



FY 23/24 Budget Wrap Up



111,000,000

95 million Net of Internals & Transfers

AGENDA

- 1.** V3 Budget Requests & Funding Sources
- 2.** Impact of Tax & Fee Changes
- 3.** Proposed Property Tax Legislation
- 4.** Combined Levy Rates
- 5.** Remaining Budget Calendar

V3 Requests & Funding Sources

Expenditures



Code Enforcement	+53,949
Planning	+93,509
Library Staff Changes	+29,529
Library Materials	-18,500
Total	+158,487

Revenue



License & Permit Fees (General Fund)	+58,500
\$0.05 Levy Rate Increase	+137,758
Actual Taxable Value vs. V2 Estimate*	-37,771
Total	+158,487

*Taxable value was estimated for the V2 Budget, actual taxable value after the passage of SF181 was slightly less than estimated, resulting in a small reduction in property tax revenue.

Total Levy Rate: \$12.70

- To maximize the City's potential tax growth under pending legislation, staff recommends combining all levies currently utilized into a single General Fund Levy rate of \$7.85

**Additional levying capacity:
\$11 million (current law)
\$7 million (SSB1124)**

	FY 23	FY 24 V3	FY 24 V3 Combined
General Fund*	\$5.73	\$5.78	\$7.85
Health Insurance	1.04	1.03	0.00
Liability Insurance	0.26	0.29	0.00
Police & Fire Pension	0.61	0.60	0.00
Transit	0.16	0.15	0.00
Debt Service	\$4.85	\$4.85	\$4.85
Total	\$12.65	\$12.70	\$12.70
Total Tax \$*	34,674,517	35,671,800	35,671,800

Change in Property Taxes

Residential: Average existing value unchanged, Rollback up to 54.6501% of assessed value from 54.1302%, City Levy increased to \$12.70

2022 Mean Assessed Value	Impact of change in assessed value	Impact of change in rollback	Impact of change in levy rate	Total impact on FY 23/24 property taxes
\$272,723	\$0	+\$18	+\$7	+\$25 (1%)

Commercial: Average existing value unchanged, Rollback remains 90% of assessed value, but 1st \$150K rolled back to residential, City Levy increased to \$12.70

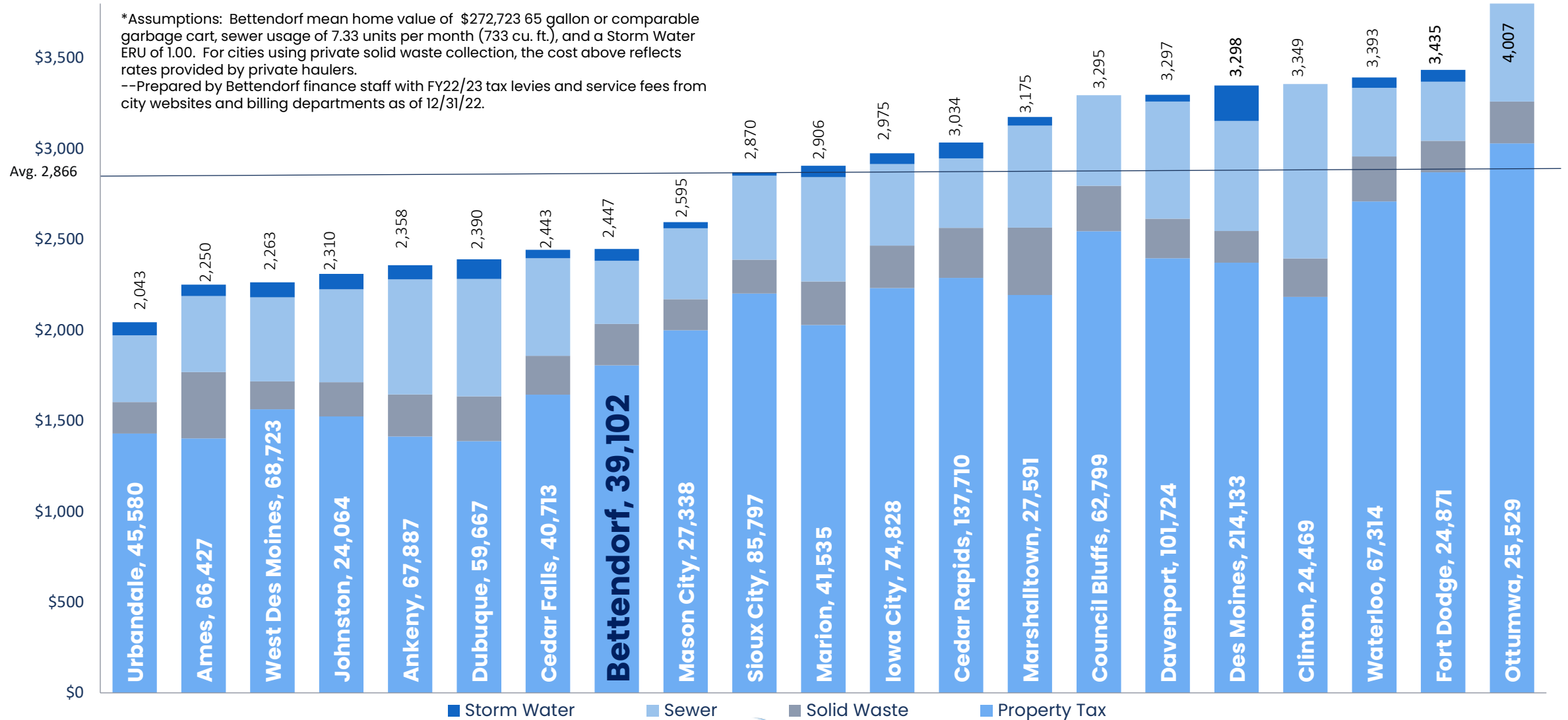
2022 Mean Assessed Value	Impact of change in assessed value	Impact of change in rollback	Impact of change in levy rate	Total impact on FY 23/24 property taxes
\$1,028,351	\$0	-\$670	+\$43	-\$627 (-5%)

