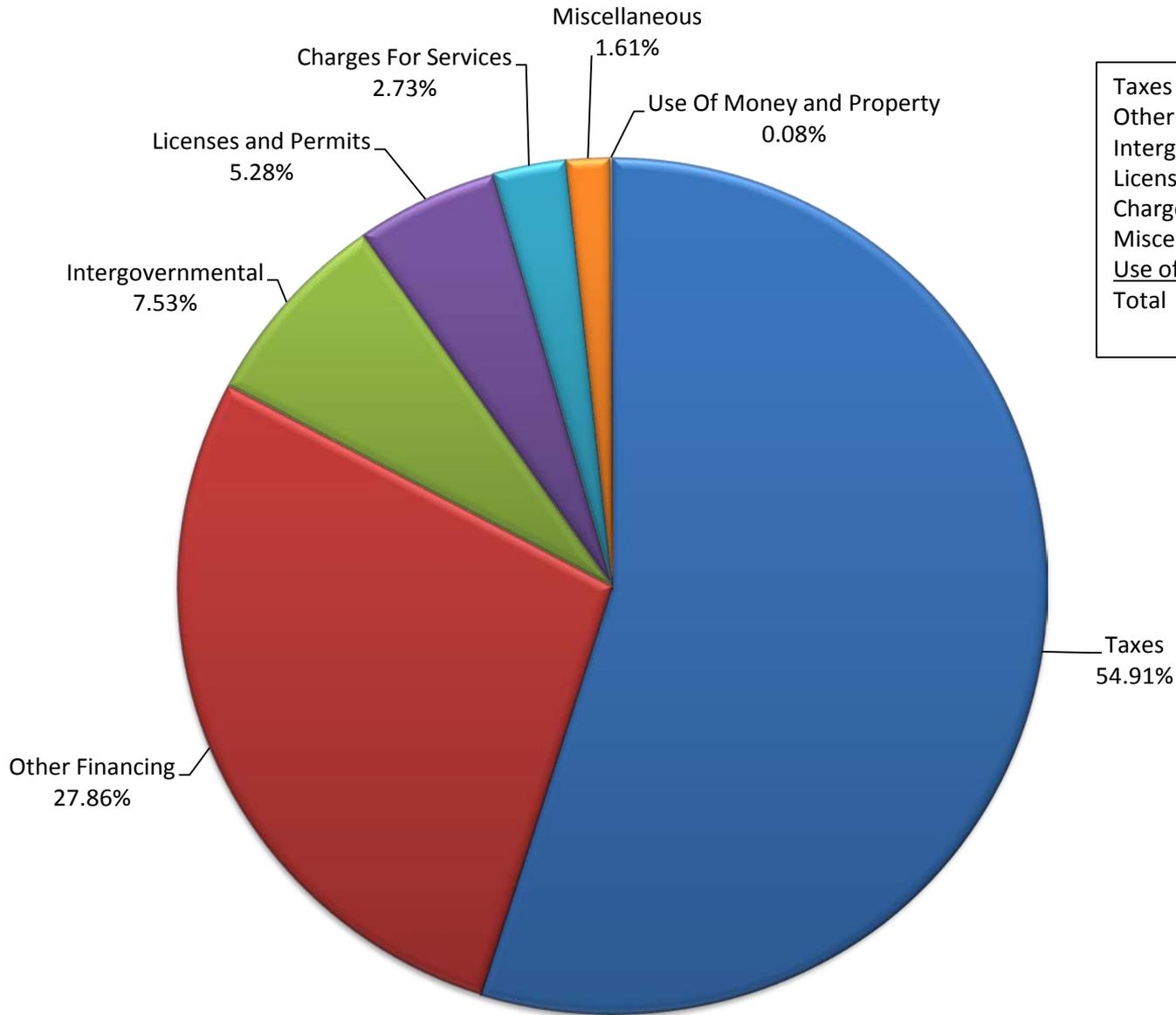
Total Rate \$13.98707

*Trust /Agency could vary slightly upon final approval of the budget.

