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**FINANCE & RECORDS**

**MEMO**

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director

Date: February 27, 2013

Re: Resolution for the Adoption of Budget and Certification of Taxes for Fiscal Year 2013/2014

**Introduction and Background:**

On February 19, 2013 City Council set a public hearing for March 7, 2013 concerning the proposed budget for 2013/2014 and the notice of public hearing was published in the *Muscatine Journal* on February 23, 2013.

**Recommendation:**

Attached is the resolution for the adoption of the budget and certification of City taxes for the 2013/2014 fiscal year. The amounts in the public hearing notice and budget adoption resolution reflect the budget amounts approved by City Council during their budget review sessions, in the format required by the State of Iowa.

Please include the attached resolution on the City Council agenda for the March 7, 2013 Council meeting. Please contact me if you have any questions.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION ADOPTING THE ANNUAL BUDGET  
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

WHEREAS, the City Council of the City of Muscatine, Iowa has held budget meetings for the purpose of reviewing and discussing the proposed City budget for the fiscal year ending June 30, 2014;

WHEREAS, a public hearing was held on March 7, 2013 for the purpose of receiving comments from the taxpayers and citizens of the City regarding the budget estimate;

NOW, THEREFORE, be it resolved by the Council of the City of Muscatine, Iowa:

The annual budget for the fiscal year ending June 30, 2014, as set forth in the Budget Summary Certificate and in the detailed budget schedules in support thereof showing the revenue estimates and expenditure appropriations, and the allocation to programs and activities for said fiscal year is adopted, and the clerk is directed to make the filings required by law and to set up the records in accordance with the summary and detail schedules as adopted.

PASSED, APPROVED, AND ADOPTED THIS 7th DAY OF MARCH, 2013.

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DeWayne Hopkins, Mayor

ATTEST:

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Gregg Mandsager, City Clerk

70-653

## Adoption of Budget and Certification of City Taxes

FISCAL YEAR BEGINNING JULY 1, 2013 - ENDING JUNE 30, 2014

The City of: Muscatine County Name: MUSCATINE Date Budget Adopted: 03/07/13  
 (Date) xx/xx/xx

At a meeting of the City Council, held after the public hearing as required by law, as specified above, the proposed budget was adopted as summarized and attached hereto, and tax levies, as itemized below, were approved for all taxable property of this City. There is attached a Long Term Debt Schedule Form 703 for the debt service needs, if any.

County Auditor Date Stamp		563-264-1550 Telephone Number	Signature	
		January 1, 2012 Property Valuations		
		With Gas & Electric	Without Gas & Electric	Last Official Census
Regular		798,621,557 2b	795,205,814	22,886
<b>Debt Service Value</b> 3a		824,291,298 3b	820,875,555	
Ag Land		908,805		

TAXES LEVIED				
Code	Dollar	Purpose	(A) Request with Utility Replacement	(B) Property Taxes
Sec.	Limit			(C) Levied Rate
384.1	8.10000	Regular General levy	5 6,468,835	6,441,167 43 8.10000
(384)		Non-Voted Other Permissible Levies		
12(8)	0.67500	Contract for use of Bridge	6	0 44 0
12(10)	0.95000	Opr & Maint publicly owned Transit	7 380,000	378,375 45 0.47582
12(11)	Amt Nec	Rent, Ins. Maint of Civic Center	8	0 46 0
12(12)	0.13500	Opr & Maint of City owned Civic Center	9	0 47 0
12(13)	0.06750	Planning a Sanitary Disposal Project	10	0 48 0
12(14)	0.27000	Aviation Authority (under sec.330A.15)	11	0 49 0
12(16)	0.06750	Levee Impr. fund in special charter city	13 53,907	53,676 51 0.06750
12(18)	Amt Nec	Liability, property & self insurance costs	14 263,300	262,171 52 0.32969
12(22)	Amt Nec	Support of a Local Emerg.Mgmt.Comm.	462	0 465 0
(384)		Voted Other Permissible Levies		
12(1)	0.13500	Instrumental/Vocal Music Groups	15	0 53 0
12(2)	0.81000	Memorial Building	16	0 54 0
12(3)	0.13500	Symphony Orchestra	17	0 55 0
12(4)	0.27000	Cultural & Scientific Facilities	18	0 56 0
12(5)	As Voted	County Bridge	19	0 57 0
12(6)	1.35000	Missi or Missouri River Bridge Const.	20	0 58 0
12(9)	0.03375	Aid to a Transit Company	21	0 59 0
12(17)	0.20500	Maintain Institution received by gift/devise	22	0 60 0
12(19)	1.00000	City Emergency Medical District	463	0 466 0
12(21)	0.27000	Support Public Library	23	0 61 0
26E.22	1.50000	Unified Law Enforcement	24	0 62 0
Total General Fund Regular Levies (5 thru 24)			25 7,166,042	7,135,389
384.1	3.00375	Ag Land	26 2,730	2,730 63 3.00375
Total General Fund Tax Levies (25 + 26)			27 7,168,772	7,138,119 Do Not Add
Special Revenue Levies				
384.8	0.27000	Emergency (if general fund at levy limit)	28 0	0 64 0
384.6	Amt Nec	Police & Fire Retirement	29 1,357,731	1,351,924 1.70009
Rules	Amt Nec	FICA & IPERS (if general fund at levy limit)	30 59,704	59,449 0.07478
		Other Employee Benefits	31 1,622,777	1,615,836 2.03197
Total Employee Benefit Levies (29,30,31)			32 3,040,212	3,027,205 65 3.80682
Sub Total Special Revenue Levies (28+32)			33 3,040,212	3,027,205
Valuation				
386	As Req	With Gas & Elec	Without Gas & Elec	
SSMID 1	(A)	(B)	34	0 66 0
SSMID 2	(A)	(B)	35	0 67 0
SSMID 3	(A)	(B)	36	0 68 0
SSMID 4	(A)	(B)	37	0 69 0
SSMID 5	(A)	(B)	555	0 565 0
SSMID 6	(A)	(B)	556	0 566 0
SSMID 7	(A)	(B)	1177	0 0 0
Total SSMID			38 0	0 Do Not Add
Total Special Revenue Levies			39 3,040,212	3,027,205
384.4	Amt Nec	Debt Service Levy	76.10(6) 40 2,384,067	2,374,186 70 2.89226
384.7	0.67500	Capital Projects (Capital Improv. Reserve)	41	0 71 0
Total Property Taxes (27+39+40+41)			42 12,593,051	12,539,510 72 15.67209

COUNTY AUDITOR - I certify the budget is in compliance with ALL the following:

Budgets that DO NOT meet ALL the criteria below are not statutorily compliant &amp; must be returned to the city for correction.

- 1) The prescribed Notice of Public Hearing Budget Estimate (Form 631.1) was lawfully published, or posted if applicable, and notarized, filed proof was evidenced.
- 2) Budget hearing notices were published or posted not less than 10 days, nor more than 20 days, prior to the budget hearing.
- 3) Adopted property taxes do not exceed published or posted amounts.
- 4) Adopted expenditures do not exceed published or posted amounts in each of the nine program areas, or in total.
- 5) The budget file uploaded to the SUBMIT Area matched the paper copy certified by the city to this office.

(County Auditor)

## Fund Balance Worksheet for City of

**Muscatine****(1)**  
**\*Annual Report FY** 2012

Beginning Fund Balance July 1 (pg 5, line 134) *	1
Actual Revenues Except Beg Bal (pg 5, line 132) *	2
Actual Expenditures Except End Bal (pg 12, line 259) *	3
Ending Fund Balance June 30 (pg 12, line 270) *	4

**(2)**  
**\*\* Re-Estimated FY** 2013

Beginning Fund Balance	5
Re-Est Revenues	6
Re-Est Expenditures	7
Ending Fund Balance	8

**(3)**  
**\*\* Budget FY** 2014

Beginning Fund Balance	9
Revenues	10
Expenditures	11
Ending Fund Balance	12

General	Special Rev	TIF Special Rev	Debt Serv	Capt Proj	Permanent	Total Government	Proprietary	Grand Total
2,079,653	3,760,604	1,228,295	138,908	-906,721	1,006,070	7,306,809	8,915,093	16,221,902
15,130,655	10,133,331	812,619	2,748,969	7,693,312	33,807	36,552,693	23,043,495	59,596,188
13,966,069	8,916,876	868,932	2,754,105	5,060,427	28,446	31,594,855	22,885,665	54,480,520
3,244,239	4,977,059	1,171,982	133,772	1,726,164	1,011,431	12,264,647	9,072,923	21,337,570
General	Spec Rev	Rev	Debt Serv	Capt Proj	Permanent	Tot Govt	Proprietary	Grand Total
3,244,239	4,977,059	1,171,982	133,772	1,726,164	1,011,431	12,264,647	9,072,923	21,337,570
17,360,820	11,052,054	837,870	3,876,730	1,756,777	28,900	34,913,151	25,623,799	60,536,950
17,655,937	12,612,135	919,734	3,923,507	3,120,000	23,550	38,254,863	26,276,383	64,531,246
2,949,122	3,416,978	1,090,118	86,995	362,941	1,016,781	8,922,935	8,420,339	17,343,274
General	Spec Rev	Rev	Debt Serv	Capt Proj	Permanent	Tot Govt	Proprietary	Grand Total
2,949,122	3,416,978	1,090,118	86,995	362,941	1,016,781	8,922,935	8,420,339	17,343,274
17,405,549	10,570,332	919,100	2,770,866	5,533,907	26,400	37,226,154	24,810,364	62,036,518
17,688,707	11,316,177	1,082,745	2,788,604	5,509,000	24,750	38,409,983	24,554,671	62,964,654
2,665,964	2,671,133	926,473	69,257	387,848	1,018,431	7,739,106	8,676,032	16,415,138

\* The figures in section (1) are taken from FORM F-66(IA-2) STATE OF IOWA FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2012

\*\* The remaining two sections are filled in by the software once ALL worksheets are completed.

