



AGENDA OF THE SPECIAL SESSION OF THE
COUNCIL OF THE CITY OF WASHINGTON, IOWA
TO BE HELD AT WASHINGTON FREE PUBLIC LIBRARY
NICOLA-STOUFER MEETING ROOM
115 W. WASHINGTON STREET
AT 6:00 P.M., TUESDAY, JANUARY 23, 2018

Call to Order

Pledge of Allegiance

Roll Call

Agenda for the Special Session to be held at 6:00 P.M., Tuesday, January 23, 2018 to be approved as proposed or amended.

PRESENTATION FROM THE PUBLIC - Please limit comments to 3 Minutes.

NEW BUSINESS

Fiscal Year 2019 Budget Workshop.

MAYOR & COUNCILPERSONS

Jaron Rosien, Mayor
Brendan DeLong
Steve Gault
Kerry Janecek
Elaine Moore
Fran Stigers
Millie Youngquist

ADJOURNMENT

Illa Earnest, City Clerk

City of Washington

Fiscal Year 2018/2019
Budget Presentation



Fiscal 2018-2019 Budget Overview

- As Presented:
 - The General Fund budget is exactly balanced to keep the projected GF balance at \$1,000,000.00 per the adopted policy related to our City Hall/Police/Fire building projects.
 - Property Tax levy stays level at \$15.82079/\$1,000 valuation, with a 5.2% increase in taxable valuations. This would be our 7th straight year at this rate.
 - 3% average (non-union) salary increases are included.
 - The net increase in General Fund spending is 3.25%.



Fiscal 2018-2019 Budget Overview

- As Presented (Continued):
 - No personnel changes versus current.
 - Funding is included for projects including the South 15th Subdivision, South Avenue E Paving, Wellness Park, Fire Station, a major I/I reduction project, and finishing the Water Plant improvements. Total capital projects are estimated at \$7.8 million.
 - Water & Sewer are both budgeted at 3.5% on usage only, and Sanitation is budgeted with no increases. This is our lowest level of increases since FY12.

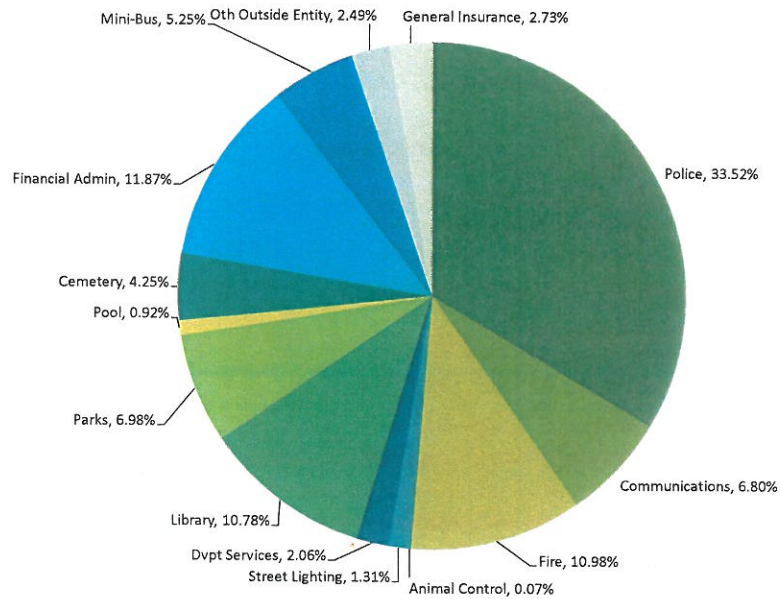


General Fund Budget

- Overall:
 - Revenues: \$3,812,996.13
 - Expenditures: \$3,812,996.13
 - Surplus (Deficit): \$0.00
 - Estimated balance at 7/1/18: \$1,000,000.00
 - Estimated balance at 6/30/19: \$1,000,000.00



General Fund Budget Allocation



Police Budget Summary



- Revenues: \$22,375
- Local Option Sales Tax Transfer In: \$300,000 (down \$5,000)
- Expenditures: \$1,537,192
- General funding: \$1,214,817
- Net Funding increase/(decrease): \$63,634
- Highlights:
 - Health insurance increase amounts for approximately \$25,000 of increased budget
 - Replace 2010 Explorer with new Explorer (2010 goes to Development Services): \$34,555 (in Capital Equipment 300)
 - Continue outside tech services: \$8,000

Fire Budget Summary

- Revenues: \$85,000
- LOST Transfer In: \$132,500 (stays same)
- Expenditures: \$418,728
- General funding: \$201,228
- Net Increase/(decrease): \$30,208
- Highlights:
 - Health Insurance up \$10,000
 - Physicals this year: \$7,000
 - Gear replacement: additional \$5,000



Development Services Summary

- Revenue: \$61,500
- Expenditures: \$78,598
- General Funding: \$17,098
- Net Increase/(decrease): (\$17,444)
- Highlights:
 - Reflects not replacing Electrical Inspector position (Steve Donnolly to get certified for this)
 - Budgeted to take 2010 Explorer from PD; \$2,000 upfit costs included in departmental budget



Library Budget Summary

- Revenues: \$85,000
- Expenditures: \$410,879
- General Funding: \$325,879
- Increase/decrease: \$9,397
- Highlights:
 - Building maintenance & purchase of library materials are both up \$2,500.
 - County funding expected to be down somewhat due to circulation calculations included in the countywide library formula (we and Wellman are slightly down in circulation while Kalona is up).



