



Fiscal Year 27 Proposed Budget

City of Indianola



Workshop Agenda

FY27 Budget Process

Budget Highlights

Budget Overview

- Total Budget Comparison
- General Fund
- Special Revenue Funds
- Proprietary Funds

Hotel Motel Tax Discussion

Property Taxes and Legislation

Questions

Budget Adoption Process



Budget Highlights

- Economic Development and Tourism payments are covered fully by Hotel/Motel tax revenue contributions instead of pulling from the General Fund
- Transition from GeoPermits to MyGov
- \$25,000 investment in Police Mobile Data Units
- In-state staff training added back into the budget
- COLA and merit increases for non-union staff (40 full-time employees; approx. 44% of full-time staff)
- Removal of credit cards fees
- MGT Compensation and Benefit Study

Budget Highlights

- Parking lot resurfacing projects at Fire Department and leased lot
- Hwy 65/69 expansion study
- Replacement of streetlights
- Engineering services for the Iowa Avenue stormwater and sewer lines
- Sewer main linings
- Road and stormwater maintenance
- Investment into IWC Capital for weight and cardio replacement

Budget Overview

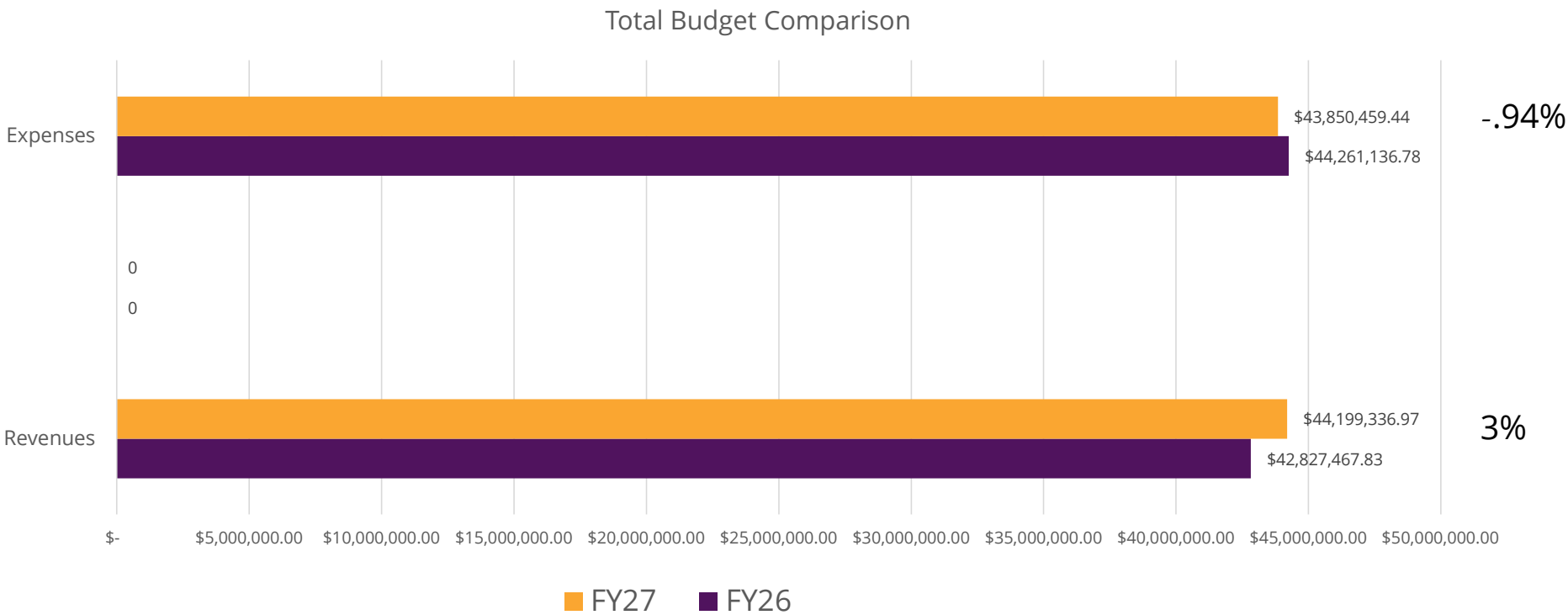
The budget serves as:

- A policy tool
- An operations guide
- A financial plan
- A communications device

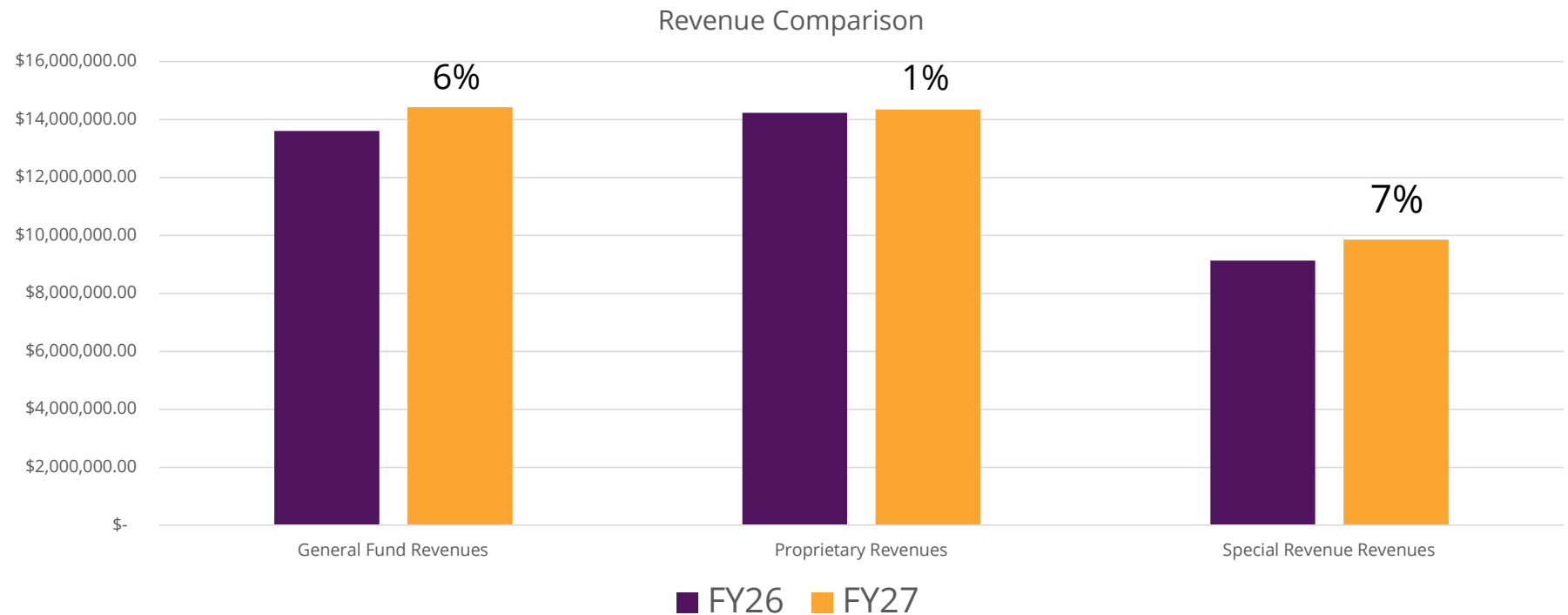
The budget considers the City Council's strategic areas:

- Welcoming hometown
- Thriving hub of economic development & innovation
- Resource optimization
- Protection and promotion of public health and safety

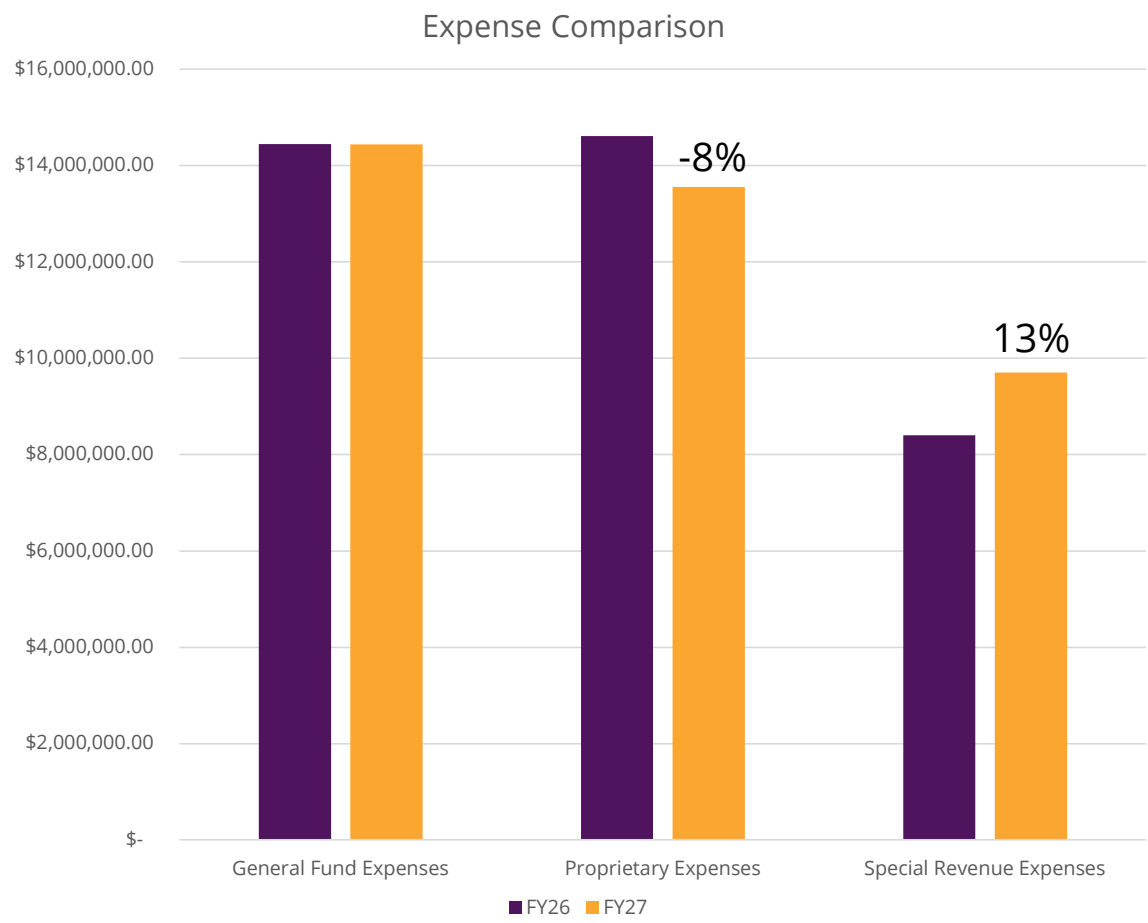
Total Budget Comparison

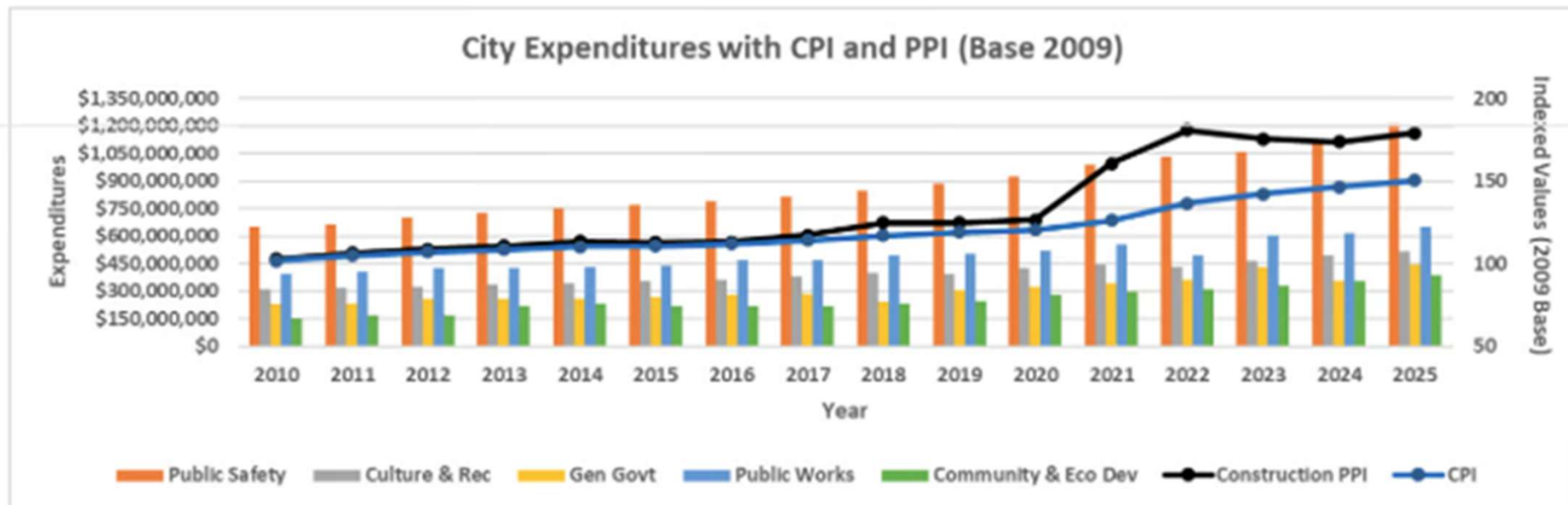


Major Funds Revenue Comparison



Major Funds Expense Comparison



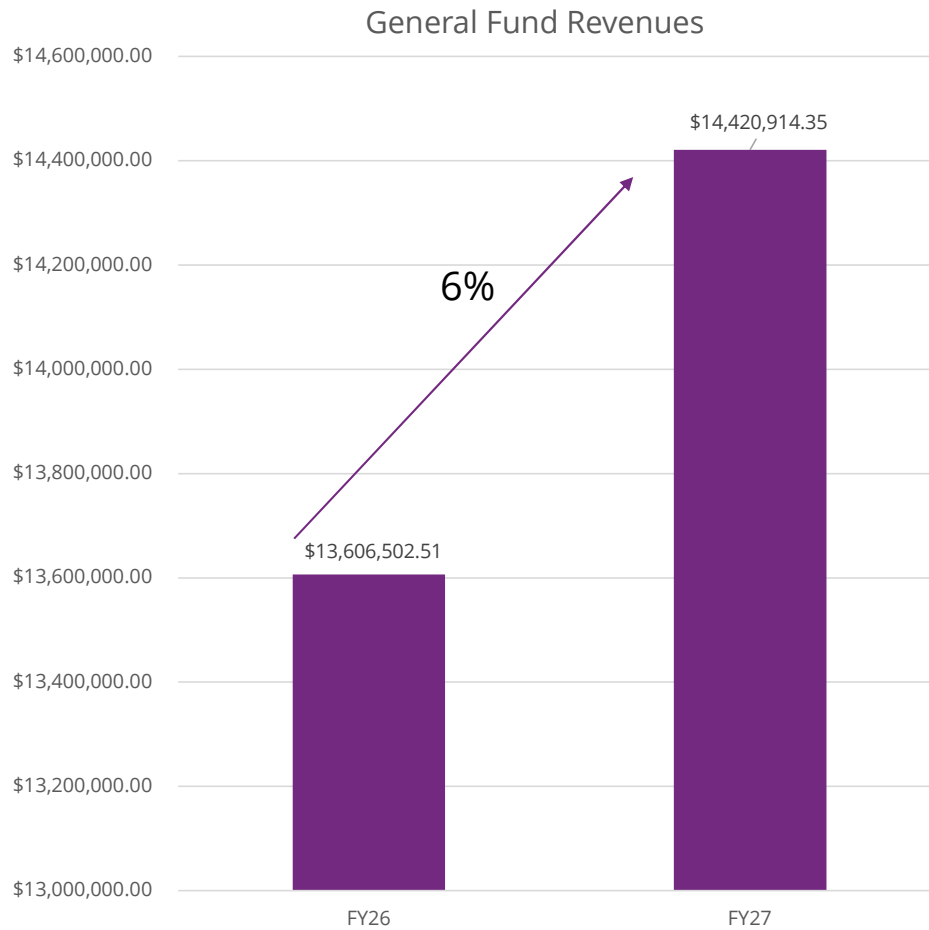


Construction Producer Price Index (PPI) - The Construction Producer Price Index is calculated by the Bureau of Labor and Statistics as a way to better understand the change in costs for goods and services related to construction (like raw materials, machinery, and so on).

Consumer Price Index (CPI) - The Consumer Price Index is calculated by the Bureau of Labor and Statistics as a way to better understand the every-day costs that people in America are facing.