## CITY OF Muscatine

## RE-ESTIMATED EXPENDITURES SCHEDULE PAGE 1

## RE-ESTIMATED Fiscal Year Ending 2013

## Fiscal Years

GOVERNMENT ACTIVITIES (A)		GENERAL (C)	SPECIAL REVENUE (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	RE-ESTIMATED 2013 (J)	ACTUAL 2012 (K)
<b>PUBLIC SAFETY</b>										
Police Department/Crime Prevention	1	4,211,300	220,800						4,432,100	4,010,259
Jail	2								0	
Emergency Management	3	34,630							34,630	30,100
Flood Control	4								0	
Fire Department	5	3,544,400	497,000						4,041,400	3,404,243
Ambulance	6								0	
Building Inspections	7								0	
Miscellaneous Protective Services	8								0	
Animal Control	9	125,900							125,900	122,904
Other Public Safety	10								0	
<b>TOTAL (lines 1 - 10)</b>	<b>11</b>	<b>7,916,230</b>	<b>717,800</b>	<b>0</b>			<b>0</b>		<b>8,634,030</b>	<b>7,567,506</b>
<b>PUBLIC WORKS</b>										
Roads, Bridges, & Sidewalks	12	1,326,000							1,326,000	1,326,734
Parking - Meter and Off-Street	13								0	
Street Lighting	14								0	
Traffic Control and Safety	15	163,000							163,000	180,733
Snow Removal	16	355,200							355,200	223,464
Highway Engineering	17	135,800							135,800	65,369
Street Cleaning	18	178,700							178,700	168,287
Airport <i>(if not Enterprise)</i>	19								0	
Garbage <i>(if not Enterprise)</i>	20								0	
Other Public Works	21	157,600							157,600	92,610
<b>TOTAL (lines 12 - 21)</b>	<b>22</b>	<b>2,316,300</b>	<b>0</b>	<b>0</b>			<b>0</b>		<b>2,316,300</b>	<b>2,057,197</b>
<b>HEALTH &amp; SOCIAL SERVICES</b>										
Welfare Assistance	23								0	
City Hospital	24								0	
Payments to Private Hospitals	25								0	
Health Regulation and Inspection	26								0	
Water, Air, and Mosquito Control	27								0	
Community Mental Health	28								0	
Other Health and Social Services	29	20,000							20,000	17,800
<b>TOTAL (lines 23 - 29)</b>	<b>30</b>	<b>20,000</b>	<b>0</b>	<b>0</b>			<b>0</b>		<b>20,000</b>	<b>17,800</b>
<b>CULTURE &amp; RECREATION</b>										
Library Services	31	1,050,500	52,000						1,102,500	1,134,331
Museum, Band and Theater	32	330,400	20,800						351,800	334,333
Parks	33	1,221,100	78,700						1,299,800	1,197,034
Recreation	34	303,700							303,700	313,706
Cemetery	35	154,300							157,650	157,668
Community Center, Zoo, & Marina	36								0	
Other Culture and Recreation	37	25,500							25,500	17,090
<b>TOTAL (lines 31 - 37)</b>	<b>38</b>	<b>3,085,500</b>	<b>151,500</b>	<b>0</b>			<b>3,950</b>		<b>3,240,950</b>	<b>3,154,162</b>

## RE-ESTIMATED EXPENDITURES SCHEDULE PAGE 2

RE-ESTIMATED Fiscal Year Ending 2013

Fiscal Years

GOVERNMENT ACTIVITIES CONT.	(A)	GENERAL	SPECIAL REVENUES	TIF SPECIAL REVENUES	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	PROPRIETARY	RE-ESTIMATED 2013	ACTUAL 2012
	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
<b>COMMUNITY &amp; ECONOMIC DEVELOPMENT</b>										
Community Beautification	39								0	0
Economic Development	40	106,500							106,500	91,464
Housing and Urban Renewal	41		1,997,540						1,997,540	1,948,634
Planning & Zoning	42	712,800	17,500						730,300	668,198
Other Com & Econ Development	43			363,547					363,547	399,543
<b>TOTAL (lines 39 - 44)</b>	44						0		3,197,887	3,107,839
<b>GENERAL GOVERNMENT</b>										
Mayor, Council, & City Manager	46	318,600							318,600	311,094
Clerk, Treasurer, & Finance Adm.	47	475,500							475,500	489,021
Elections	48								0	5,665
Legal Services & City Attorney	49	60,600							60,600	79,260
City Hall & General Buildings	50	527,070							527,070	480,346
Tort Liability	51	296,600							296,600	261,334
Other General Government	52	406,100	58,488						464,588	417,619
<b>TOTAL (lines 46 - 52)</b>	53	2,084,470	58,488	0			0		2,142,958	2,044,339
<b>DEBT SERVICE</b>	54			166,308	3,923,507				4,089,815	3,013,803
Gov Capital Projects	55					3,063,400			3,063,400	4,912,814
TIF Capital Projects	56					3,063,400	0		0	0
<b>TOTAL CAPITAL PROJECTS</b>	57	0	0	0		3,063,400	0		3,063,400	4,912,814
<b>TOTAL Governmental Activities Expenditures (lines 11+22+30+38+44+52+53+54)</b>	58	16,241,800	2,942,828	529,855	3,923,507	3,063,400	3,950		26,705,340	25,875,460
<b>BUSINESS TYPE ACTIVITIES</b>										
Proprietary: Enterprise & Budgeted ISF										
Water Utility	59							0	0	
Sewer Utility	60							3,793,800	3,793,800	3,265,139
Electric Utility	61							0	0	
Gas Utility	62							0	0	
Airport	63							125,900	125,900	105,387
Landfill/Garbage	64							4,586,200	4,586,200	4,498,552
Transit	65							1,173,600	1,173,600	998,151
Cable TV, Internet & Telephone	66							0	0	
Housing Authority	67							969,470	969,470	978,319
Storm Water Utility	68							0	0	
Other Business Type (city hosp., ISF, parking, etc.)	69							4,166,400	4,166,400	4,253,321
Enterprise DEBT SERVICE	70							1,061,573	1,061,573	1,060,306
Enterprise CAPITAL PROJECTS	71							5,460,900	5,460,900	2,654,640
Enterprise TIF CAPITAL PROJECTS	72							0	0	
<b>TOTAL BUSINESS TYPE EXPENDITURES (lines 56 - 68)</b>	73							21,337,843	21,337,843	17,813,815
<b>TOTAL ALL EXPENDITURES (lines 58+74)</b>	74	16,241,800	2,942,828	529,855	3,923,507	3,063,400	3,950	21,337,843	48,043,183	43,689,275
Regular Transfers Out	75	1,414,137	9,669,307			56,600	19,600	4,938,540	16,098,184	10,583,018
Internal TIF Loan Transfers Out	76			389,879					389,879	208,227
<b>Total ALL Transfers Out</b>	77	1,414,137	9,669,307	389,879	0	56,600	19,600	4,938,540	16,488,063	10,791,245
<b>Total Expenditures and Other Fin Uses (lines 73+74)</b>	78	17,655,937	12,612,135	919,734	3,923,507	3,120,000	23,550	26,276,383	64,531,246	54,480,520
<b>Ending Fund Balance June 30</b>	79	2,949,122	3,416,978	1,090,118	86,995	362,941	1,016,781	8,420,339	17,343,274	21,337,570

\* A continuing appropriation is the unexpended budgeted amount from a prior year's capital project that is expended in the following year or years. The entry is made on the CON APPROP page that must accompany the budget forms if used.