Oskaloosa Non-Consolidated Property Tax Rate FY2008 - FY2017

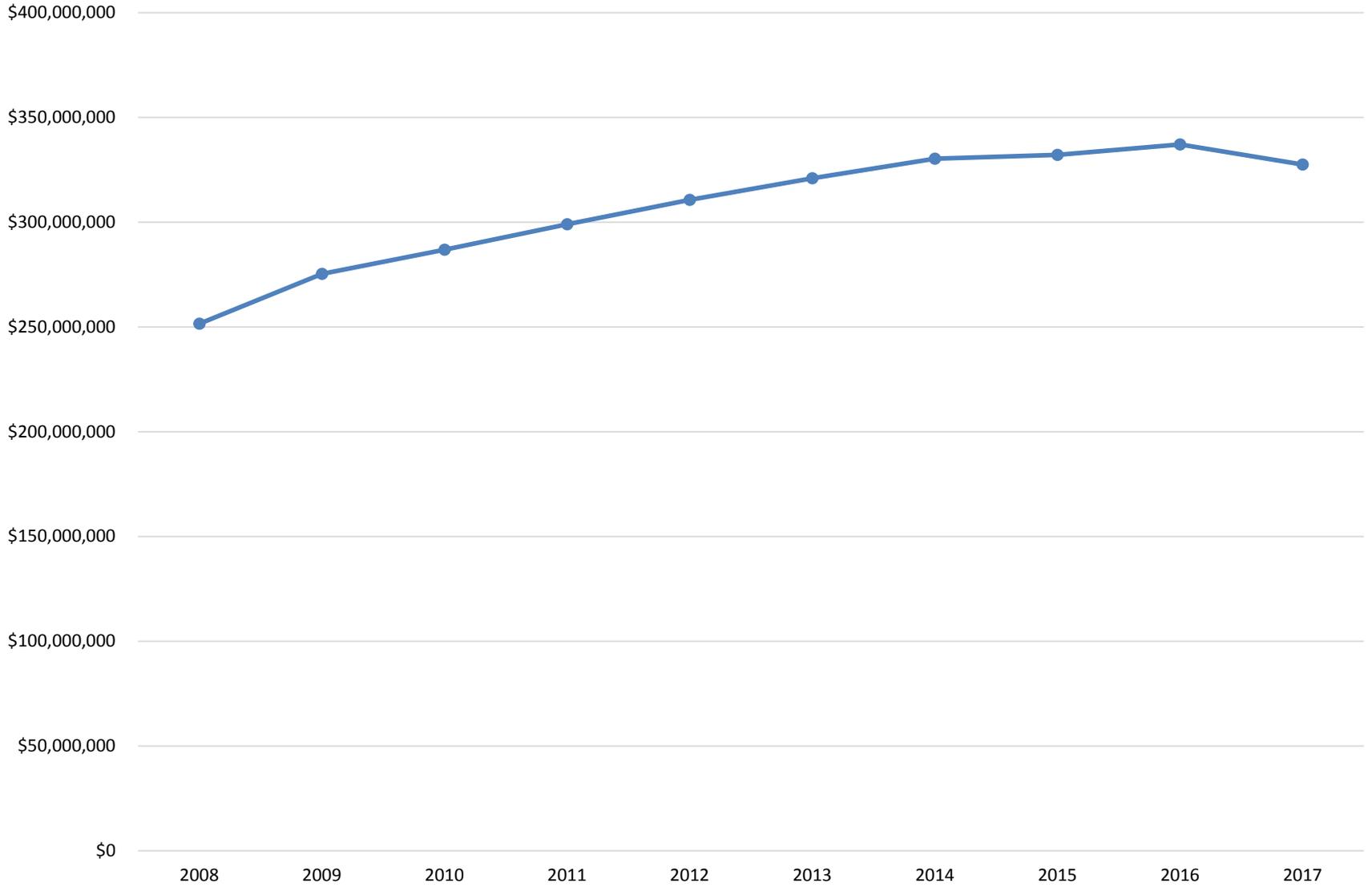


General Fund Revenue FY2017



Taxes	\$ 2,658,439
Other Financing	\$ 1,349,225
Intergovernmental	\$ 364,400
Licenses and Permits	\$ 255,744
Charges For Services	\$ 132,200
Miscellaneous	\$ 78,050
<u>Use of Money and Property</u>	<u>\$ 3,950</u>
Total	\$ 4,842,008

City Taxable Valuation FY2008 - FY2017



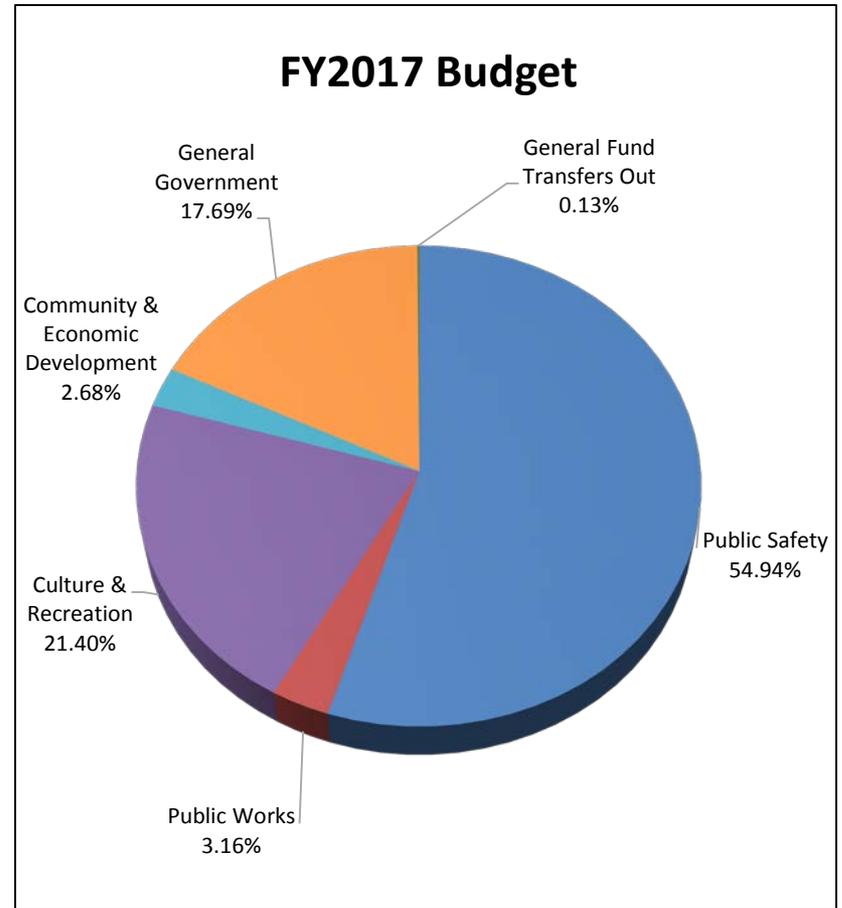
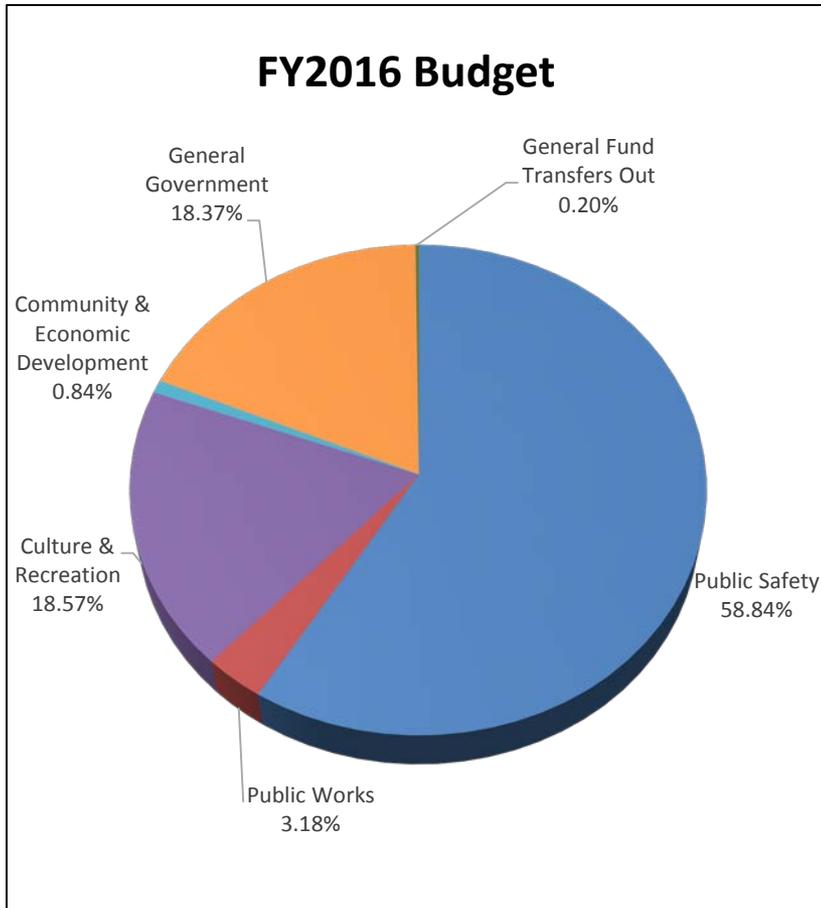
Summary of FY2017 Proposed Budget