Parks Budget Summary

- Revenues: \$450
- Expenditures: \$266,181
- General Funding: \$265,731
- Increase/decrease: \$6,770
- Highlights:
 - Increase in part-time wages (around \$2,000) reflects increased maintenance demands on department.
 - YMCA Rec Services contract remains at \$32,000 (same level as FY18)
 - Budget includes \$7,000 for Municipal Band, as in past years.
 - No capital purchases this year.



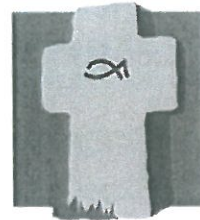
Pool Budget Summary

- Revenues: \$0
- Expenditures: \$35,100
- General Funding: \$35,100
- Increase/(decrease): \$140
- Highlights:
 - City pays for utilities and maintenance
 - Management Fee to YMCA: \$6,800
 - Continue replacement of lounge chairs: \$2,000.



Cemetery Budget

- Revenues: \$70,500
- Expenditures: \$162,225
- General Funding: \$91,725
- Increase/decrease: \$8,726
- Highlights:
 - Fuel allocation corrected: results in \$4,500 annual impact to Cemetery budget.
 - Increased budget for concrete replacement, partially paid by Cemetery Gift Fund.
 - Purchase of mower in Capital Equipment Fund: \$7,870.



Finance, Legal & City Hall

- Revenues (includes property tax): \$3,052,671 (up \$132,748)
- Expenditures: \$851,594 (down \$19,356)
- Highlights:
 - Continuing policy of maintaining \$1,000,000 fund balance and transferring any additional at year-end to Fund 309 for City Hall, Police, and Fire building improvements.
 - Transfer out estimated at \$138,175.
 - Transfer out of \$25,000 for Woodlawn Gates & Shelter project.



Outside Entity Funding

- Requests:
 - WEDG: \$22,287 (2% higher than current)
 - PAWS & More: \$21,000 (\$3,000 higher than current, but would go to \$19,000 under extension of current agreement)
 - They request a new 3-year agreement
 - Main Street: \$20,000 (same as current)
 - Tourism Committee: \$20,000 (same as current)
 - They request a 3-year agreement
 - Fireworks: \$6,000 (\$2,000 more than current)
- Discussion will be held at the 3rd budget workshop on WEDG, Main Street, Tourism, and PAWS & More requests.



Tax Rate Comparison: Current vs. Proposed

Levy	Current Rate	Proposed Rate	Increase/ (Decrease)
General	8.10000	8.10000	0.00000
Employee Benefits	3.10873	3.38686	0.27813
General Insurance	0.46788	0.44341	(0.02447)
Emergency	0.27000	0.27000	0.00000
<u>Debt Service</u>	<u>3.87418</u>	<u>3.62052</u>	<u>(0.25366)</u>
Overall	15.82079	15.82079	0.00000
\$100K House City Bill	\$900.82	\$879.97	(\$20.85)
\$100K Biz City Bill	\$1,423.87	\$1,423.87	\$0.00

Debt Service Fund

- Total debt service payments for year: \$1,202,347.
- Planned Debt Issuances:
 - \$3,185,000 General Obligation (Streets, Sewer & Wellness Park)
 - \$1,700,000 Local Option Revenue (Fire Station). This will be the only debt issuance projected to be needed for the Fire Station and City Hall/Police projects.
- Total DS Levy responsibility: \$877,572.
- Total levy requested is 3.62052, which is \$0.25366/\$1,000 valuation less than last budget.

Debt Payments for FY18-19

- \$50,790 for 2014 Streets (Year 5 of 5)
- \$219,588 for 2015 North Tower/Streets/Fire Truck (Year 4 of 19)
- \$163,970 for 2016A Nontaxable Refunding of 2009 GO Bond (Year 2 of 12)
- \$60,763 for 2016B Taxable Refunding of 2009 GO Bond (Year 3 of 13)
- \$129,900 for 2016C Streets/Business Park (Year 3 of 5)
- \$532,480 for 2018 Streets/Sewer/Wellness Park (Year 1 of 13)
- \$160,000 for 2018 LOST Revenue Bonds (Year 1 of 15)



Historical Tax Levy Rates

	<u>14-15</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>
General	8.10000	8.10000	8.10000	8.10000	8.10000
General Insurance	0.49356	0.50343	0.47596	0.46788	0.44341
Employee Benefits	3.05107	3.03705	3.03012	3.10873	3.38686
Debt Service	3.90617	3.91031	3.94471	3.87418	3.62052
Emergency	0.27000	0.27000	0.27000	0.27000	0.27000
Total	15.82079	15.82079	15.82079	15.82079	15.82079



Airport Budget



- Airport is in Fund 002 and is self-supporting on an operating basis
- Revenues: \$432,400
- Expenditures: \$550,597
- Fund Surplus (Deficit): (\$118,197)
- Projected FB @ 7/1/18: \$166,787.34
- Projected FB @ 6/30/19: \$48,590.00
- Highlights:
 - The Airport Commission is planning to draw down their fund balance significantly in order to construct a new large hangar as planned.