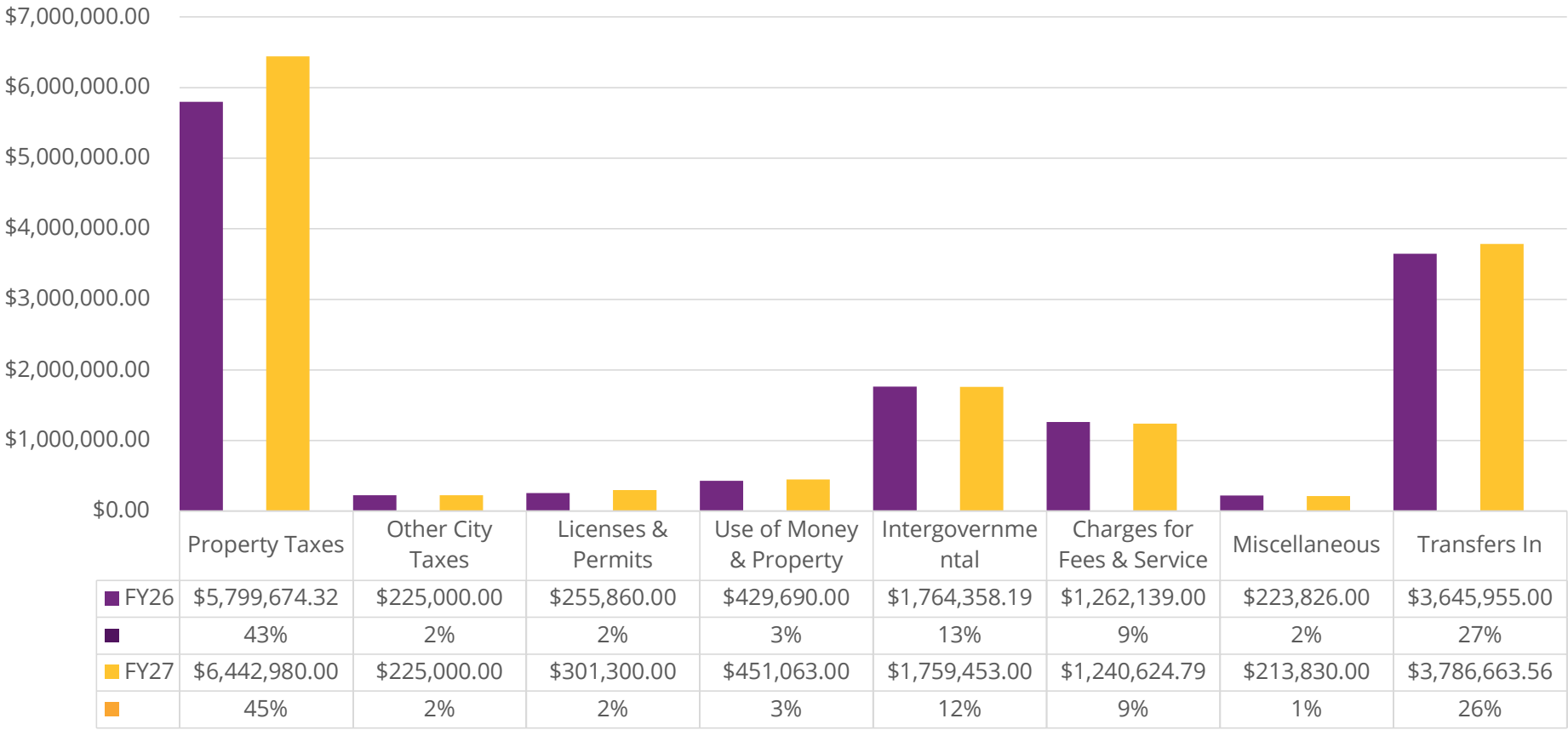
Budget Policy

- The City's annual budget is considered balanced if the cash reserve requirements, the working capital requirements and the revenue and expenditure requirements of the financial policy have been met.
 - Cash reserves should not be used to finance routine operating expenses. Cash reserves may be used to finance capital improvement projects and to offset non-recurring expenditures.
 - Current expenditures should not be balanced by postponing needed expenditures or paying for routine operating costs out of minimum cash reserves.
 - Revenues will equal or exceed expenditures for each budget year unless there are funds available in excess of the cash reserves requirements of the financial policy.