- Tax rate up \$0.14225 per \$1,000 A/V
 - Residential rollback is down from 55.7335% to 55.6259%
 - Avg. homeowner (\$100,000 A/V) \$6.50 tax increase compared to current year
 - Commercial/Industrial rollback steady at 90%
 - Avg. commercial owner (\$260,000) \$33.00 tax increase
 - Avg. industrial owner (\$1,025,000) \$131.00 tax increase
 - New Multi-family classification rollback at 86.25%
 - Adversely impacts revenue; result of SF295
 - 10 year reduced rollback until equal to Residential Rollback
 - » 100% AV to less than 63.75% AV

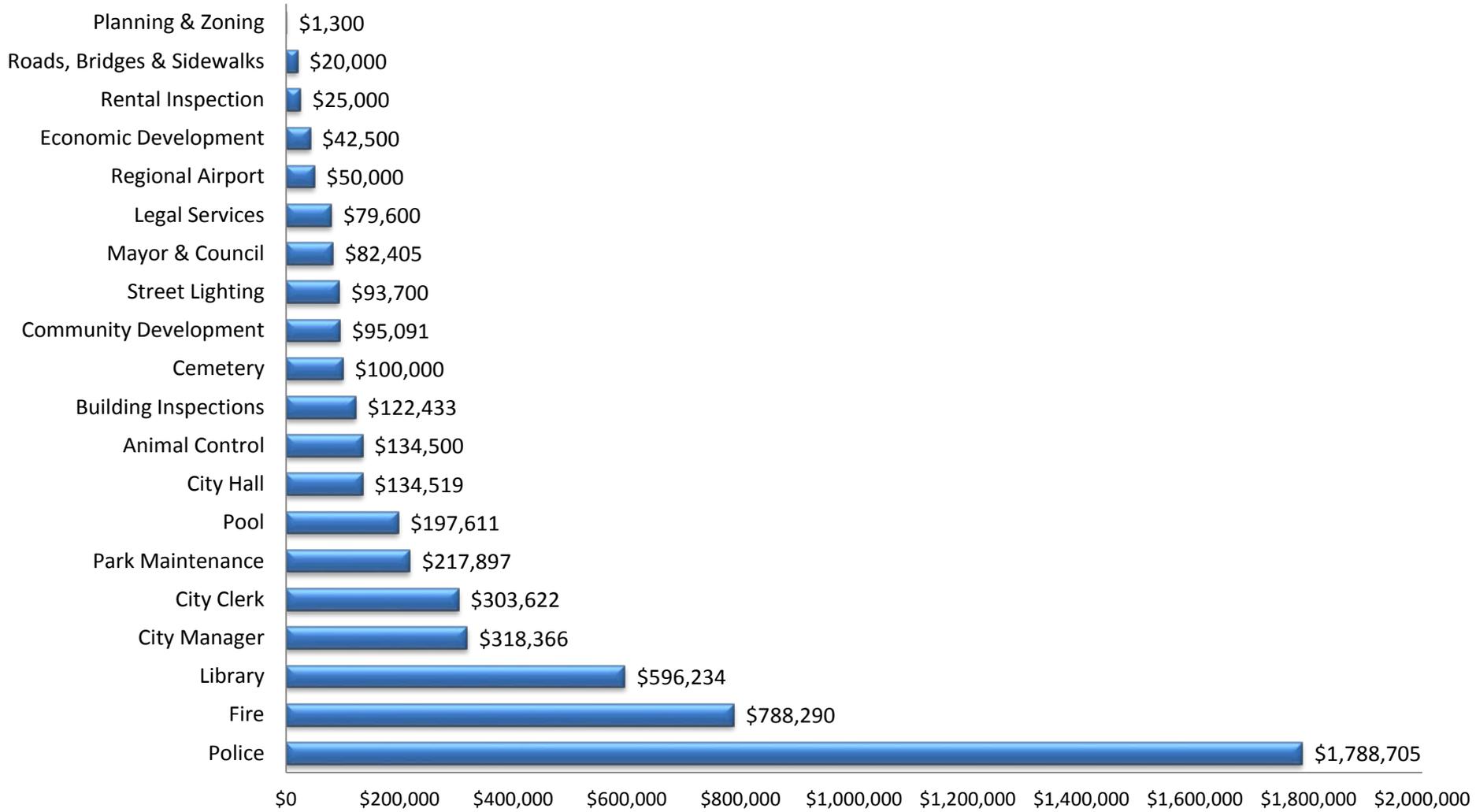
Summary of FY2017 Budget

- General Fund
 - Addition of Community Development Coordinator
 - Anticipated to be funded 100% by Franchise Fees
 - \$25,000 budgeted for nuisance abatement
 - Replacing critical equipment
 - Police and Fire (patrol vehicles/fire equipment)
 - Fire Station No. 1 project construction
 - Payments to outside agencies
 - Forest Cemetery \$100,000 subsidy
 - Animal Shelter \$71,500 operations; \$3,000 capital program
 - Additional \$60,000 set aside for building project
 - Chamber of Commerce \$40,000