THE USE OF THE CONTINUING APPROPRIATION IS VOLUNTARY. SUCH EXPENDITURES DO NOT REQUIRE AN AMENDMENT. HOWEVER THE ORIGINAL AMOUNT OF THE CAPITAL PROJECT MUST HAVE APPEARED ON A PREVIOUS YEAR'S BUDGET TO OBTAIN THE SPENDING AUTHORITY. THE CONTINUING APPROPRIATION CAN NOT BE FOR A YEAR PRIOR TO THE ACTUAL YEAR. CONTINUING APPROPRIATIONS END WITH THE ACTUAL YEAR. SEE INSTRUCTIONS.

## RE-ESTIMATED REVENUES DETAIL

## RE-ESTIMATED Fiscal Year Ending 2013

## Fiscal Years

(A)	(B)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	RE-ESTIMATED 2013 (J)	ACTUAL 2012 (K)
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>										
Taxes Levied on Property	1	6,921,071	3,011,256		2,326,416				12,258,743	11,993,253
Less: Uncollected Property Taxes - Levy Year	2								0	
Net Current Property Taxes (line 1 minus line 2)	3	6,921,071	3,011,256		2,326,416	0			12,258,743	11,993,253
Delinquent Property Taxes	4								0	38,582
TIF Revenues	5			836,170					836,170	810,293
Other City Taxes:										
Utility Tax Replacement Excise Taxes	6	33,408	14,538		10,908				58,854	58,049
Utility franchise tax (Iowa Code Chapter 364.2)	7	310,000							310,000	396,127
Parimutuel wager tax	8	0							0	0
Gaming wager tax	9	0							0	0
Mobile Home Taxes	10	10,000							10,000	18,878
Hotel/Motel Taxes	11	350,000							350,000	347,771
Other Local Option Taxes	12		2,524,600						2,524,600	2,655,498
Subtotal - Other City Taxes (lines 6 thru 12)	13	703,408	2,539,138		10,908	0			3,253,454	3,476,323
Licenses & Permits	14	302,400							20,600	323,000
Use of Money & Property	15	153,100	8,600	1,700	500		22,900	876,070	1,062,870	929,783
Intergovernmental:										
Federal Grants & Reimbursements	16	319,400	1,829,040			319,000			845,380	3,312,820
Road Use Taxes	17		2,179,900							2,179,900
Other State Grants & Reimbursements	18	29,600	16,600			44,400			358,200	448,800
Local Grants & Reimbursements	19	234,500	34,800			201,900			269,280	740,480
Subtotal - Intergovernmental (lines 16 thru 19)	20	583,500	4,060,340	0	0	565,300			1,472,860	6,682,000
Charges for Fees & Service:										
Water Utility	21								0	0
Sewer Utility	22								5,186,800	5,186,800
Electric Utility	23								0	
Gas Utility	24								0	
Parking	25								0	
Airport	26								0	
Landfill/Garbage	27								5,330,650	5,330,650
Hospital	28								0	
Transit	29								175,000	175,000
Cable TV, Internet & Telephone	30								0	
Housing Authority	31								30,000	30,000
Storm Water Utility	32								0	
Other Fees & Charges for Service	33	662,200	0						1,644,900	2,307,100
Subtotal - Charges for Service (lines 21 thru 33)	34	662,200	0						12,367,350	13,029,550
Special Assessments	35								0	
Miscellaneous	36	1,609,000	101,000			32,700	6,000	3,734,400	5,483,100	5,470,514
Other Financing Sources:										
Regular Operating Transfers In	37	6,285,887	1,331,720		214,281	1,118,777			7,147,519	16,098,184
Internal TIF Loan Transfers In	38	140,254			209,625	40,000				389,879
Subtotal ALL Operating Transfers In	39	6,426,141	1,331,720	0	423,906	1,158,777	0	7,147,519	16,488,063	10,791,245
Proceeds of Debt (Excluding TIF Internal Borrowin	40					1,115,000			5,000	1,120,000
Proceeds of Capital Asset Sales	41								0	
Subtotal-Other Financing Sources (lines 36 thru 38)	42	6,426,141	1,331,720	0	1,538,906	1,158,777	0	7,152,519	17,608,063	15,892,046
Total Revenues except for beginning fund balance (lines 3, 4, 5, 12, 13, 14, 19, 33, 34, 35, & 39)	43	17,360,820	11,052,054	837,870	3,876,730	1,756,777	28,900	25,623,799	60,536,950	59,596,188
Beginning Fund Balance July 1	44	3,244,239	4,977,059	1,171,982	133,772	1,726,164	1,011,431	9,072,923	21,337,570	16,221,902
<b>TOTAL REVENUES &amp; BEGIN BALANCE (lines 41-42)</b>	<b>45</b>	<b>20,605,059</b>	<b>16,029,113</b>	<b>2,009,852</b>	<b>4,010,502</b>	<b>3,482,941</b>	<b>1,040,331</b>	<b>34,696,722</b>	<b>81,874,520</b>	<b>75,818,090</b>

## EXPENDITURES SCHEDULE PAGE 1

Fiscal Year Ending 2014

Fiscal Years

GOVERNMENT ACTIVITIES (A)	(B)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	BUDGET 2014 (J)	RE-ESTIMATED 2013 (K)	ACTUAL 2012 (L)
<b>PUBLIC SAFETY</b>											
Police Department/Crime Prevention	1	4,604,500	20,000						4,624,500	4,432,100	4,010,259
Jail	2								0	0	0
Emergency Management	3	48,500							48,500	34,630	30,100
Flood Control	4								0	0	0
Fire Department	5	3,705,100							3,705,100	4,041,400	3,404,243
Ambulance	6								0	0	0
Building Inspections	7								0	0	0
Miscellaneous Protective Services	8								0	0	0
Animal Control	9	127,900							127,900	125,900	122,904
Other Public Safety	10								0	0	0
TOTAL (lines 1 - 10)	11	8,486,000	20,000	0			0		8,506,000	8,634,030	7,567,506
<b>PUBLIC WORKS</b>											
Roads, Bridges, & Sidewalks	12	1,321,500							1,321,500	1,326,000	1,326,734
Parking - Meter and Off-Street	13								0	0	0
Street Lighting	14								0	0	0
Traffic Control and Safety	15	161,200							161,200	163,000	180,733
Snow Removal	16	381,600							381,600	355,200	223,464
Highway Engineering	17	137,100							137,100	135,800	65,369
Street Cleaning	18	185,800							185,800	178,700	168,287
Airport (If not Enterprise)	19								0	0	0
Garbage (If not Enterprise)	20								0	0	0
Other Public Works	21	160,500							160,500	157,600	92,610
TOTAL (lines 12 - 21)	22	2,347,700	0	0			0		2,347,700	2,316,300	2,057,197
<b>HEALTH &amp; SOCIAL SERVICES</b>											
Welfare Assistance	23								0	0	0
City Hospital	24								0	0	0
Payments to Private Hospitals	25								0	0	0
Health Regulation and Inspection	26								0	0	0
Water, Air, and Mosquito Control	27								0	0	0
Community Mental Health	28								0	0	0
Other Health and Social Services	29	20,000							20,000	20,000	17,800
TOTAL (lines 23 - 29)	30	20,000	0	0			0		20,000	20,000	17,800
<b>CULTURE &amp; RECREATION</b>											
Library Services	31	1,072,000	22,000						1,094,000	1,102,500	1,134,331
Museum, Band and Theater	32	297,400	18,500						319,400	351,800	334,333
Parks	33	1,224,400	87,500						1,311,900	1,299,800	1,197,034
Recreation	34	321,100							321,100	303,700	313,706
Cemetery	35	159,600							162,950	157,650	157,668
Community Center, Zoo, & Marina	36								0	0	0
Other Culture and Recreation	37	18,500							18,500	25,500	17,090
TOTAL (lines 31 - 37)	38	3,093,000	128,000	0					3,227,850	3,240,950	3,154,162

