

2016 Budget Expenditures

City of Knoxville, Iowa

Presentation by
Harold Stewart, City Manager

Monday, February 9, 2015



City Staff Guiding Principles

- ❖ Balance Budget by Using Minimal Utility Franchise Fees
- ❖ Only Commit LOST Revenues for Downtown Streetscape, Equipment Replacement and projects (doesn't support operational costs)
- ❖ Meet Council Priorities
- ❖ Add \$100,000 to reserves
- ❖ No increase to Mill Levy
- ❖ No increase to Sewer Rates
- ❖ Wage increases: 3% non-Union, 3% Union

FY 15/16 Council Priorities

- **Priority 1 - Roads**
 - \$3.5 Million budgeted for road improvements (STP funds will be used for a portion)
 - Park Lane Progress
- **Priority 2 – Walking/Bike Trails**
 - Approximately \$250,000 in reserves already, additional funding as a Bond issue and grant funding
- **Priority 3 – Broadband/Internet**
 - Planning and discussion phase this year, no money budgeted
- **Priority 4 – Housing Growth**
 - No funds budgeted this year, though there still is some money set aside from previous fiscal year; TIF/Tax Abatement will be the primary funding mechanism
- **Priority 5 – Recreation Center Expansion**
 - Bond issue for the Fall ballot, no other funding budgeted
- **Priority 6 – Sidewalks**
 - \$130,000 in LOST funding budgeted

Property Tax Levy Discussion

2016 Budget Form

SUBMIT THE CITY BUDGET If you are connected to the internet, verify your Property Valuations by letting click the appropriate link at right. You may also submit **CHECK CITY VALUATIONS**
Taxable Valuations by levy authority

Import Data **63-597**

of Budget and Certification of City Taxes
BEGINNING JULY 1, 2013 - ENDING JUNE 30, 2014

County Name: MARION Date Budget Adopted: 12/20/13

heating as required by law, as specified above, the proposed budget was adopted as summarized and attached hereto, and tax levies, as itemized City. There is attached a Long Term Debt Schedule Form 700 for the debt service needs, if any.

(641) 828-0550 Signature

January 1, 2012 Property Valuations

	With Gas & Electric	Without Gas & Electric	Levy Official Census
Regular **	186,283,966	181,760,199	7,313
Debt Service Valia **	196,767,731	192,243,954	
Ag Land **	369,885		

TAXES LEVIED

(A)	(B)	(C)
Request with	Property Taxes	

16.81074

2015 Budget Form

15.89683

Property Tax Levy Discussion

- The increase is due to two factors
 - Union Contract change regarding premiums
 - Replenish Safety Fund after an expensive claims year (Maintain balance of \$240,000)

Airport

Expenditures	FY 15	FY 16 Proposed	% Difference
Operations	\$ 106,615	\$ 115,315	7.54%
Improvements	\$ 740,800	\$ 242,861	-67.22 %
Total Expenses	\$ 847,415	\$ 358,176	-57.73%
Revenues			
Revenues	\$ 72,600	\$ 83,290	12.83%
Grants	\$ 666,714	\$ 218,861	-67.17%
Rev Subtotal	\$ 739,314	\$ 302,151	-59.13%
GF Support Required	\$ 108,101	\$ 56,025	-48.17%

Budget Highlights

- There is a budgeted transfer from the General Fund to the Airport account of \$50,000. \$32,000 is to balance the expenditures and \$18,000 is to decrease the negative balance on the books.
- \$24,000 budgeted for apron work to get 90% Federal funding (total project cost \$242,861)

Cemetery

Expenditures	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 125,138	\$ 128,736	2.88%
Operations	\$ 62,576	\$ 54,742	-12.52%
Total Expenditures	\$ 187,714	\$ 183,478	-2.26%
Revenues			
Cemetery Svc /Lot Sales	\$ 61,300	\$ 55,700	-9.14%
Cemetery Roads Fund	\$ 1,400	\$ 1,125	-19.64%
Perpetual Care Fund	\$ 4,800	\$ 4,800	-
Rev Subtotal	\$ 67,500	\$ 61,625	-8.7%
GF Support Required	\$ 120,214	\$ 121,853	1.36%