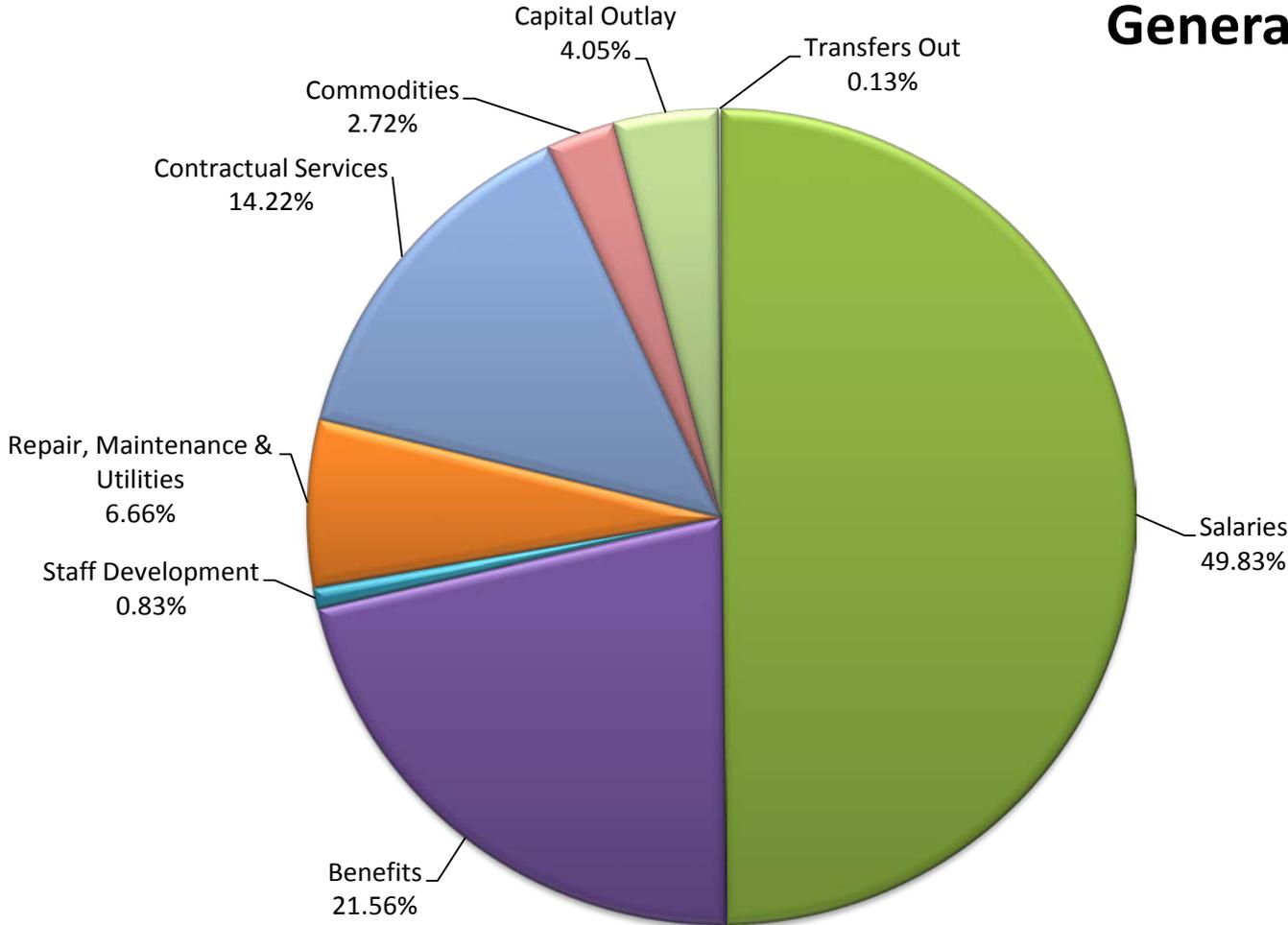
General Fund Expenditures by Program FY2016 and FY2017 Budgets