General Fund Revenues

General Fund Revenue Sources

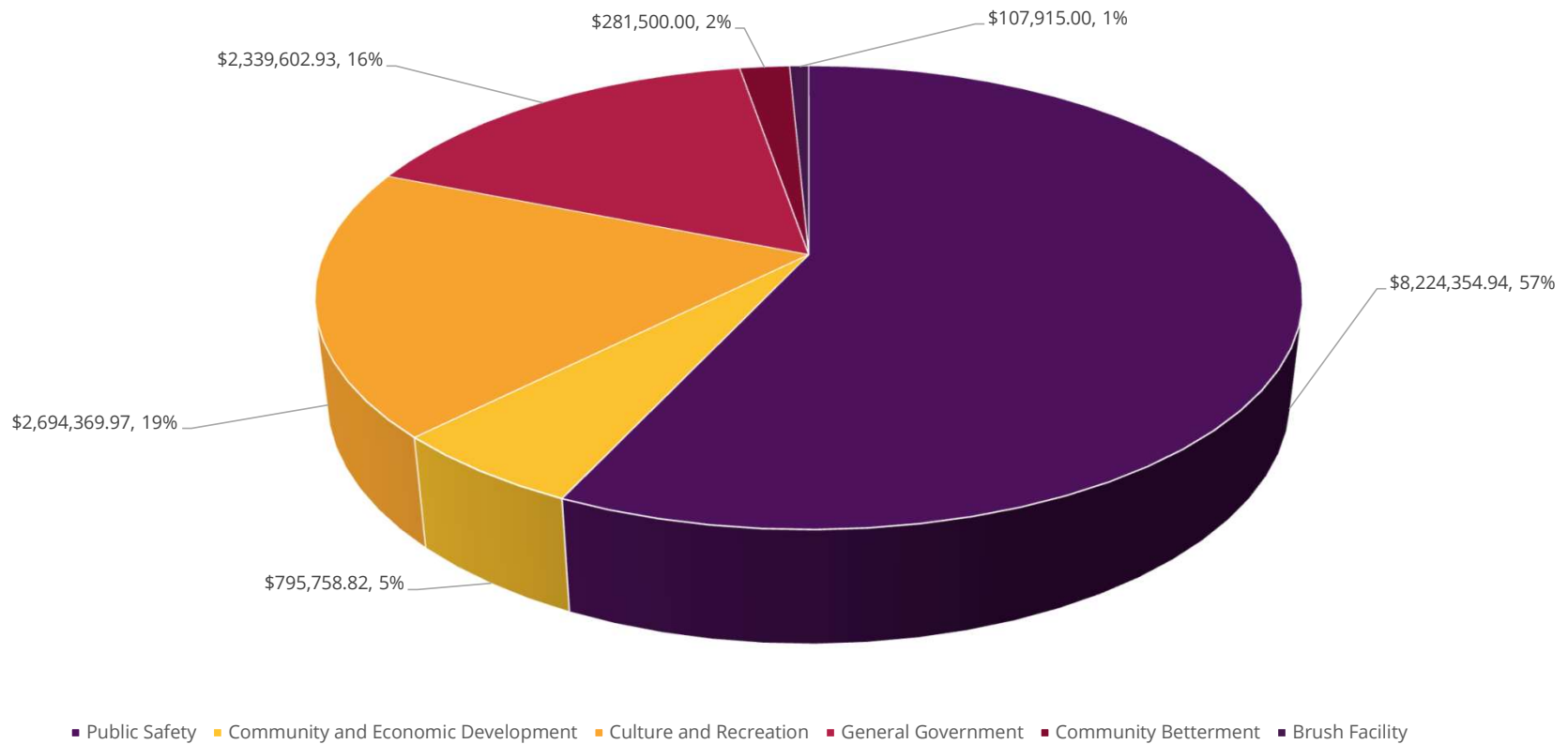




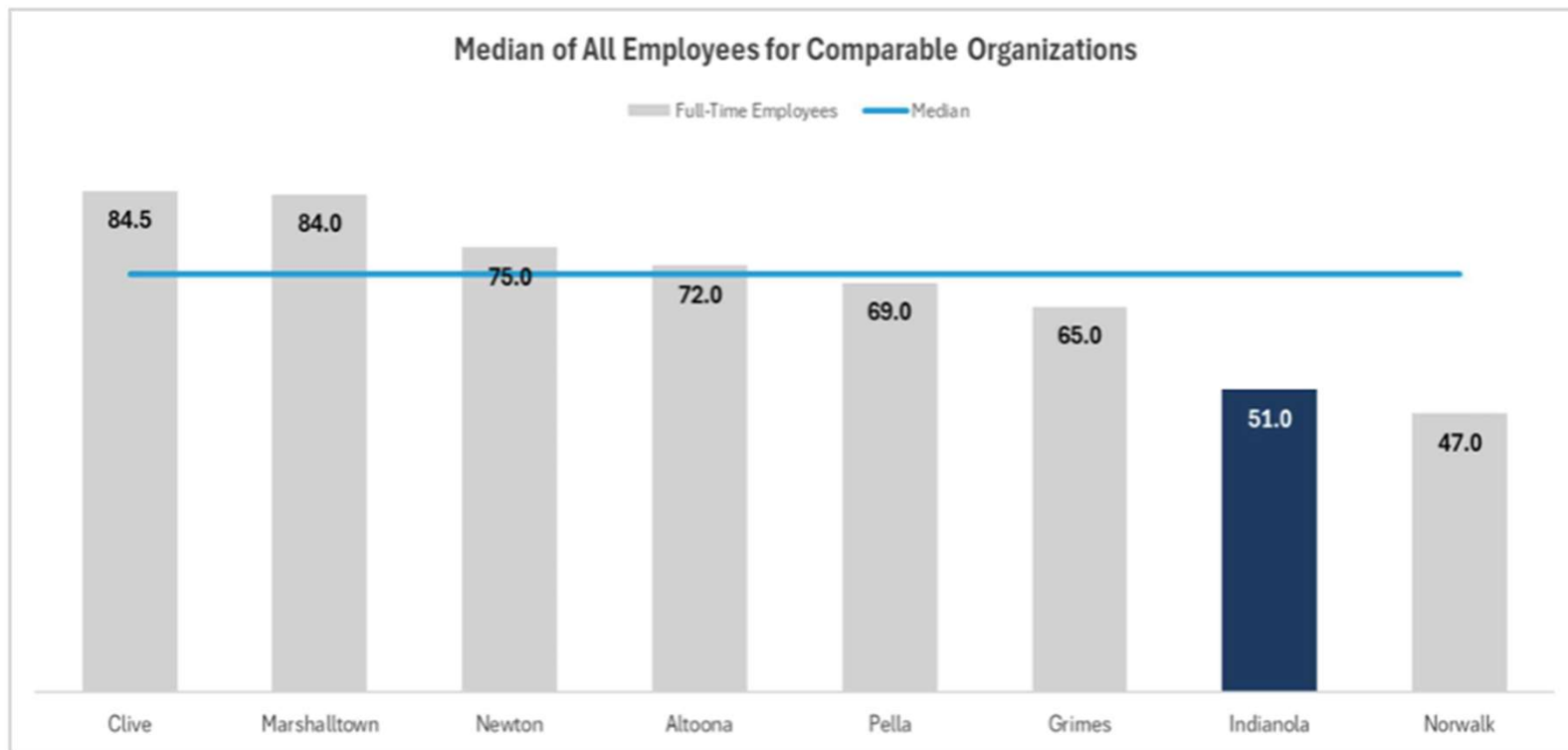
General Fund Expenses

.04% decrease

General Fund Expenses by Category



Median Comparison of Full-Time Non-Public Safety Employees



Non-Public Safety Staffing Comparison

FY 26 Staff: 51	FY 27 Staff: 48
City Manager: 1	City Manager: 1
Clerk/Finance: 3	Clerk/Finance: 3
Human Resources: 2	Human Resources: 2
Internal Services: 5	Internal Services: 4
Community & Economic Development: 5	Community & Economic Development: 5
Culture and Recreation: 12	Culture and Recreation: 10
Library: 5	Library: 5
Public Works: 18	Public Works: 18

Non-Reoccurring General Fund Expenditures