## CITY OF Muscatine

## EXPENDITURES SCHEDULE PAGE 2

Fiscal Year Ending 2014

Fiscal Years

GOVERNMENT ACTIVITIES CONT.	(A)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	BUDGET 2014 (J)	RE-ESTIMATED 2013 (K)	ACTUAL 2012 (L)
<b>COMMUNITY &amp; ECONOMIC DEVELOPMENT</b>											
Community Beautification	39								0	0	0
Economic Development	40	126,500							126,500	106,500	91,464
Housing and Urban Renewal	41		2,011,080						2,011,080	1,997,540	1,948,634
Planning & Zoning	42	711,100							711,100	730,300	668,198
Other Com & Econ Development	43		40,000	408,900					448,900	363,547	399,543
	44										
<b>TOTAL (lines 39 - 44)</b>	45	837,600	2,051,080	408,900			0		3,297,580	3,197,887	3,107,839
<b>GENERAL GOVERNMENT</b>											
Mayor, Council, & City Manager	46	328,300							328,300	318,600	311,094
Clerk, Treasurer, & Finance Adm.	47	548,100							548,100	475,500	489,021
Elections	48	5,800							5,800	0	5,665
Legal Services & City Attorney	49	70,600							70,600	60,600	79,260
City Hall & General Buildings	50	512,600							512,600	527,070	480,346
Tort Liability	51	334,900							334,900	296,600	261,334
Other General Government	52	431,900							431,900	464,588	417,619
<b>TOTAL (lines 46 - 52)</b>	53	2,232,200	0	0			0		2,232,200	2,142,958	2,044,339
<b>DEBT SERVICE</b>	54		166,320	2,788,604					2,954,924	4,089,815	3,013,803
Gov Capital Projects	55								5,509,000	5,509,000	3,063,400
TIF Capital Projects	56								0	0	0
<b>TOTAL CAPITAL PROJECTS</b>	57	0	0	0					5,509,000	3,063,400	4,912,814
<b>TOTAL Government Activities Expenditures (lines 11+22+30+38+45+53+54+57)</b>	58	17,016,500	2,199,080	575,220	2,788,604	5,509,000	6,850		28,095,254	26,705,340	25,875,460
<b>BUSINESS TYPE ACTIVITIES</b>											
<b>Proprietary: Enterprise &amp; Budgeted ISF</b>											
Water Utility	59								0	0	0
Sewer Utility	60								3,636,800	3,636,800	3,793,800
Electric Utility	61								0	0	0
Gas Utility	62								0	0	0
Airport	63								111,000	111,000	125,900
Landfill/Garbage	64								4,867,400	4,867,400	4,586,200
Transit	65								1,218,700	1,218,700	1,173,600
Cable TV, Internet & Telephone	66								0	0	0
Housing Authority	67								847,980	847,980	969,470
Storm Water Utility	68								0	0	0
Other Business Type (city hosp., ISF, parking, etc.)	69								4,450,200	4,450,200	4,166,400
Enterprise DEBT SERVICE	70								1,061,373	1,061,373	1,061,573
Enterprise CAPITAL PROJECTS	71								4,299,400	4,299,400	5,460,900
Enterprise TIF CAPITAL PROJECTS	72								0	0	0
<b>TOTAL Business Type Expenditures (lines 59 - 73)</b>	73								20,492,853	20,492,853	21,337,843
<b>TOTAL ALL EXPENDITURES (lines 58+74)</b>	74	17,016,500	2,199,080	575,220	2,788,604	5,509,000	6,850	20,492,853	48,588,107	48,043,183	43,689,275
Regular Transfers Out	75	672,207	9,117,097					17,900	4,061,818	13,869,022	16,098,184
Internal TIF Loan / Repayment Transfers Out	76			507,525					507,525	389,879	208,227
<b>Total ALL Transfers Out</b>	77	672,207	9,117,097	507,525	0	0	17,900	4,061,818	14,376,547	16,488,063	10,791,245
<b>Total Expenditures &amp; Fund Transfers Out (lines 75+76)</b>	78	17,688,707	11,316,177	1,082,745	2,788,604	5,509,000	24,750	24,554,671	62,964,654	64,531,246	54,480,520
<b>Ending Fund Balance June 30</b>	79	2,665,964	2,671,133	926,473	69,257	387,848	1,018,431	8,676,032	16,415,138	17,343,274	21,337,570

REVENUES DETAIL  
Fiscal Year Ending 2014

## Fiscal Years

(A)	(B)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	BUDGET 2014 (J)	RE-ESTIMATED 2013 (K)	ACTUAL 2012 (L)	
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>												
Taxes Levied on Property	1	7,138,119	3,027,205		2,374,186	0			12,539,510	12,258,743	11,993,253	
Less: Uncollected Property Taxes - Levy Year	2								0	0	0	
Net Current Property Taxes (line 1 minus line 2)	3	7,138,119	3,027,205		2,374,186	0			12,539,510	12,258,743	11,993,253	
Delinquent Property Taxes	4								0	0	38,582	
TIF Revenues	5			917,400					917,400	836,170	810,293	
Other City Taxes:												
Utility Tax Replacement Excise Taxes	6	30,653	13,007		9,881	0			53,541	58,854	58,049	
Utility franchise tax <i>(Iowa Code Chapter 364.2)</i>	7	325,000							325,000	310,000	396,127	
Parimutuel wager tax	8								0	0	0	
Gaming wager tax	9								0	0	0	
Mobile Home Taxes	10	10,000							10,000	10,000	18,878	
Hotel/Motel Taxes	11	350,000							350,000	350,000	347,771	
Other Local Option Taxes	12		2,516,100						2,516,100	2,524,600	2,655,498	
Subtotal - Other City Taxes (lines 6 thru 12)	13	715,653	2,529,107		9,881	0			3,254,641	3,253,454	3,476,323	
Licenses & Permits	14	303,100						19,700	322,800	323,000	332,050	
Use of Money & Property	15	148,800	6,800	1,700	500		20,400	908,970	1,087,170	1,062,870	929,783	
Intergovernmental:												
Federal Grants & Reimbursements	16	321,500	1,915,600					1,169,400	5,908,200	3,312,820	3,850,575	
Road Use Taxes	17		2,286,600						2,286,600	2,179,900	2,164,577	
Other State Grants & Reimbursements	18		8,000					337,300	345,300	448,800	1,357,010	
Local Grants & Reimbursements	19	231,600	33,300					239,700	581,600	740,480	388,608	
Subtotal - Intergovernmental (lines 16 thru 19)	20	553,100	4,243,500	0	0	2,578,700		1,746,400	9,121,700	6,682,000	7,760,770	
Charges for Fees & Service:												
Water Utility	21								0	0	0	
Sewer Utility	22							5,330,000	5,330,000	5,186,800	4,838,877	
Electric Utility	23							0	0	0	0	
Gas Utility	24							0	0	0	0	
Parking	25							0	0	0	0	
Airport	26							0	0	0	0	
Landfill/Garbage	27							5,375,650	5,375,650	5,330,650	5,329,305	
Hospital	28							0	0	0	0	
Transit	29							171,000	171,000	175,000	176,542	
Cable TV, Internet & Telephone	30							0	0	0	0	
Housing Authority	31							30,000	30,000	30,000	29,349	
Storm Water Utility	32							0	0	0	0	
Other Fees & Charges for Service	33	664,600						1,657,600	2,322,200	2,307,100	2,518,501	
Subtotal - Charges for Service (lines 21 thru 33)	34	664,600	0		0	0	0	12,564,250	13,228,850	13,029,550	12,892,574	
Special Assessments	35								0	0	0	
Miscellaneous	36	1,527,800	51,700					6,000	3,242,400	4,827,900	5,483,100	5,470,514
Other Financing Sources:												
Regular Operating Transfers In	37	6,192,877	712,020		180,074	553,907		6,230,144	13,869,022	16,098,184	10,583,018	
Internal TIF Loan Transfers In	38	161,500			206,225	139,800			507,525	389,879	208,227	
Subtotal ALL Operating Transfers In	39	6,354,377	712,020	0	386,299	693,707	0	6,230,144	14,376,547	16,488,063	10,791,245	
Proceeds of Debt <i>(Excluding TIF Internal Borrowing)</i>	40							2,261,500	98,500	2,360,000	1,120,000	
Proceeds of Capital Asset Sales	41							0	0	0	0	
Subtotal-Other Financing Sources (lines 38 thru 40)	42	6,354,377	712,020	0	386,299	2,955,207	0	6,328,644	16,736,547	17,608,063	15,892,046	
Total Revenues except for beginning fund balance <i>(lines 3, 4, 5, 13, 14, 20, 34, 35, 36, &amp; 42)</i>	43	17,405,549	10,570,332	919,100	2,770,866	5,533,907	26,400	24,810,364	62,036,518	60,536,950	59,596,188	
Beginning Fund Balance July 1	44	2,949,122	3,416,978	1,090,118	86,995	362,941	1,016,781	8,420,339	17,343,274	21,337,570	16,221,902	
<b>TOTAL REVENUES &amp; BEGIN BALANCE (lines 42+43)</b>	<b>45</b>	<b>20,354,671</b>	<b>13,987,310</b>	<b>2,009,218</b>	<b>2,857,861</b>	<b>5,896,848</b>	<b>1,043,181</b>	<b>33,230,703</b>	<b>79,379,792</b>	<b>81,874,520</b>	<b>75,818,090</b>	