General Fund by "Activity" FY2017



Proposed Expenditures General Fund Only FY2017

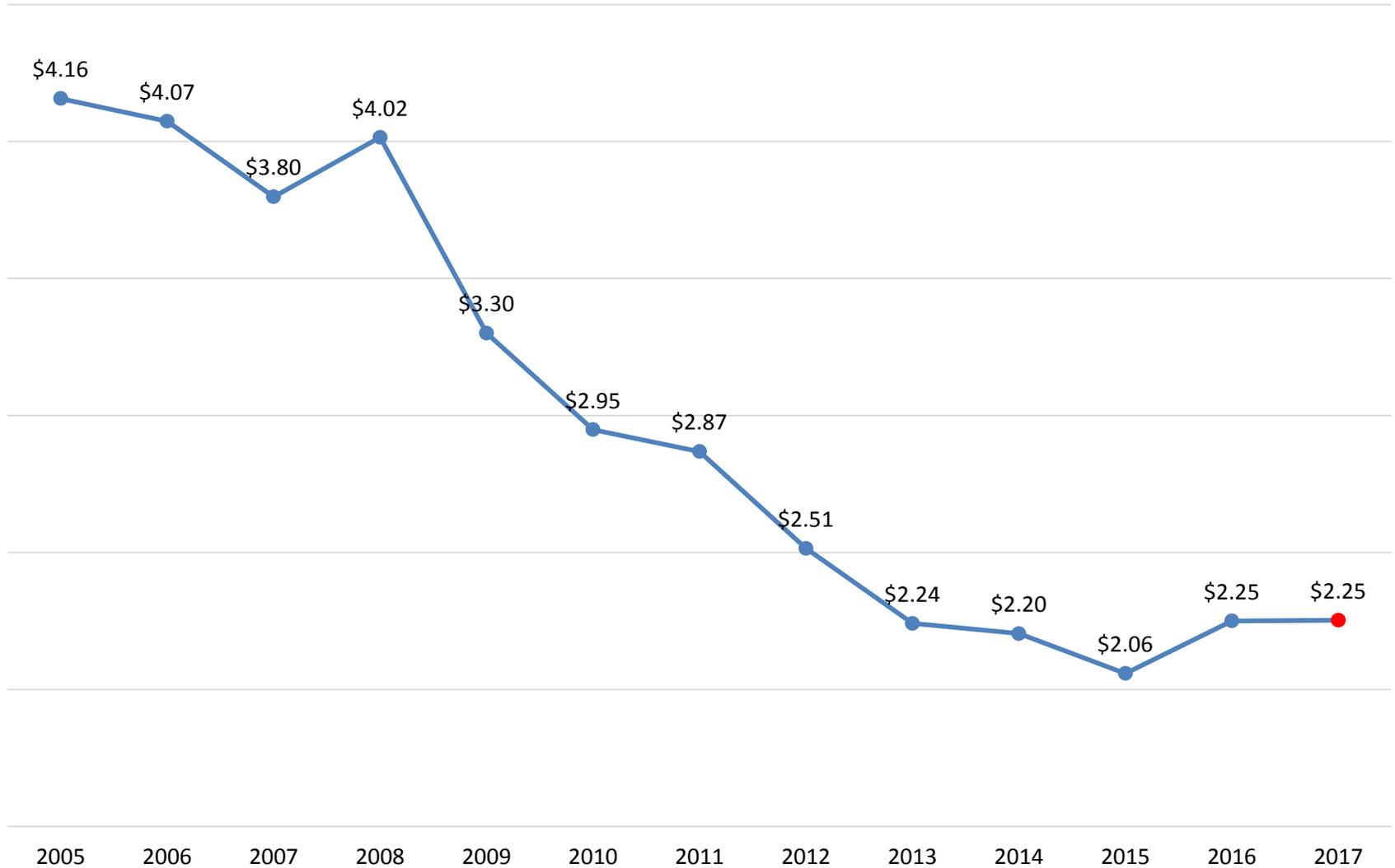


Salaries:	<i>All wages</i>	Commodities:	<i>Supplies, copies, postage</i>
Benefits:	<i>All benefits, including uniforms, cell phones</i>	Capital outlay:	<i>Furniture, equipment, fixtures</i>
Staff development:	<i>Training, meetings</i>	Transfers out:	<i>Allocations to other funds</i>
Repair, maintenance, utilities:	<i>Vehicle-equipment repairs & utilities</i>		
Contractual services:	<i>Insurance, printing-publication, prof. services</i>		