Impact of Taxes & Fees

	Residential V3 Mean Value: \$272,723 (Rollback 54.6501%)	Commercial V3 Mean Value: \$1,028,351 (Rollback: 90%)*
City's Portion of Property Tax \$12.70 (+\$0.05)	\$25.15	-\$627.14
Sewer Fees \$3.84 per unit (+\$0.15 increase)	\$13.20 (22 units/quarter)	\$34.20 (57 units/quarter)
Storm Water Fees \$5.60 per ERU (+\$0.20 increase)	\$2.40 (1.00 ERU/month)	\$29.64 (12.35 ERU/month)
Solid Waste Fees \$18.15 per month (+3%) (Based on 65 gal. Cart)	\$6.36	NA
Total Increase	\$47.11 (+\$3.93 per Month)	-\$563.30 (-\$46.94 per month)
Total Annual Cost of Services	\$2,510 +1.9%	\$12,822 -4.2%

FY 22/23 Comparison of Property Taxes & User Fees for Average Residential Property

Includes 21 Iowa cities with populations of 24,000 or more



FY 22/23 Comparison of Operating Levy & User Fees for Average Residential Property

Includes 21 Iowa cities with populations of 24,000 or more



Decision Point:

- Increase license & permit fees, effective 7/1, to fund upgrades in Code Enforcement and Planning?
- Increase levy rate \$0.05 from \$12.65 to \$12.70 to fund one full-time Plan Reviewer in Community Development?

State Legislation to Watch

SF356 (SSB1124) – Eliminates several levies currently available to cities, severely limits growth in property tax revenue by reducing the General Fund levy rate to a point that growth in taxable valuation is effectively limited to 2.5% or 3.25%.

SF550 (SSB1125) – Increases sales tax rate and local distributions, but...

Reduces commercial rollback to 80%, replaces current tax credits, like the Homestead Credit, by increasing amounts exempted from property tax with no State replacement.



SF356: The Case for Combined Levies

Iowa League of Cities Calculator	FY24 Split Levies (Current Law)	FY24 Split Levies (SF356)	FY24 Combined Levies (SF356)
FY24 Non-TIF Taxable Value	2,755,169,649	2,755,169,649	2,755,169,649
Actual Growth Rate	3.30%	3.30%	3.30%
Base General Fund Levy Rate	N/A	5.72358	7.80000
FY24 Limited Taxable Value	N/A	2,753,818,372	2,753,818,372
FY23 Property Taxes Certified	\$15,265,569	\$15,265,569	\$20,803,644
FY24 Limited General Fund Levy Rate	5.77882	5.54342	7.55447
FY24 Property Taxes Certified	\$15,921,621	\$15,273,060	\$20,813,852
Increase in Property Tax \$ over FY23	\$656,052	\$7,491	\$10,208
Other Allowed Levy Rates			
Transit	0.14743	0.14743	0.00
Tort	0.28774	0.28774	0.00
MFPRSI	0.60732	0.60732	0.00
Employee Health	1.02869	1.02869	0.29552
FY24 Property Tax \$	\$5,706,433	\$5,706,433	\$814,222
Total Property Tax \$			
Total Levy Rate for Operations	7.85000	7.61459	7.85000
Total FY24 Property Tax \$	\$21,628,054	\$20,979,493	\$21,628,054
Increase in Property Tax \$ over FY23	\$824,410	\$175,849	\$824,410
% Increase	3.96%	0.85%	3.96%