Budget Highlights

- \$1,000 to replace office furniture
- \$1,500 tiling for drainage issues

City Clerk

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 49,646	\$ 51,135	3%
Operations	\$ 25,150	\$ 26,350	4.77%
Total	\$ 74,796	\$ 77,485	3.6%

Budget Highlights

- No significant change
- Employee practices bond increase

City Hall

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 57,148	\$ 62,466	9.31%
Operations	\$ 97,900	\$ 73,250	-25.18%
Total	\$ 155,048	\$ 135,716	-12.47%

Budget Highlights

- In FY 15, replacement of 9 heating units were budgeted. FY 16 budget includes replacement of 1 heating unit, resulting in a significant decrease.

City Manager, Mayor & Council

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 120,236	\$ 112,770	-6.21%
Operations	\$ 53,850	\$ 42,550	-20.98%
Total	\$ 174,086	\$ 155,320	-10.78%

Budget Highlights

- \$30,000 of City Manager's salary will be budgeted in "Economic Development" business unit
- \$15,000 for Spring Cleanup activity in Spring 2016
- \$2,000 for new City Manager laptop
- Community Survey was budgeted in FY 15, resulting in decrease for FY 16

Economic Development

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 30,000	\$ 30,000	-
Operations	\$ 508,860	\$ 179,260	-64.8%
Total	\$ 538,860	\$ 209,260	-61.17%

Budget Highlights

- New business unit created to track and account for Economic Development-related activities
- \$30,000 of City Manager's salary to be paid out of this business unit
- \$5,000 Greater Des Moines Partnership plus \$2,000 to attend trade shows
- Knoxville Chamber of Commerce to receive \$25,000 Hotel/Motel tax collections
- \$100,000 to Knoxville Economic Development Commission (KEDC)
- \$30,000 financial contribution to Grand Theater
- \$2,000 financial contribution to Sprint Car Hall of Fame for Vision Iowa Grant

Fire & Rescue

Expenditures	FY 15	FY 16 Proposed	Difference
Personnel	\$ 351,185	\$ 368,800	5.02%
Operations	\$ 229,283	\$ 219,538	-4.25%
Total Expenditures	\$ 580,468	\$ 588,338	1.36%
Revenues			
Rescue Services	\$ 440,000	\$ 455,000	3.41%
Public Sources	\$ 0	\$ 0	-
Rev Subtotal	\$ 440,000	\$ 455,000	3.41%
GF Support Required	\$ 140,468	\$ 133,338*	-5.08%

Budget Highlights

*77.3% Sustaining

- \$15,000 ambulance lease payment (\$15k General Fund and \$30,000 from LOST)
- \$6,250 increase in budgeted dispatching services

Library – General Fund

Expenditures	FY 15	FY 16 Proposed	Difference
Personnel	\$ 168,825	\$ 177,785	5.3%
Operations	\$ 117,920	\$ 112,320	-4.75%
Expenditure Total	\$ 277,891	\$ 285,545	2.75%
Revenues			
Library Revenues	\$ 44,975	\$ 48,425	7.67%
Levy	\$ 49,075	\$ 50,898	3.71%
Rev Subtotal	\$ 94,050	\$ 99,323	5.61%
GF Support Required	\$ 183,841	\$ 186,222*	1.3%

Budget Highlights

*34.8% Sustaining

- This information only includes the General Fund portion of the Library. The Knoxville Library also uses a Memorial Fund for the Library Expansion Project. Revenues to the Memorial Fund remain separate from the General Fund. This includes donations for the project, and/or rental income for the Gebhardt house

Parks

Expenditures	FY 15	FY 16 Proposed	Difference
Personnel	\$ 30,293	\$ 30,293	-
Operations	\$ 73,165	\$ 41,961	-4.26%
Expenditure Total	\$ 103,458	\$ 72,254	-30.16%
Revenues			
	\$ 8,400	\$ 5,000	-40.48%
GF Support Required	\$ 95,058	\$ 67,254	-29.25%

Budget Highlights

- FY 15 had significant one time improvements to roofs and buildings that have been removed from FY 16 budget.
- Restrooms at Auld and Young's is recommended to be considered as ballot issue in the Fall.