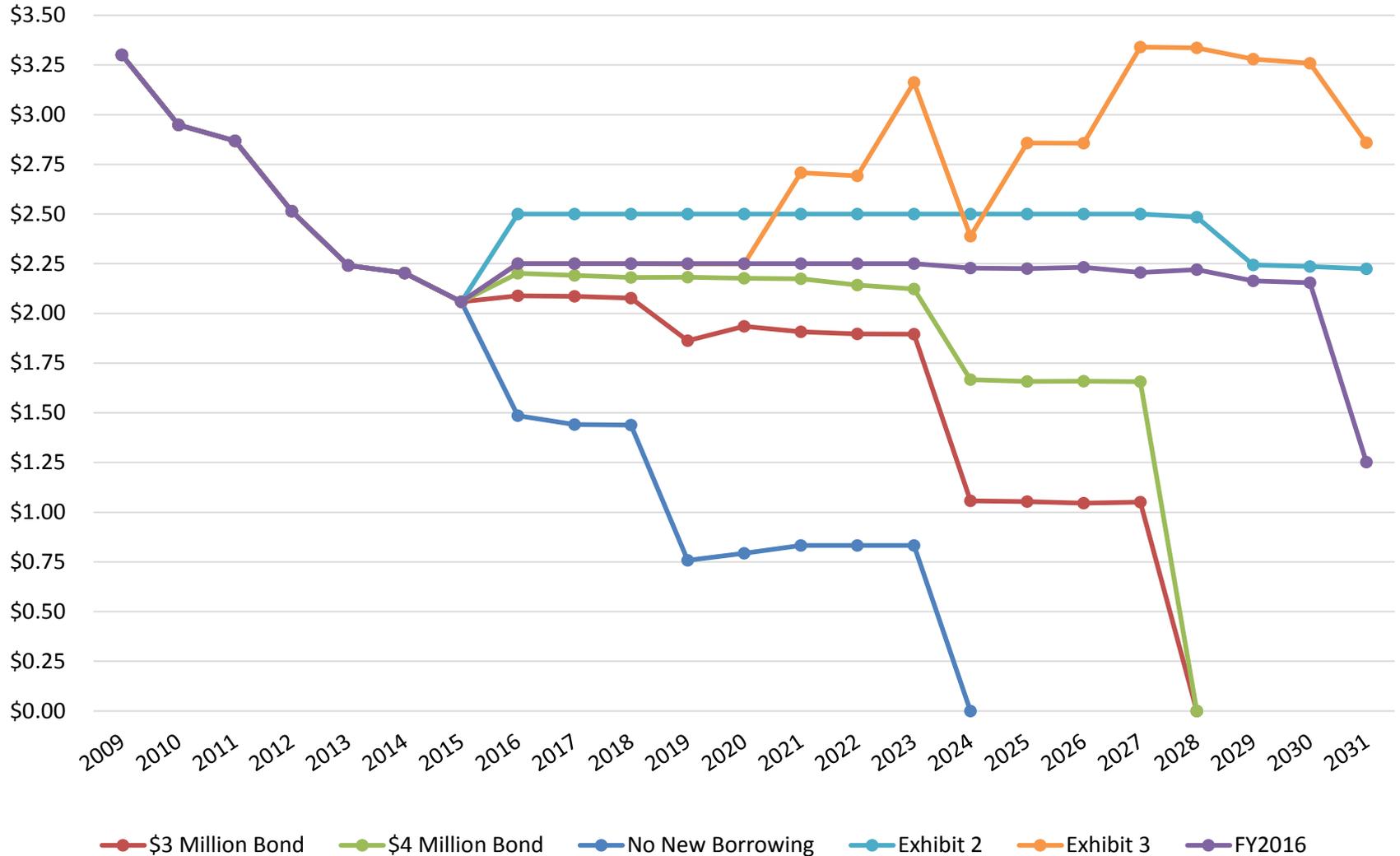
Summary of FY2017 Budget

- Debt and Borrowing
 - Rate set at \$2.25257 per \$1,000 A/V
 - Council evaluating long term debt plan to complete community improvement projects
- Proposed \$3,000,000 in G.O. debt in FY2018, FY2023 and FY2028
 - Maximum tax levy rate is \$2.84
- Impact of May 3, 2016 election

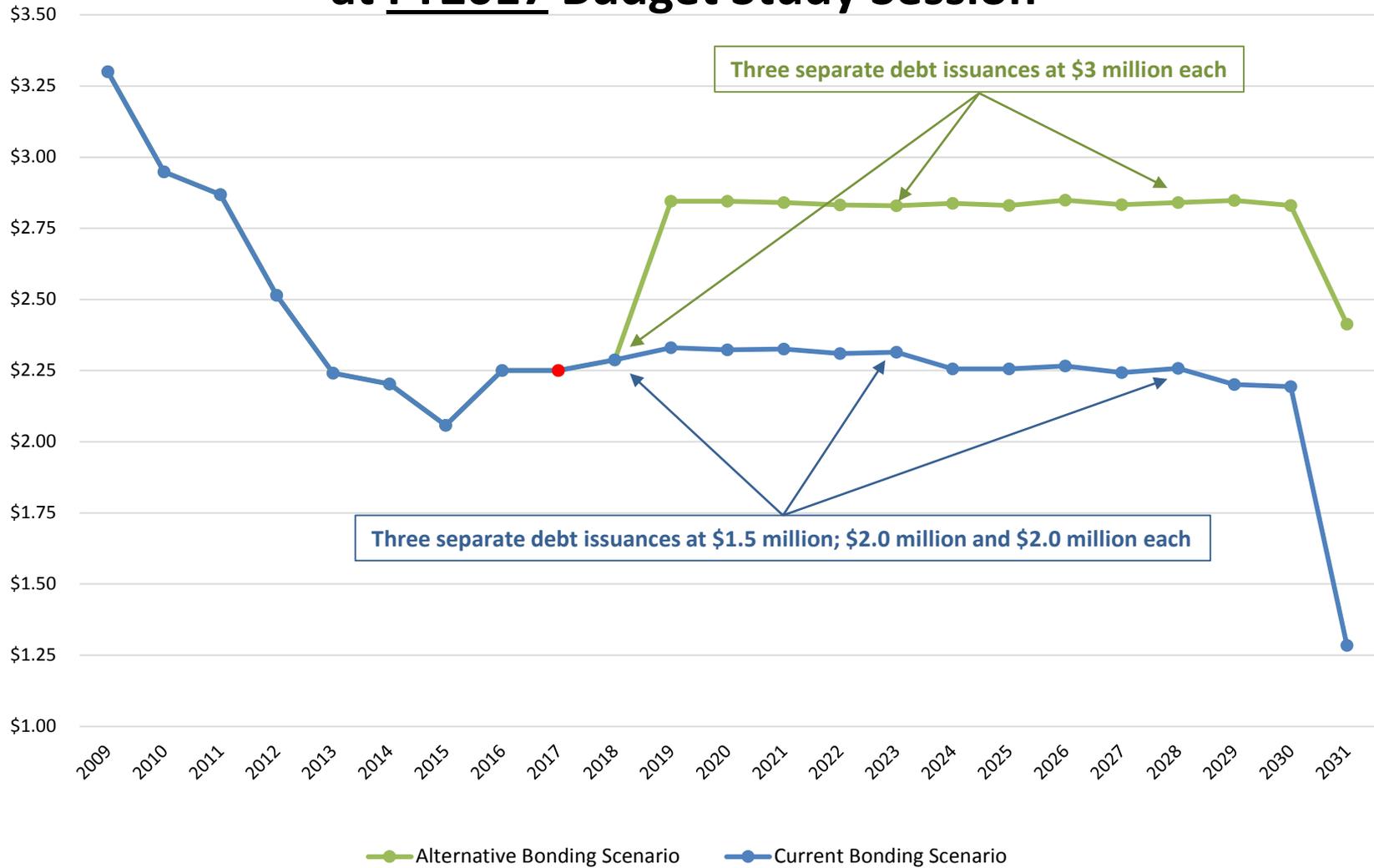
Historical Property Tax Rate Associated with Debt



Debt Service Rate Options Discussed at FY2016 Budget Study Session



Debt Service Rate Options Discussed at FY2017 Budget Study Session



Summary of FY2017 Budget

- Road Maintenance and New Construction
 - Approximately \$2.76 million budgeted for this purpose
 - Funding sources:
 - Road Use Tax Fund (RUTF)
 - Local Option Tax and Franchise Fees
 - Surface Transportation Program (STP) funds