\$112,500

- Airport Contribution Year 5 of 5: \$50,000
- Geo Permits License while transitioning to MyGov: \$7,000
- Applicant Pro while transitioning to Tyler: \$5,500
- PD Mobile Data Units Year 1 of 2: \$25,000
- Compensation and Benefit Study: \$25,000

Expenses

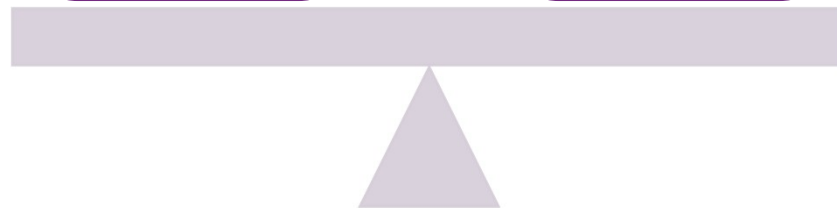
\$14,443,501.98

-\$22,587.63

\$14,420,914.35

Revenues

\$14,420,914.35



Critical Decisions

- Removed large capital expenses
 - Council authorization needed to borrow for these expenses
- Line-by-line reductions for entire budget
- Program reductions
- One-time expenses using reserves
- Personnel – 7 Full-time positions impacted
 - Police
 - Communications
 - Culture and Recreation