**ADOPTED BUDGET SUMMARY**  
**YEAR ENDED JUNE 30, 2014**

**Fiscal Years**

(A)	(B)	GENERAL	SPECIAL REVENUES	TIF SPECIAL REVENUES	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	PROPRIETARY	BUDGET 2014	RE-ESTIMATED 2013	ACTUAL 2012
		(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
<b>Revenues &amp; Other Financing Sources</b>											
Taxes Levied on Property	1	7,138,119	3,027,205		2,374,186	0			12,539,510	12,258,743	11,993,253
Less: Uncollected Property Taxes-Levy Year	2	0	0		0	0			0	0	0
Net Current Property Taxes	3	7,138,119	3,027,205		2,374,186	0			12,539,510	12,258,743	11,993,253
Delinquent Property Taxes	4	0	0		0	0			0	0	38,582
TIF Revenues	5				917,400				917,400	836,170	810,293
Other City Taxes	6	715,653	2,529,107		9,881	0			3,254,641	3,253,454	3,476,323
Licenses & Permits	7	303,100	0		500	0			322,800	323,000	332,050
Use of Money and Property	8	148,800	6,800	1,700	0	2,578,700	20,400	908,970	1,087,170	1,062,870	929,783
Intergovernmental	9	553,100	4,243,500	0	0	0		1,746,400	9,121,700	6,682,000	7,760,770
Charges for Fees & Service	10	664,600	0		0	0		0	12,564,250	13,228,850	13,029,550
Special Assessments	11	0	0		0	0		0	0	0	0
Miscellaneous	12	1,527,800	51,700		0	0	6,000	3,242,400	4,827,900	5,483,100	5,470,514
Sub-Total Revenues	13	11,051,172	9,858,312	919,100	2,384,567	2,578,700	26,400	18,481,720	45,299,971	42,928,887	43,704,142
<b>Other Financing Sources:</b>											
Total Transfers In	14	6,354,377	712,020	0	386,299	693,707	0	6,230,144	14,376,547	16,488,063	10,791,245
Proceeds of Debt	15	0	0	0	0	2,261,500		98,500	2,360,000	1,120,000	5,100,801
Proceeds of Capital Asset Sales	16	0	0	0	0	0	0	0	0	0	0
Total Revenues and Other Sources	17	17,405,549	10,570,332	919,100	2,770,866	5,533,907	26,400	24,810,364	62,036,518	60,536,950	59,596,188
<b>Expenditures &amp; Other Financing Uses</b>											
Public Safety	18	8,486,000	20,000	0			0		8,506,000	8,634,030	7,567,506
Public Works	19	2,347,700	0	0			0		2,347,700	2,316,300	2,057,197
Health and Social Services	20	20,000	0	0			0		20,000	20,000	17,800
Culture and Recreation	21	3,093,000	128,000	0			6,850		3,227,850	3,240,950	3,154,162
Community and Economic Development	22	837,600	2,051,080	408,900			0		3,297,580	3,197,887	3,107,839
General Government	23	2,232,200	0	0			0		2,232,200	2,142,958	2,044,339
Debt Service	24	0	0	166,320	2,788,604		0		2,954,924	4,089,815	3,013,803
Capital Projects	25	0	0	0		5,509,000	0		5,509,000	3,063,400	4,912,814
Total Government Activities Expenditures	26	17,016,500	2,199,080	575,220	2,788,604	5,509,000	6,850		28,095,254	26,705,340	25,875,460
Business Type Proprietary: Enterprise & ISF	27								20,492,853	20,492,853	21,337,843
Total Gov & Bus Type Expenditures	28	17,016,500	2,199,080	575,220	2,788,604	5,509,000	6,850	20,492,853	48,588,107	48,043,183	43,689,275
Total Transfers Out	29	672,207	9,117,097	507,525	0	0	17,900	4,061,818	14,376,547	16,488,063	10,791,245
Total ALL Expenditures/Fund Transfers Out	30	17,688,707	11,316,177	1,082,745	2,788,604	5,509,000	24,750	24,554,671	62,964,654	64,531,246	54,480,520
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out	31										
	32	-283,158	-745,845	-163,645	-17,738	24,907	1,650	255,693	-928,136	-3,994,296	5,115,668
Beginning Fund Balance July 1	33	2,949,122	3,416,978	1,090,118	86,995	362,941	1,016,781	8,420,339	17,343,274	21,337,570	16,221,902
Ending Fund Balance June 30	34	2,665,964	2,671,133	926,473	69,257	387,848	1,018,431	8,676,032	16,415,138	17,343,274	21,337,570

**LONG TERM DEBT SCHEDULE**  
**GENERAL OBLIGATION BONDS, TIF BONDS, REVENUE BONDS, LOANS, LEASE-PURCHASE PAYMENTS**

Fiscal Year  
2014

City Name: Muscatine

Project Name (A)		Amount of Issue (B)	Date Certified to County Auditor (C)	Principal Due FY 2014 (D)	Interest Due FY 2014 +(E)	Bond Reg/Other Fees Due FY 2014 +(F)	Total Obligation Due FY 2014 -(G)	Paid from Funds OTHER THAN Current Year Property Taxes -(H)	Amount Paid by Current Year Debt Service Levy = (I)
(1)							0		0
(2)	G.O. Corporate Purpose 6-1-08	5,120,000	5-20-08	575,000	107,238	500	682,738	0	682,738
(3)	G.O. Refunding 6-1-08	6,560,000	5-20-08	800,000	26,000	500	826,500	99,946	726,554
(4)	G.O. Corporate Purpose (Portion of Issue funded from TIF)	7,425,000	5-14-10	345,000	202,788	500	548,288	206,225	342,063
(5)	G.O. Corporate Purpose 6-1-12	4,500,000	3-2-12	295,000	53,983	500	349,483	0	349,483
(6)	G.O. Refunding 3-7-13	1,115,000	Est'd 3-8-13	370,000	10,095	500	380,595	80,128	300,467
(7)							0		0
(8)	Tax Increment (6-24-04 (Southend)	1,885,000	6-18-04	110,000	56,320	0	166,320	166,320	0
(9)							0		0
(10)	Projected Use of Debt Service Fund Balance						0	17,238	-17,238
(11)							0		0
(12)	State Revolving Fund Loan (Total to be \$16,500,000;						0		0
(13)	all expected to be drawn down by 6-30-12)	16,500,000	N/A	578,000	483,373	0	1,061,373	1,061,373	0
(14)							0		0
(15)							0		0
(16)							0		0
(17)							0		0
(18)							0		0
(19)							0		0
(20)							0		0
(21)							0		0
(22)							0		0
(23)							0		0
(24)							0		0
(25)							0		0
(26)							0		0
(27)							0		0
(28)							0		0
(29)							0		0
(30)							0		0
TOTALS		3,073,000		939,797	2,500	4,015,297	1,631,230	2,384,067	

## NOTICE OF PUBLIC HEARING BUDGET ESTIMATE

FISCAL YEAR BEGINNING JULY 1, 2013 - ENDING JUNE 30, 2014

City of Muscatine, Iowa

The City Council will conduct a public hearing on the proposed Budget at City Hall Council Chambers  
 on 03/07/2013 at 7 p.m.  
 (Date) xx/xx/xx (hour)

The Budget Estimate Summary of proposed receipts and expenditures is shown below.  
 Copies of the the detailed proposed Budget may be obtained or viewed at the offices of the Mayor,  
 City Clerk, and at the Library.

The estimated Total tax levy rate per \$1000 valuation on regular property ..... \$ 15.67209

The estimated tax levy rate per \$1000 valuation on Agricultural land is ..... \$ 3.00375

At the public hearing, any resident or taxpayer may present objections to, or arguments in favor of, any part  
 of the proposed budget.