Road Improvement Projects and Maint. Expenses

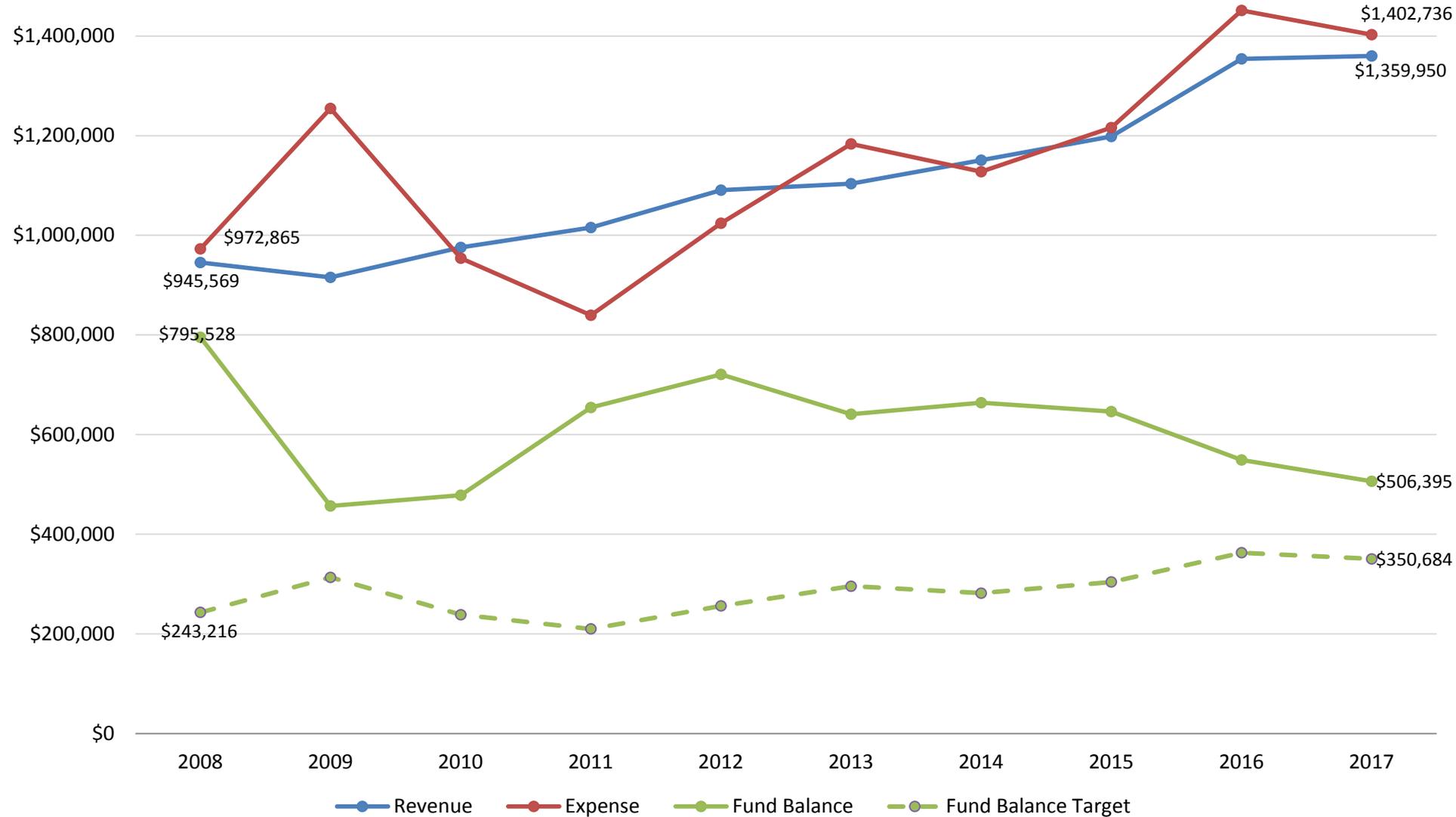
Project Location	FY2016	FY2017
3rd Avenue East	\$1,277,300	-
E Avenue and North 12 th Street	\$390,000	-
South 11th Street	\$430,769	-
B Avenue East	\$150,000	-
Sheriff Avenue Design	\$40,000	-
A Avenue Sidewalk Improvements	\$33,678	-
Northeast Bridge Reconstruction (80/20 grant funded project with DOT)	\$100,000	\$400,000
Burlington Road (80/20 STP funded project)	\$4,000	\$50,000
South D Street Reconstruction (80/20 STP funded project)	-	\$150,000
South D Street Traffic Signals	-	\$20,000
Corridor Improvements (Wayfinding signs)	-	\$80,000
City Owned Parking Lot Rehab (Hy-Vee Location)	-	\$300,000
Annual Street Maintenance (not chip seal)	-	\$100,000
Traffic Signal Study (Citywide)	-	\$50,000
Active Transportation Plan (Sidewalks)	-	\$50,000
Safe Routes to School Sidewalk Improvements (80/20 TAP funded project)	\$116,000	\$116,000
Annual Sidewalk Inspections/Assessments	\$10,000	\$15,000
Green Street Sidewalk Improvement	-	\$25,000
Street Maintenance Supplies (Chip Seal, Crack Seal, Concrete Repairs, Pothole Material)	\$150,000	\$150,000
Other Road Maintenance Related Activities (Public Works Department - all functions)	\$1,301,199	\$1,252,736
	\$4,002,946	\$2,758,736

Road Improvement and Maintenance

– Road Use Tax Fund

- Pays for street maintenance and day-to-day operations
- Approximately \$1.3 million directed to maint. & operations
 - 50+ blocks of chip seal
 - Crack seal maintenance
 - Spot mill and overlays
 - Snow removal
 - Street cleaning
 - Heavy equipment purchases