Special Revenue Funds



ROAD USE
TAXES



TAX INCREMENT
FINANCING

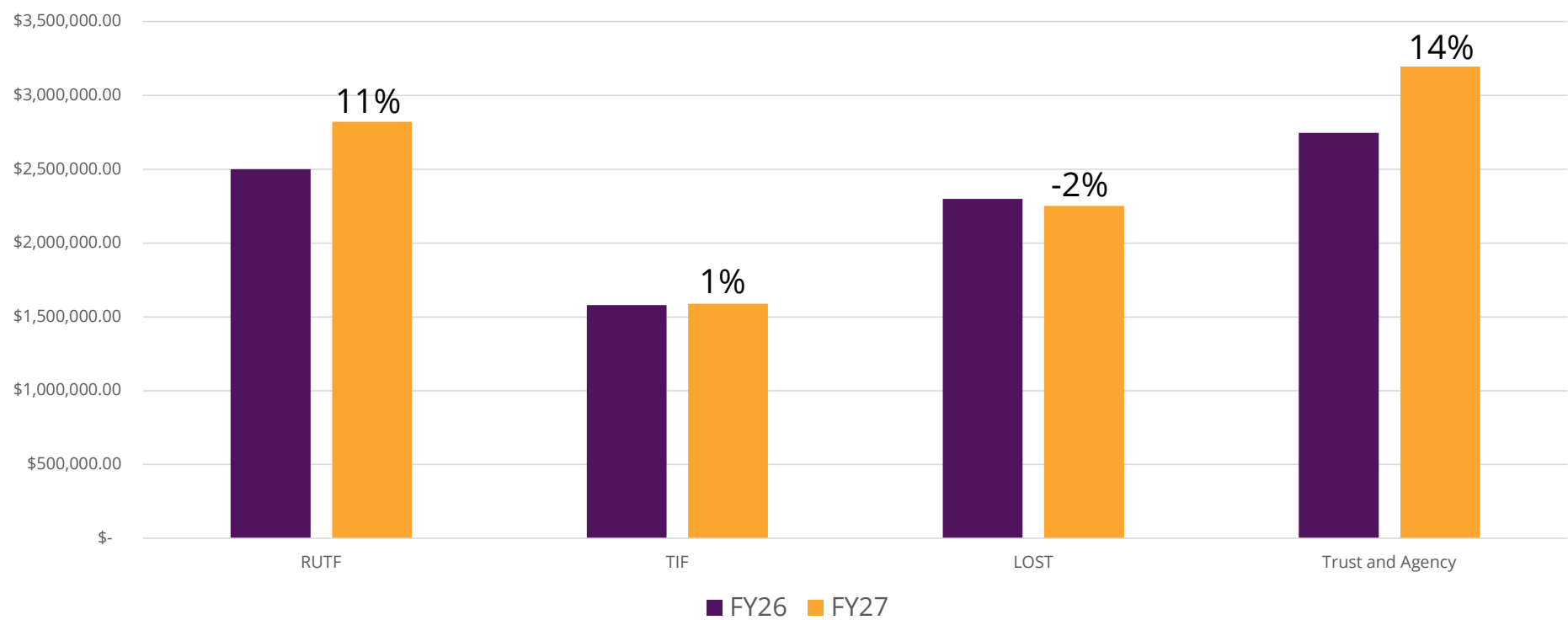


LOCAL OPTION
SALES TAX

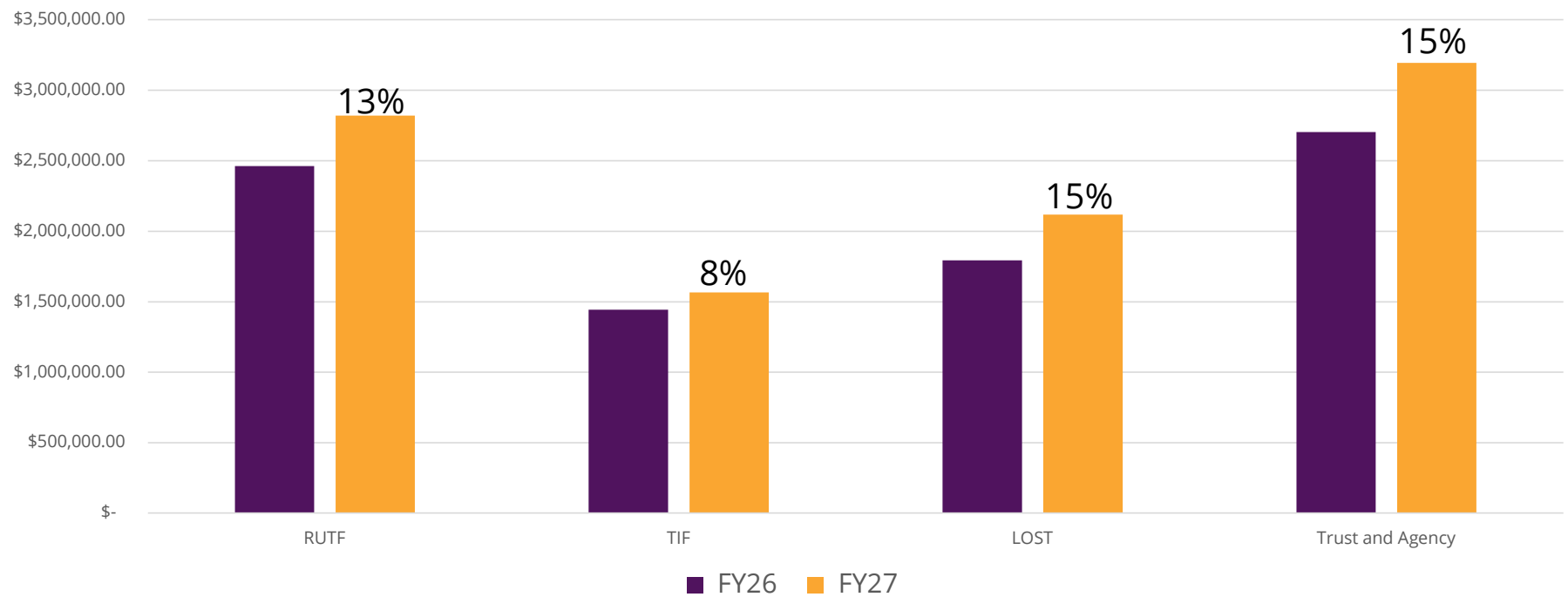


TRUST AND
AGENCY

Revenue Comparison



Expense Comparison

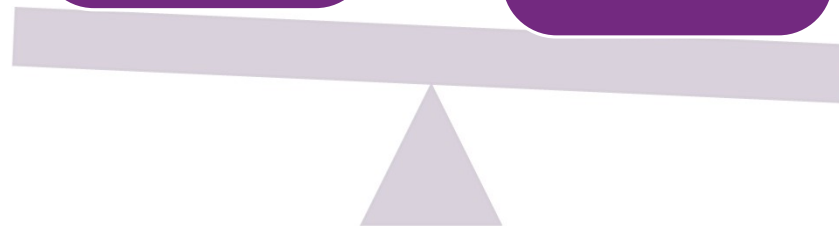


Expenses

\$9,701,389.30

Revenues

\$9,858,961.62



Proprietary Funds – Business Type



Sewer Operating Fund



Sewer Capital Fund



Sewer Revenue Bonds



Recycling Fund



Stormwater Fund

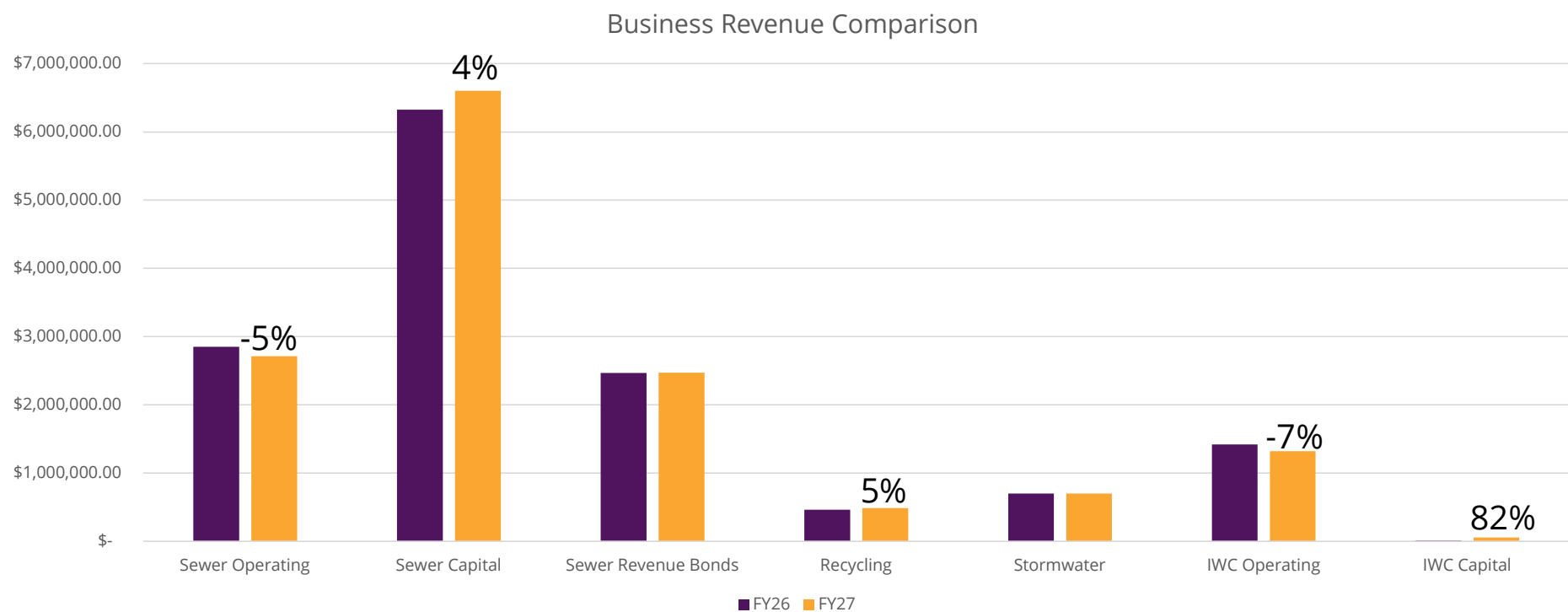


Wellness Campus Operating Fund

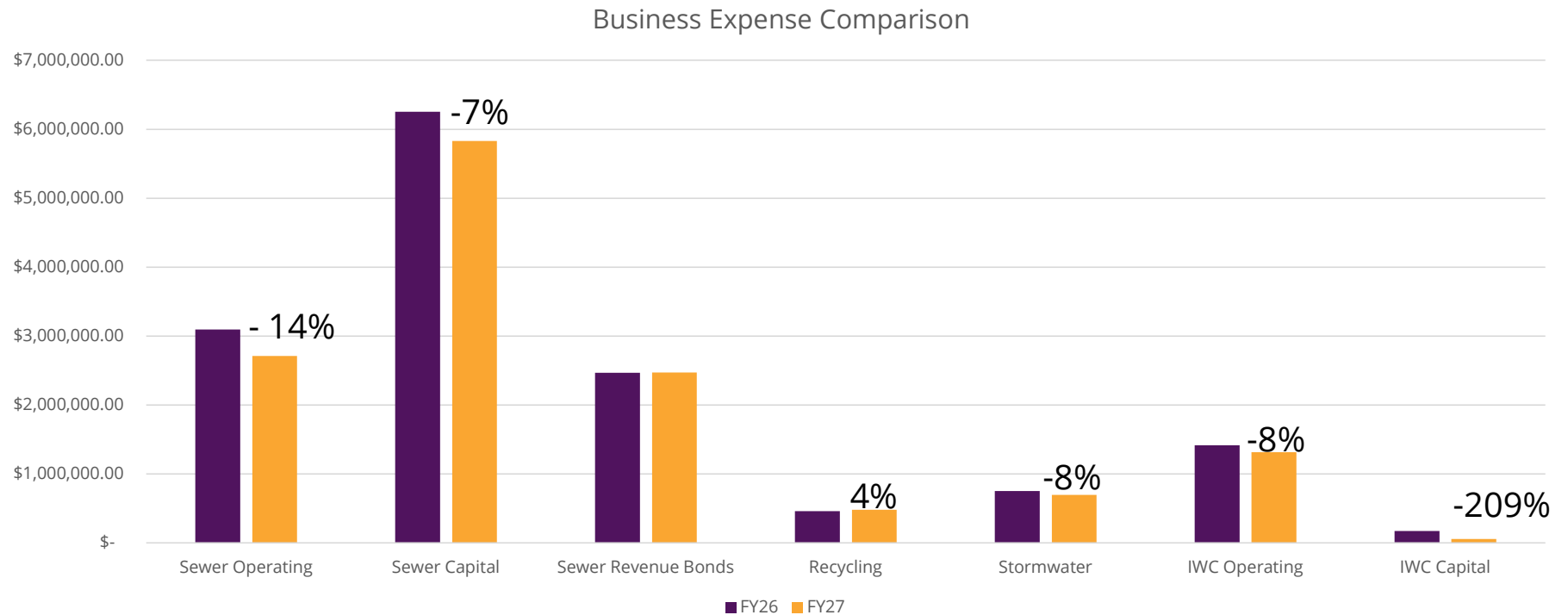


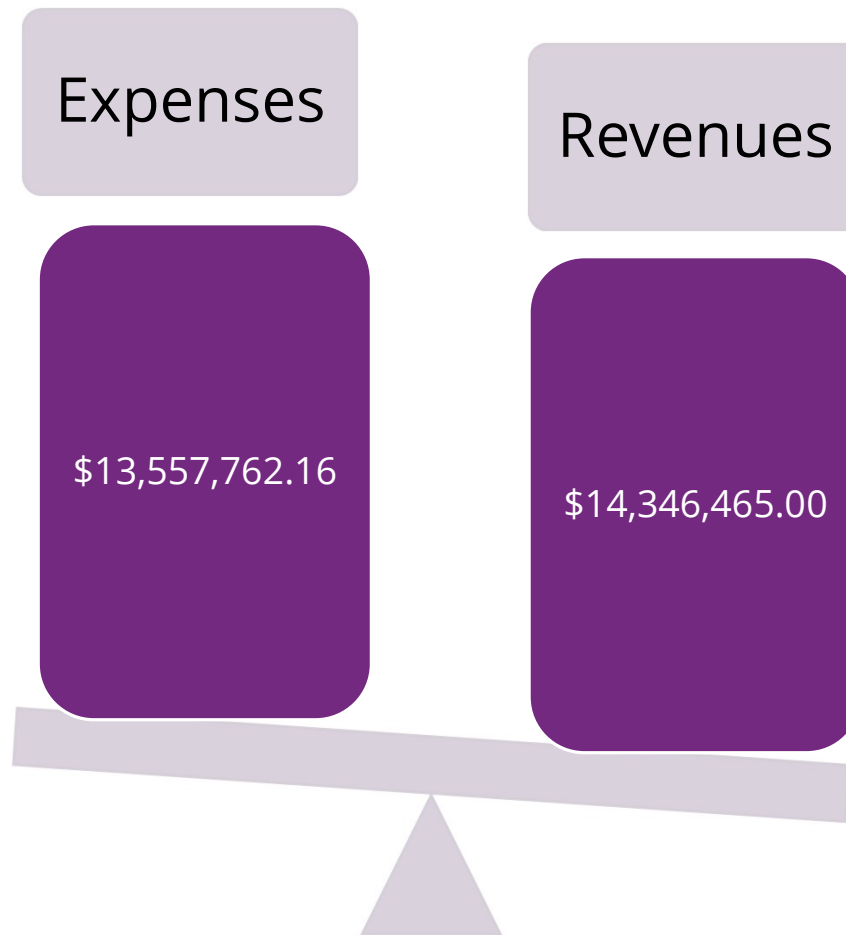
Wellness Campus Capital Fund

Revenue Comparison



Expense Comparison