Planning & Zoning

Expenditures	FY 15	FY16 Proposed	Difference
Personnel	\$ 54,386	\$ 56,050	3.06%
Operations	\$ 17,490	\$ 22,990	31.45%
Expenditure Total	\$ 71,876	\$ 79,040	9.97%
Revenues			
Permit Fees	\$ 48,985	\$ 42,400	-13.44%
GF Support Required	\$ 22,891	\$ 36,640	60.06%

Budget Highlights

- \$4,500 budget change in coding of departments for site plan reviews, now reflected in Planning & Zoning not Public Works

Police

Expenditures	FY 15	FY 16 Proposed	Difference
Personnel	\$ 794,500	\$ 835,000	5.1%
Operations	\$ 162,450	\$ 184,800	13.76%
Expenditure Total	\$ 956,950	\$ 1,019,800	6.57%
Revenues			
Misc Revenues (includes Fines)	\$ 52,200	\$ 55,000	4.76%
Federal, State & School Grants	\$ 74,000	\$ 79,000	6.76%
Rev Subtotal	\$ 126,200	\$ 134,000	6.18%
GF Support Required	\$ 830,750	\$ 885,800	6.63%

Budget Highlights

- In third year of COPS grant, now responsible for 75% of officer's salary
- \$33,750 increase in budgeted dispatching services

Public Works Administration

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 75,212	\$ 77,920	3.6%
Operations	\$ 15,445	\$ 9,320	-3.97%
Total	\$ 90,657	\$ 87,240	-3.77%

Budget Highlights

- No significant changes to operational costs

Recreation

Expenditures	FY 15	FY 16 Proposed	Difference
Personnel	\$ 242,636	\$ 258,608	6.58%
Operations	\$ 208,753	\$ 200,763	-3.83%
Total Expenditures	\$ 451,389	\$ 459,371	1.77%
Revenues			
Recreation Services	\$ 274,641	\$ 281,336	2.44%
GF Support Required	\$ 176,748	\$ 178,035*	0.73%

*61.2% Self-Sustaining

Budget Highlights

- \$12,000 for HVAC cleaning
- \$23,700 for fitness equipment replacement

Sewer

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 364,136	\$ 378,307	3.89%
Operations	\$ 481,730	\$ 446,378	-7.34%
Total	\$ 845,866	\$ 824,685	-2.5%

*Includes Sewer Personnel & Operations Only

Debt Service	FY 15	FY 16 Proposed	% Difference
SRF Loan	\$146,090	\$95,688	-34.5%
2008 Sewer Revenue	\$426,798	\$418,348	-1.98%
2010 Sewer Revenue	\$273,788	\$276,400	.95%

Budget Highlights

- \$35,000 administration cost transfer to GF

Street Lighting

	FY 15	FY 16 Proposed	% Difference
Operations	\$ 38,428	\$ 38,428	-

Budget Highlights

- No Change

Streets Department

	FY 15	FY 16 Proposed	% Difference
Personnel	\$ 249,774	\$ 256,360	2.64%
Operations	\$ 294,636	\$ 303,775	3.1%
Total	\$ 544,410	\$ 560,135	2.89%

Budget Highlights

- Increase in contribution to VRF for equipment replacement

Traffic Control & Safety

	FY 15	FY 16 Proposed	% Difference
Operations	\$ 34,651	\$ 35,251	1.73%

Budget Highlights

- No significant change

General Fund Departments

Total Expenditures	FY 15 Budget	FY 16 Proposed	Difference
Cemetery	\$ 187,714	\$ 183,478	-2.26%
City Clerk	\$ 74,796	\$ 77,485	3.6%
City Hall	\$ 155,048	\$ 135,716	-12.5%
CM, Mayor & Council	\$ 174,086	\$ 155,320	-10.8%
Economic Development	\$ 538,860	\$ 209,260	-61.17%
Fire Rescue	\$ 580,468	\$ 588,338	1.4%
Library	\$ 277,891	\$ 285,545	2.75%
Parks	\$ 103,458	\$ 72,254	-30.16%
Police	\$ 956,950	\$ 1,019,800	-6.57
Recreation	\$ 451,389	\$ 459,371	1.77%
Street Lighting	\$ 38,428	\$ 38,428	-
Planning & Zoning	\$ 71,876	\$ 79,040	9.97%