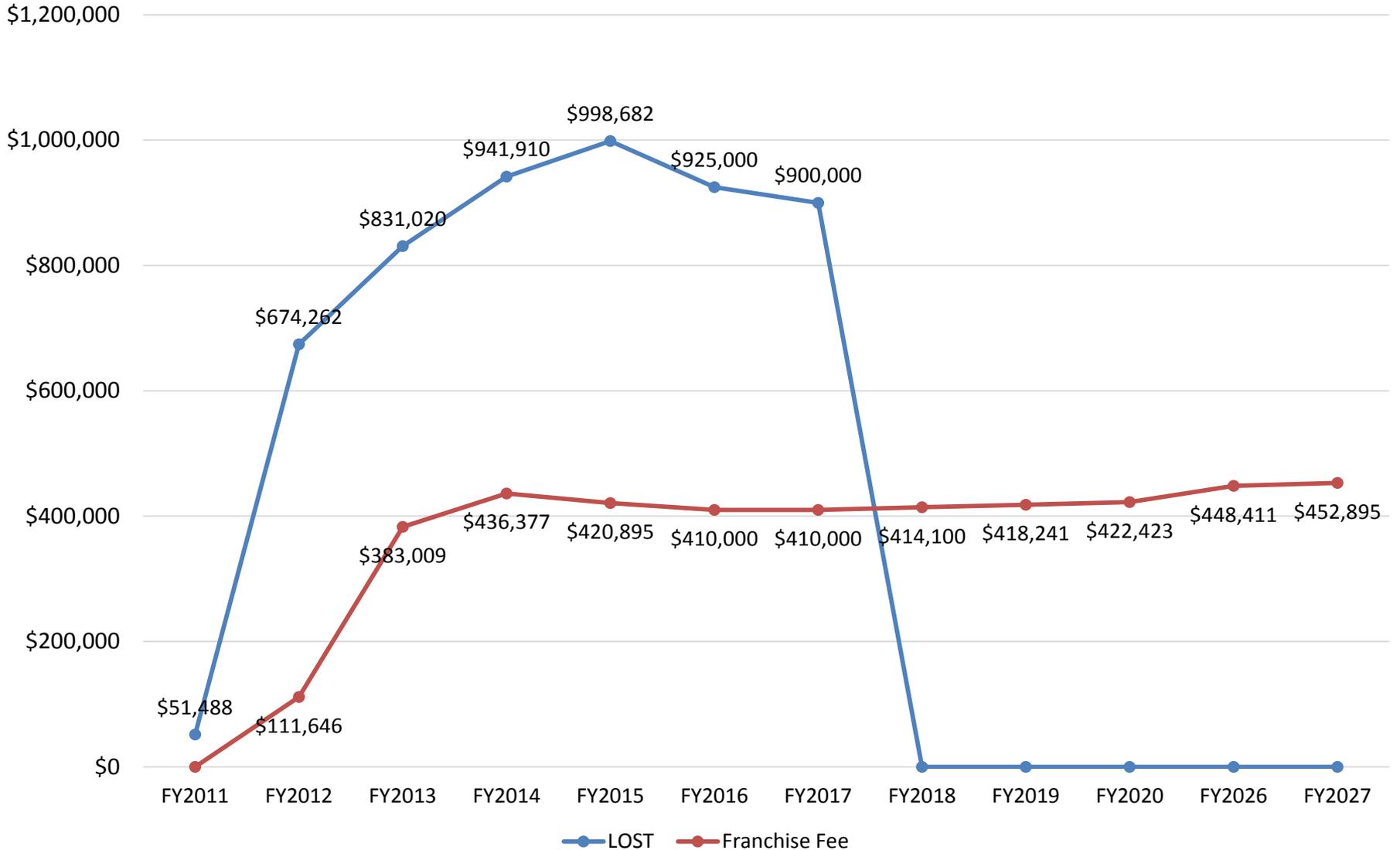
Road Use Tax Fund FY2008 - FY2017



Road Improvement and Maintenance

- Local Option Tax and Franchise Fees
 - LOST Expires December 31, 2016
 - One cent sales tax; cannot be charged to MidAm bills
 - Franchise Fees remain at current rates
 - 3.0% Residential/Commercial
 - 1.5% Industrial
 - Sources continue to fund road and infrastructure
 - Approximately \$.92 million budgeted such purposes
 - Leveraging funds with four grant projects

Local Option Tax & Franchise Fee Revenue



Road Improvement and Maintenance

- Surface Transportation Program (STP) Funds
 - Provided by the Feds to the State, to the RPAs
 - RPA 15 disburses STP funds to local entities
 - RPA 15 utilizes a per capita distribution system
 - Requires 20% local match
 - Regional type projects only
 - Burlington Road
 - South D Street

Fiscal Year	STP Projected Balance	Projects Programmed
FY2016	\$846,068	\$148,000
FY2017	\$943,012	\$128,000
FY2018	(\$223,996)	\$1,392,000
FY2019	\$996	\$0
FY2020	\$225,988	\$0

Summary of FY2017 Budget

- Sanitary Sewer Fund
 - Current financial plan forecasts increases annually
 - Investment in system improvements increased:
 - Prior years \$300,000-\$400,000 annually
 - proposed plan include more than \$1,400,000 annually
 - DNR mandates will lead to additional projects
 - New Engineer Technician included in budget
 - Experiencing system wide failures

Increase Date	Minimum Charge Per Month	Change	Per 100 Cubic Feet	Change
4/1/2009	\$6.65	\$0.23	\$3.18	\$0.11
4/1/2010	\$6.65	\$0.00	\$3.18	\$0.00
3/1/2011	\$7.08	\$0.43	\$3.39	\$0.21
3/1/2012	\$7.33	\$0.25	\$3.51	\$0.12
3/1/2013	\$7.59	\$0.26	\$3.63	\$0.12
3/1/2014	\$7.59	\$0.00	\$3.63	\$0.00
4/1/2015	\$8.73	\$1.14	\$4.17	\$0.54
4/1/2016*	\$10.91	\$2.18	\$5.21	\$1.04
4/1/2017*	\$13.10	\$2.18	\$6.26	\$1.04
4/1/2018*	\$15.06	\$1.96	\$7.19	\$0.94
4/1/2019*	\$15.81	\$0.75	\$7.55	\$0.36
4/1/2020*	\$16.60	\$0.79	\$7.93	\$0.38
4/1/2021*	\$17.43	\$0.83	\$8.33	\$0.40
4/1/2022*	\$18.30	\$0.87	\$8.74	\$0.42

* Proposed rate increases to be considered at a future date; based upon funding the operational and capital plans as presented

FY2017 Recommended Budget to be
Approved on March 7, 2016:

\$26,527,919

Questions from City Council?