(563) 264-1550  
 phone number

Gregg Mandsager  
 City Clerk/Finance Officer's NAME

	Budget FY 2014		Re-estimated FY 2013	Actual FY 2012
	(a)	(b)	(c)	
<b>Revenues &amp; Other Financing Sources</b>				
Taxes Levied on Property	1	12,539,510	12,258,743	11,993,253
Less: Uncollected Property Taxes-Levy Year	2	0	0	0
<b>Net Current Property Taxes</b>	<b>3</b>	<b>12,539,510</b>	<b>12,258,743</b>	<b>11,993,253</b>
Delinquent Property Taxes	4	0	0	38,582
TIF Revenues	5	917,400	836,170	810,293
Other City Taxes	6	3,254,641	3,253,454	3,476,323
Licenses & Permits	7	322,800	323,000	332,050
Use of Money and Property	8	1,087,170	1,062,870	929,783
Intergovernmental	9	9,121,700	6,682,000	7,760,770
Charges for Fees & Service	10	13,228,850	13,029,550	12,892,574
Special Assessments	11	0	0	0
Miscellaneous	12	4,827,900	5,483,100	5,470,514
Other Financing Sources	13	16,736,547	17,608,063	15,892,046
<b>Total Revenues and Other Sources</b>	<b>14</b>	<b>62,036,518</b>	<b>60,536,950</b>	<b>59,596,188</b>
<b>Expenditures &amp; Other Financing Uses</b>				
Public Safety	15	8,506,000	8,634,030	7,567,506
Public Works	16	2,347,700	2,316,300	2,057,197
Health and Social Services	17	20,000	20,000	17,800
Culture and Recreation	18	3,227,850	3,240,950	3,154,162
Community and Economic Development	19	3,297,580	3,197,887	3,107,839
General Government	20	2,232,200	2,142,958	2,044,339
Debt Service	21	2,954,924	4,089,815	3,013,803
Capital Projects	22	5,509,000	3,063,400	4,912,814
<b>Total Government Activities Expenditures</b>	<b>23</b>	<b>28,095,254</b>	<b>26,705,340</b>	<b>25,875,460</b>
Business Type / Enterprises	24	20,492,853	21,337,843	17,813,815
<b>Total ALL Expenditures</b>	<b>25</b>	<b>48,588,107</b>	<b>48,043,183</b>	<b>43,689,275</b>
Transfers Out	26	14,376,547	16,488,063	10,791,245
<b>Total ALL Expenditures/Transfers Out</b>	<b>27</b>	<b>62,964,654</b>	<b>64,531,246</b>	<b>54,480,520</b>
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out	28	-928,136	-3,994,296	5,115,668
Beginning Fund Balance July 1	29	17,343,274	21,337,570	16,221,902
<b>Ending Fund Balance June 30</b>	<b>30</b>	<b>16,415,138</b>	<b>17,343,274</b>	<b>21,337,570</b>

**CITY OF MUSCATINE  
PROPOSED BUDGET SUMMARY**

**FISCAL YEAR 2013/2014**

# Proposed 2013/2014 Budget

- The proposed 2013/2014 budget includes:

**\$48,588,107 Operating and Capital Expenditures**

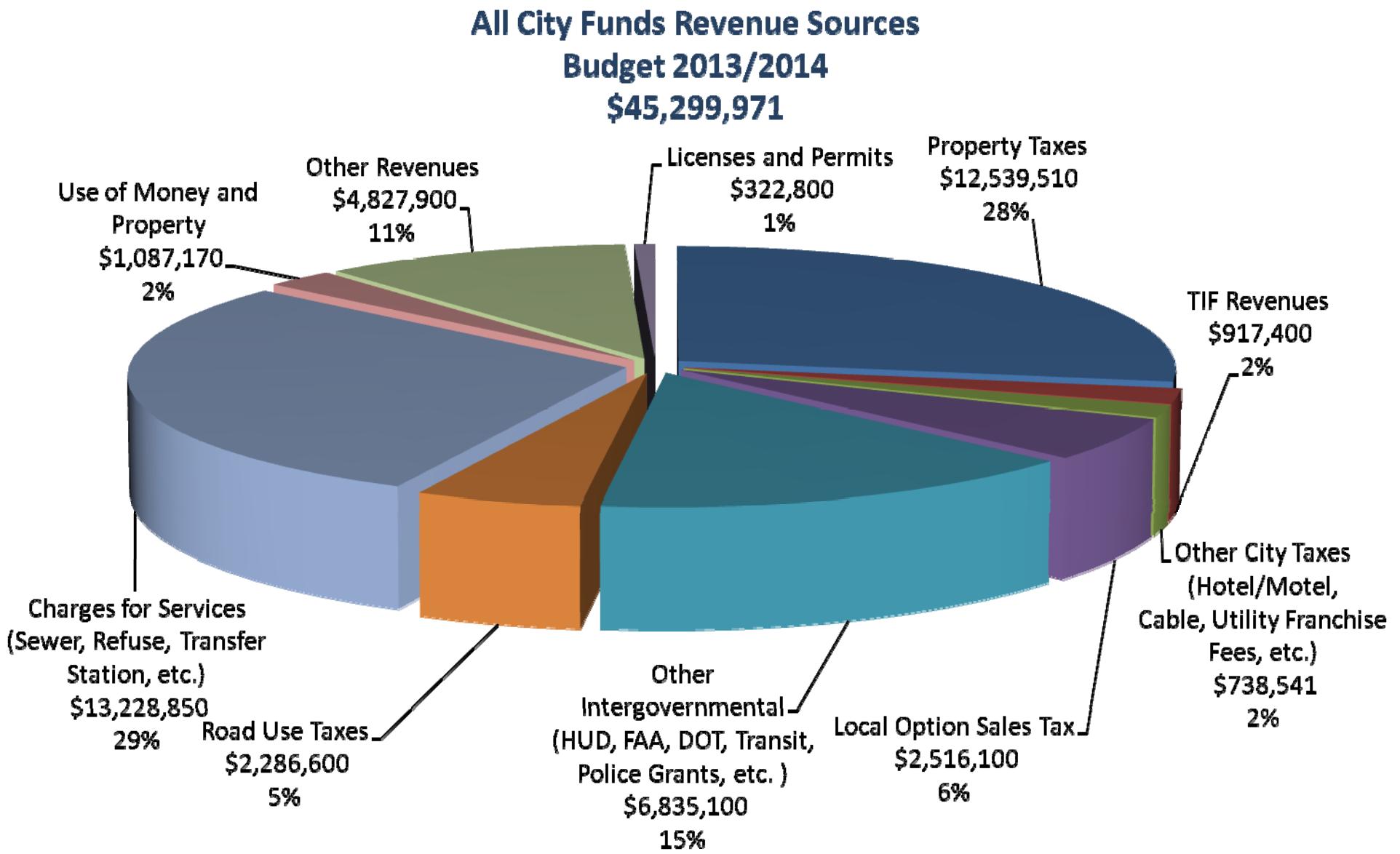
**\$45,299,971 Revenues (available fund balances will be  
used in 2013/2014)**

**\$2,360,000 General Obligation Bonds (including \$300,000  
to be paid from TIF funds)**

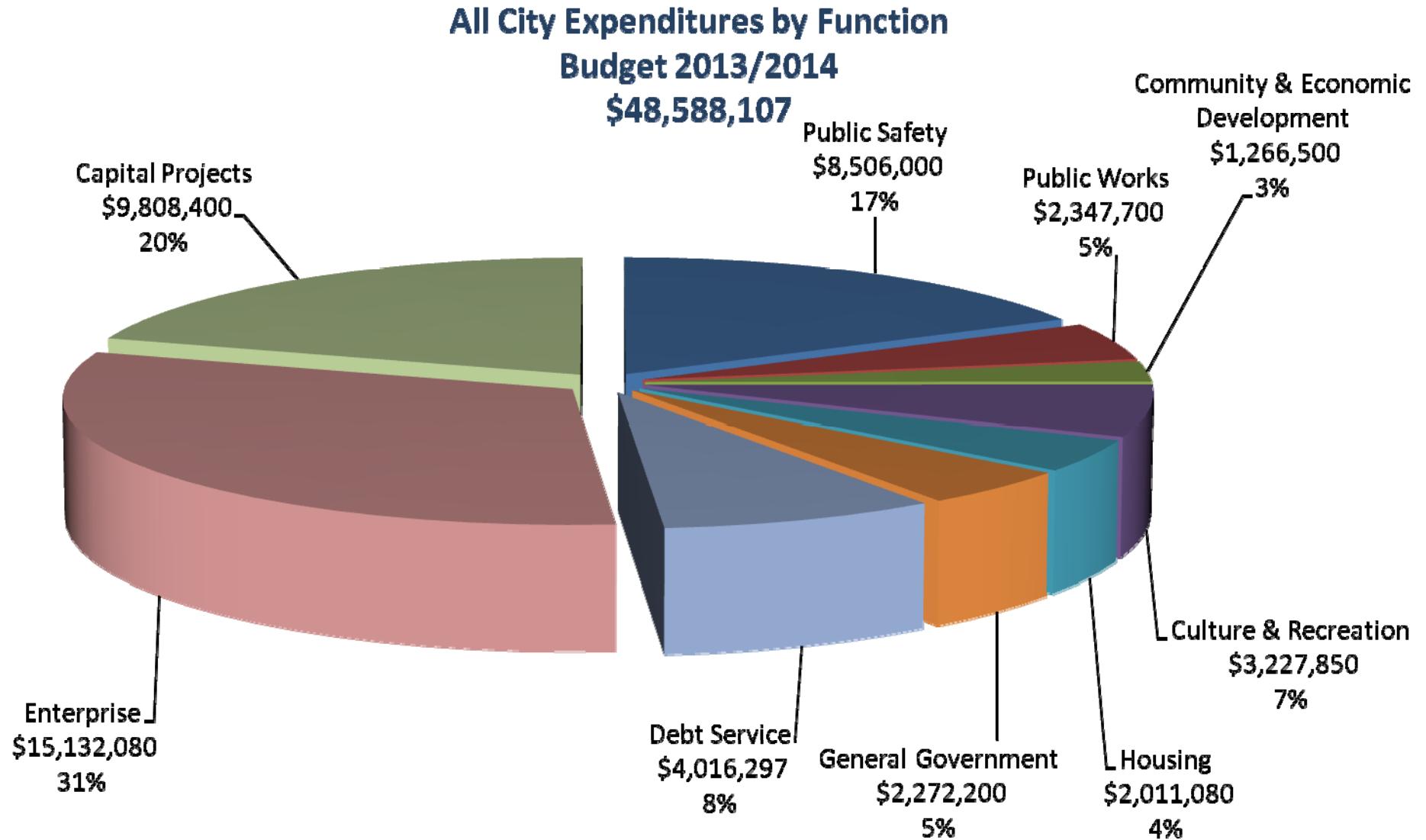
**\$12,539,510 General Property Taxes (excluding TIF taxes)**