Revenue & Expenditure Comparisons – All Funds

General Fund	FY 15 Budget	FY 16 Proposed	% Difference
Revenues	\$ 3,583,056	\$ 3,543,877	-1.09%
Expenditures	\$ 3,714,221	\$ 3,428,565	-7.69%
Surplus/(Deficit)	\$ (131,165)	\$ 115,312	

Road Use Tax Fund	FY 15 Budget	FY 16 Proposed	% Difference
Revenues	\$ 706,500	\$ 729,500	3.26%
Expenditures	\$ 684,958	\$ 722,413	5.47%
Surplus/(Deficit)	\$ 21,542	\$ 7,087	

Local Option Sales Tax Fund	FY 15 Budget	FY 16 Proposed	% Difference
Revenues	\$ 762,000	\$ 803,598	5.46%
Expenditures	\$ 726,648	\$ 843,730	16.11%
Surplus/(Deficit)	\$ 35,352	\$ (40,132)	

Revenue & Expenditure Comparisons – All Funds

(cont.)

Sewer – All Funds	FY 15 Budget	FY 16 Proposed	% Difference
Revenues	\$ 3,283,299	\$ 2,228,908	-32.11%
Expenditures	\$ 4,028,297	\$ 2,021,104	-49.83%
Total	\$ (744,998)	\$ 207,804	

Airport Funds	FY 15 Budget	FY 16 Proposed	% Difference
Revenues	\$ 807,614	\$ 376,151	-53.42%
Expenditures	\$ 847,415	\$ 358,176	-57.73%
Total	\$ (39,801)	\$ 17,975	

Use of Local Option Sales & Service Tax

Revenue	\$803,598
Streetscape Bond Payment	\$357,540
VERF Contribution	\$306,190
Sidewalk Program	\$130,000
Park Lane/Bell/Eric Dr. Engineering	<u>\$50,000</u>
Subtotal	\$843,730
Amount Remaining	(\$40,132)

Use of Utility Franchise Fee

Revenue	\$550,000
Operation Support	\$235,102
Emergency Levy Substitution	\$50,898
Citywide Clean-up	\$15,000
KEDC	\$100,000
Management Intern	\$45,000
Grand Theater	\$4,000
Subtotal	\$450,000
Minus Reserve	<u>\$100,000</u>
Final Remaining	\$0

Hotel/Motel Tax

- **\$45,000 for Economic Development**
 - \$30k City Manager Salary
 - \$7k Greater Des Moines Partnership membership and costs
 - \$8k Grand Theater Project
- **\$45,000 for Tourism**
 - \$25k Chamber
 - \$2k Sprint Car Hall of Fame
 - \$18k Grand Theater

Vehicle & Equipment Replacement Fund

Department	Description	Replacement Cost
Fire	Ambulance Lease (#938)	\$30,000
Parks	2WD Pickup Truck (#16)	\$24,117
Police	Patrol Car (#32)	\$29,000
Sewer	Pickup Truck (#22)	\$22,000
Streets	Trailer	\$5,000
Streets	Crack Sealer (#60)	\$50,000
Streets	Front End Loader (#42)	\$130,000
Streets	V-Plow for #42 (#142)	\$20,000
Streets	Dump Truck	\$120,000
	Total	\$430,117

Fund	FY16 Transfer Amount
Road Use Tax Fund	\$110,029
Sewer Enterprise Fund	\$29,716
Local Option Sales & Service Tax	\$306,190
Total	\$445,935

* \$15,818 to VVERF for Future Replacements