Projected Fund Balances (Reserves)

General Fund
28.39%

RUTF 70.49%

Sewer Capital
25.17%

Stormwater
125.68%

Recycling
49.95%

IWC .76%

Hotel Motel Tax Revenue Distribution

Projected Revenue	\$225,000
Parks and Recreation	\$25,000
IWC	\$20,000
Greater Des Moines Partnership Membership	\$7,500
Indianola Main Street	\$45,000
Bravo	\$64,286
Economic Development and Tourism <i>*Distribution to other entities dependent upon applications</i>	\$63,214

Local Agencies	48%
Regional Agencies	32%
City Departments	20%

Information for the Taxpayer

	FY27 Rates	FY27 Dollars	FY26 Rates	FY26 Dollars	Difference	Rate Change
Consolidated General Fund	7.63354	\$ 6,152,237.00	7.86255	\$ 5,527,640.00	\$ 624,597.00	-3%
Insurance	0.35331	\$ 284,748.00	0.37862	\$ 266,183.00	\$ 18,565.00	-7%
Ag Land		\$ 6,265.00		\$ 5,851.00	\$ 414.00	
Employee Benefits	3.97315	\$ 3,202,155.00	3.85121	\$ 2,707,534.00	\$ 494,621.00	3%
Debt Levy	1.17084	\$ 1,006,836.00	1.34456	\$ 1,011,451.00	\$ (4,615.00)	-15%
Total Property Tax Levy	13.13084	\$ 10,652,241.00	13.43694	\$ 9,518,659.00	\$ 1,133,582.00	-2%

Legislation to monitor



SSB 3114 – Hotel/Motel Tax Use



HF 2191 – Changes to election dates and additional bond election date



HF 2359: Liability of Property Owners for Public Places



SSB 3068: Procedures for Water & Wastewater Utility System Enhancement and Ratemaking



Property tax reform legislation

Budget Adoption Process





Questions