**\$15.67209 City Tax Rate per \$1,000 valuation**

# Where Does the Money Come From?

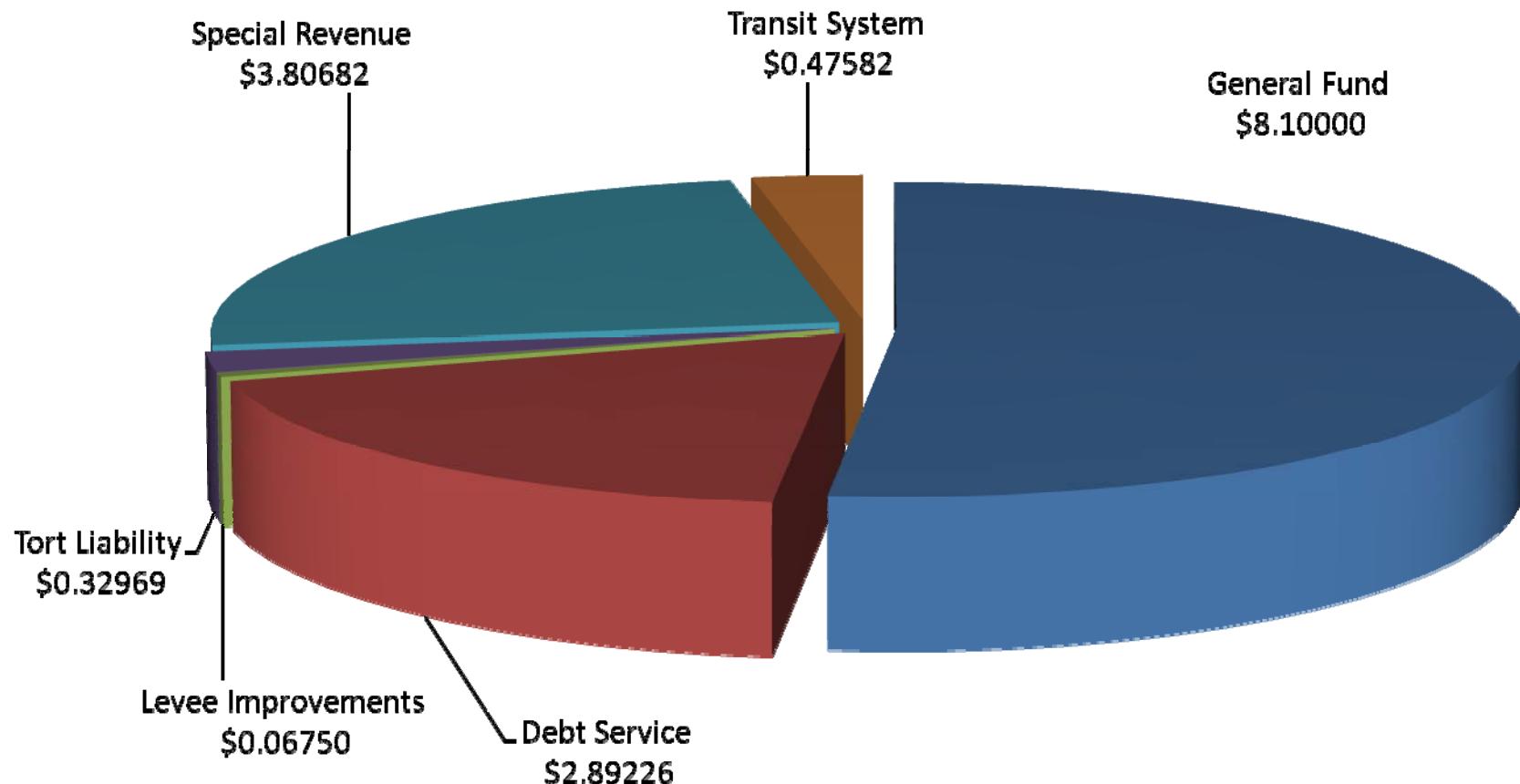


# How are the Funds Used?

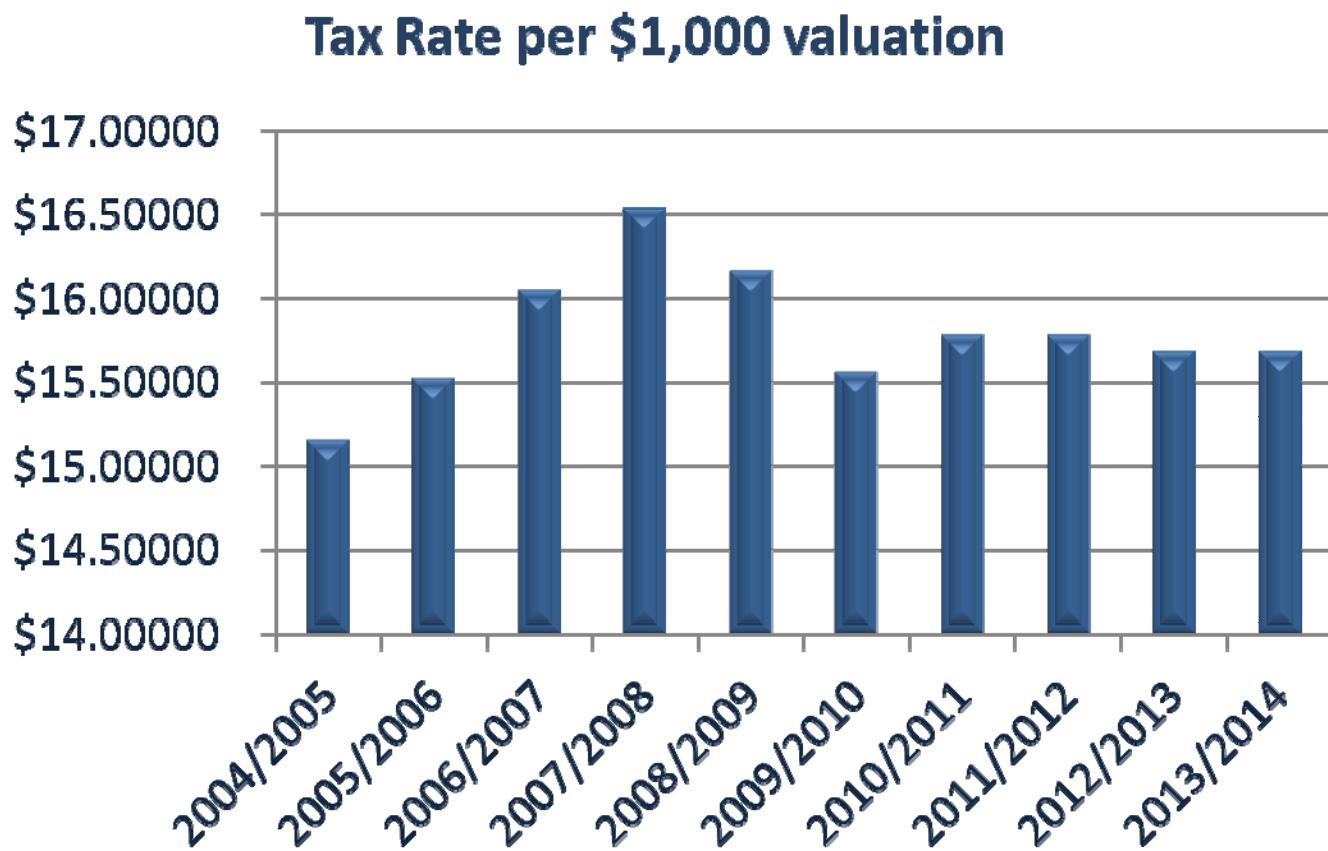


# City Tax Levy Rates by Type

**Proposed Rates FY 2013/2014**  
**Total \$15.67209/\$1,000 Valuation**



# City 10 Year Tax Rate History



# Proposed Property Tax Rate

- The City tax rate is proposed to remain the same as the current year at **\$15.67209** per **\$1,000** of taxable valuation.
- The City was able to maintain the tax rate at this level even with increases in personnel costs, police and fire pension contributions, other employee benefits costs, insurance, and transit operating costs.
- Maintaining the same tax rate for 2013/14 was possible due to (1) not funding all of General Fund employee benefits from the employee benefits levy (**\$530,246**) with that amount funded from the General Fund balance, and (2) using **\$40,000** from the Insurance Trust to fund a portion of the increased insurance costs.
- It should be noted, however, that using **\$530,246** of General Fund balance for employee benefits (with approximately 50% of this amount for the increase in Police and Fire pension costs), is not sustainable in future years.
- If the Insurance Trust funds and General Fund balance would not have been available, the tax levy rate would have been **\$16.28/\$1,000** or **\$.61/\$1,000** higher than the rate proposed.

# Proposed Property Tax Rate (Cont.)

- The proposed tax rate reflects increases and decreases in the individual levies that make up the total levy. These include:

General Fund	\$8.10000 (no change)
Transit	.47582 (inc. 16.2%)
Tort Liability	.32969 (inc. 3.3%)
Employee Benefits	3.80682 (dec. 1.7%)
Debt Service	2.89226 (dec. .4%)
Levee	<u>.06750</u> (no change)
	<u>\$15.67209</u>

As noted previously, the Employee Benefits levy was set at a rate \$530,246 less than the amount which would have been needed to fund 100% of the General Fund benefits with the General Fund funding the balance of these benefits.

# Proposed Property Tax Rate (Cont.)

- The Emergency Levy was eliminated in the 2011/2012 budget and the 2012/2013 and 2013/2014 budgets also do not include emergency levies.
- The Debt Service levy *decrease* is primarily due to favorable interest rates on the June 1, 2012 bond issue and savings from refunding the final year of the 2003 issue and the final three years of the 2006 issue.
- With the City's proposed tax rate of \$15.67209, the owner of home valued at \$100,000 (with rollback, a taxable value of \$52,817), would pay \$828 in City property taxes. This is \$33 more than the current year due to the change in the rollback factor.
- This reflects only the *City* portion of property owners' property tax bills. Property tax bills also include County and School district levies. Tax rates for these other entities are not yet available.

# *Where Do Your Property Taxes Go?*



Above tax levy rates reflect fiscal year 2012/2013 rates totaling \$40.15154 per \$1,000 valuation.  
Tax levy rates for fiscal year 2013/2014 for the School & County are not yet available

# General Fund Highlights

- The budget projects a General Fund ending balance on June 30, 2014 of \$2,665,964 which is 15.0% of General Fund expenditures. This more than meets the minimum of 10% required by the City's current Financial Policies as well as the proposed new minimum target level of 15%. This continues to address comments from the prior year Moody's bond rating review which noted the City's 10% minimum fund balance is lower than most other Aa2 rated cities, which average a fund balance in excess of 20%.
- The proposed budget is based on positioning the City for future years to address potential shortfalls in revenues from the loss of commercial and industrial values, property tax changes, changes in police and fire pension rates, as well as the potential loss of revenue from the automatic traffic enforcement cameras. These changes are currently being considered by the State legislature and all have the potential to affect our ability to maintain existing services.

## General Fund Highlights (Cont.)

- It should be noted, however, that General Fund revenues and other financing sources are **\$283,158 less** than expenditures and other financing uses which means that a portion of the General Fund balance is being used to “balance” the General Fund budget.
- The General Fund budget includes **154.04** in full-time equivalent (FTE) positions which is **.55** less than the **154.59** in the original **2012/2013** budget. There was a reduction of **.60** FTE’s from a reduction in part-time Library staff hours and a **.05** FTE increase in Finance due to reducing the Finance Director’s allocation to Parking from **10%** to **5%**.
- The budget maintains most subsidies to outside agencies at current funding levels with the exception of the subsidy to the Convention & Visitors Bureau which increased from **\$55,000** to **25%** of the Hotel/Motel Tax, which is estimated at **\$87,500**.