Road Use Tax Fund

- ▶ Revenues: \$1,020,112
- ▶ Expenditures: \$1,133,379
- ▶ Fund Surplus (Deficit): (\$113,277)
- ▶ Projected FB @ 7/1/18: \$478,854
- ▶ Projected FB @ 6/30/19: \$365,586
- ▶ Highlights:
 - ▶ We are drawing down the balance significantly in FY18 and FY19 for the following projects/initiatives and others:
 - ▶ Emerald Ash Borer: \$142,000 between the two years
 - ▶ South 15th Avenue: \$125,000
 - ▶ South Avenue E: \$84,000
 - ▶ East Washington Sidewalk: \$87,500 between the two years
 - ▶ Airport Projects: \$52,280 between the two years



Capital Projects

- New Projects Include:
 - South Avenue E Paving: \$803,200
 - Paving from Sitler Drive to Lincoln Street
 - Includes extending sidewalk from Sitler & E to Timber Ridge
 - Last major project needed before West Buchanan is paved from the WWTP Road to Avenue E in 2021.
 - East Washington Sidewalk: \$150,000 in FY19 plus \$27,500 in FY18
 - Engineer's cost estimate is within \$3,400 of this preliminary figure
 - 5' sidewalk on the south side of East Washington and west side of Wiley Avenue from Archer's to Walmart
 - Airport Taxiway/Parking Phase 2: \$200,000 in FY19 plus \$100,000 in FY18
 - 90% FAA funded; 10% Road Use Tax
 - Sets stage for future 2nd fuel farm to relieve congestion during peak periods and improve safety (FY20 project).
 - Woodlawn Gates & Shelter: \$50,000
 - Historically-correct rehabilitation of cemetery shelter that is listed on the National Register of Historic Places (50% grant funding)



Riverboat Capital Projects

Starting in FY18, we now follow the application process designed by the Riverboat Foundation for these funds, so this fund operates a bit differently than in previous years.

- Starting fund balance (7/1/18): \$0.00
- Revenues: \$425,000
- Expenditures: \$425,000
 - Wellness Park: \$200,000
 - Business Park Phase II/West Buchanan (saving toward FY21 project): \$225,000
- The above uses are still subject to approval by the Riverboat Foundation.



Capital Equipment Fund

- Due to the City Hall/Police/Fire improvements, we are eliminating the Local Option Sales Tax contribution to this fund for a few years, so the only source recommended for FY19 is Road Use Tax. We have enough non-designated fund balance to cover anticipated purchases over that time period.
- Priorities for this year include:
 - Purchase & equip a Ford Explorer for Police: \$34,555
 - Purchase a skid loader broom for M/C: \$7,000
 - Purchase a pull-behind mowing deck for M/C: \$1,700
 - Purchase a new mower for Cemetery: \$7,870



Water Fund Budget

- ▶ Revenues: \$1,928,248
- ▶ Expenditures: \$1,786,840
- ▶ Fund Surplus (Deficit): \$141,408
- ▶ Projected FB @ 7/1/18: \$555,488
- ▶ Projected FB @ 6/30/19: \$697,195
- ▶ Highlights:
 - Assumes 3.5% increase on usage only. This is the lowest increase since FY12.
 - We expect to start debt payments on the Water Plant, which is expected to be a \$267,866 annual payment for 20 years.
 - The only capital project is finishing up the Water Plant improvements.



Sewer Fund Budget

- Revenues: \$2,338,720
- Expenditures: \$2,431,202
- Fund Surplus (Deficit): (\$92,482)
- Projected FB @ 7/1/18: \$787,058
- Projected FB @ 6/30/19: \$694,575
- Highlights:
 - Assumes a 3.5% increase on usage only. This is the lowest rate increase since FY12.
 - Debt Payments as follows:
 - WWTF SRF Loan: \$788,063 (Payment 7 of 30).
 - West Side Interceptor: \$151,088 (Payment 7 of 30).
 - We are planning on a \$1 million I/I project in the Southeast Basin, which will hopefully be supplemented by a \$600,000 Community Development Block Grant.
 - Equipment purchases are limited to \$32,000 for a new one-ton truck to replace a 1996 F-250.



Sanitation Budget

- Revenues: \$428,732
- Expenditures: \$425,917
- Fund Surplus (Deficit): \$2,815
- Projected FB @ 7/1/18: \$147,137
- Projected FB @ 6/30/19: \$149,952
- Highlights:
 - Assumes no increase in monthly bill (first time since FY12) and no increases on stickers.