## General Fund Highlights (Cont.)

- The 2012/2013 General Fund budget for the first time included “assigned” funding for future year purchases. These original funding assignments included (1) the first of three proposed annual allocations of \$40,000 set-aside to fund the City’s obligation to retain the two new COPS grant-funded police officers for one year subsequent to the 3-year grant period, (2) \$250,000 towards the purchase of a new fire engine at an estimated total cost of \$500,000, and (3) \$140,000 for the purchase of a new financial software system. Due to a favorable General Fund balance at the end of 2011/2012, City Council authorized funding for the full amount of the fire engine in 2012/2013.

## General Fund Highlights (Cont.)

- The funding “assignments” were made for several reasons:
  - a. While the General Fund balance and revenues are currently sufficient to fund operations and some capital items, changes by the State legislature could change this significantly in upcoming years. It is proposed that the City continue to only make one-time expenditures from available funds instead of adding recurring costs (staffing increases).
  - b. Setting aside funds for the future COPS grant obligation will lessen the impact on the General Fund for that year.
- The only funding “assignment” in the 2013/2014 budget is \$40,000 for the second year of the funding to be set-aside for the City’s obligation to fund the 4<sup>th</sup> year of the costs for the two officers funded from the COPS grant.

## General Fund Highlights (Cont.)

- The proposed 2013/2014 budget, however, includes several significant capital outlay allocations in department operating budgets. Major capital items include: (1) \$95,000 to replace and enhance the Police department's squad car video system; (2) \$30,000 for backstop fencing improvements at Kent Stein Park; (3) \$23,000 to paint and repair four tennis courts; (4) \$25,000 to repaint the Aquatic Center pool basin; and (5) a total of \$102,500 to replace General fund vehicles and equipment.
- The city has started down the path to incorporate “Lean” tools and processes into our municipal culture. The budget for 2013/2014 continues to reflect numerous efficiencies implemented over the past three years. The budget also includes minimal resources to implement a more formal “Lean” program for City staff.

# Enterprise Funds

- For the City's Enterprise funds, rate increases are budgeted for sewer, collection and drainage, and parking. The budget reflects an estimated 2% increase in sewer and collection and drainage revenues. The City is in the process of evaluating proposals for a formal rate study for these operations and the actual rate increase will be based on the results of that study. The budget includes increases in parking meter rates from \$.20 to \$.25/hour for 10-hour meters and from \$.30 to \$.50 for 2-hour meters.
- Fees are not budgeted to increase in the other funds including transfer station, landfill, refuse collection, golf course, transit, ambulance, airport, and parking.
- Enterprise funds have balanced budgets with the exception of the Landfill Fund. The budget reflects continuation of the plan to substantially reduce or eliminate the accumulated deficit in this fund over the next 3-4 years.

# Capital Projects Summary

**In addition to the operating budget, the 2013/2014 budget includes a total of \$9,808,400 for capital projects including:**

1. **\$4,675,000 for street-related projects.**
2. **\$2,970,000 for sewer-related projects.**
3. **\$600,000 for the Lab Expansion project at the Water Pollution Control Plant.**
4. **\$506,000 for the Musser to Weggens Road Trail.**
5. **\$557,900 for airport improvements.**
6. **\$275,000 for the Weed Park Maintenance building project.**
7. **\$224,500 for other projects**

**These projects will be funded from grants, local option sales tax, sewer reserve funds, and general obligation bond proceeds.**

**The budget for 2013/2014 is the overall financial plan for both operating and capital expenditures for the City. The budget continues to provide for the numerous services provided to the residents of the community, maintains a good General Fund balance, and provides for infrastructure improvements to continue in the City.**

# Proposed Budget Summary

**The proposed budget positions the City for future year budgets including the possible impacts that legislative changes currently being considered may have on the City's ability to continue to fund the current level of City services.**

**This improved position includes:**

- 1. A General Fund balance of 15.0% of General Fund expenditures which addresses Moody's prior year bond rating comment and provides a balance which will assist in the event of emergencies or future year funding shortfalls.**
- 2. Allows for funding of department capital expenditures from available balances in lieu of from bond issues which results in a savings of interest costs.**
- 3. Maintains a steady tax levy rate avoiding significant year-to year decreases or increases in the rate.**