SF356: Impact on Future Years

	FY25	FY26	FY27	FY28	FY29	FY30
Iowa League of Cities Calculator						
BY Non-TIF Taxable Value	2,865,376,435	2,979,991,492	3,099,191,152	3,223,158,798	3,352,085,150	3,486,168,556
Actual Growth Rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
PY General Fund Levy Rate	7.85000	7.60291	7.36359	7.13181	6.90732	6.68990
BY Limited Taxable Value	2,844,712,663	2,958,501,169	3,076,841,216	3,199,914,864	3,327,911,459	3,461,027,917
PY Property Taxes Certified	\$21,628,054	\$21,785,187	\$21,943,433	\$22,102,828	\$22,263,381	\$22,425,101
BY Limited General Fund Levy Rate	7.60291	7.36359	7.13181	6.90732	6.68990	6.47932
BY Property Taxes Certified	\$21,785,187	\$21,943,433	\$22,102,828	\$22,263,381	\$22,425,101	\$22,587,995
Increase in Property Tax \$ over PY	\$157,105	\$158,246	\$159,395	\$160,553	\$161,719	\$162,894
Other Allowed Levy Rates						
Transit	0.15	0.15	0.15	0.15	0.15	0.15
Tort	0.09709	0.3	0.3	0.3	0.3	0.3
MFPRSI	0	0.03641	0.26819	0.49268	0.65	0.65
Employee Health	0	0	0	0	0.0601	0.27068
BY Property Tax \$	\$708,006	\$1,449,498	\$2,225,808	\$3,038,407	\$3,888,754	\$4,778,422
Total Property Tax \$						
Total Levy Rate for Operations	7.85000	7.85000	7.85000	7.85000	7.85000	7.85000
Total BY Property Tax \$	\$22,493,193	\$23,392,930	\$24,328,636	\$25,301,789	\$26,313,855	\$27,366,416
Increase in Property Tax \$ over PY	\$865,111	\$899,738	\$935,706	\$973,152	\$1,012,066	\$1,052,562
% Increase	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

City of Bettendorf, General Fund Summary

Revenues:	FY 23/24 V1	FY 23/24 V2	FY 23/24 V3	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
General Fund	5.78467	7.80000	7.85000	7.60291	7.36359	7.13181	6.90732	6.68990
Transit	0.14346	-	-	0.15000	0.15000	0.15000	0.15000	0.15000
Tort	0.27998	-	-	0.09709	0.30000	0.30000	0.30000	0.30000
Employee benefits	1.59189	-	-	-	0.08641	0.31819	0.59268	0.81010
Debt service	4.85000	4.85000	4.85000	4.85000	4.95000	4.82000	4.82000	4.80000
Total levy	12.65000	12.65000	12.70000	12.70000	12.85000	12.72000	12.77000	12.75000
Levy rate change	-	-	0.05000					

Property taxes & Replacements	17,595,803	21,547,828	21,647,424	22,493,193	23,284,432	23,497,478	23,713,811	23,933,553
Hotel/motel	1,200,000	1,200,000	1,200,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
\$5 Room Fee	136,500	136,500	136,500	136,500	136,500	136,500	136,500	136,500
Local option sales tax	4,234,000	4,234,000	4,234,000	4,297,510	4,361,973	4,427,402	4,493,813	4,561,220
Cable tv franchise tax	215,000	215,000	215,000	200,000	200,000	200,000	200,000	200,000
Other city taxes	3,800	3,800	3,800	4,000	4,000	4,000	4,000	4,000
Special assessments	16,000	16,000	16,000	16,000	16,000	20,000	20,000	20,000
Construction permits	716,000	716,000	734,500	800,000	800,000	800,000	800,000	800,000
Other Licenses & permits	125,000	125,000	125,000	150,000	150,000	160,000	160,000	160,000
Commercial backfill	247,706	309,928	310,687	209,434	167,547	125,660	107,297	107,297
BPTC Backfill	176,069	222,607	236,348	235,000	215,000	200,000	185,000	175,000
CARES Act Reimbursement								
Other Intergovernmental	499,750	499,750	499,750	515,000	515,000	525,000	525,000	525,000
Subdivision inspections	75,000	75,000	75,000	75,000	75,000	100,000	100,000	100,000
Recreation fees	777,600	777,600	777,600	780,000	780,000	780,000	780,000	780,000
Other Charges for services	132,450	132,450	172,450	175,000	180,000	180,000	180,000	180,000
Use of money & miscellaneous	396,400	396,400	396,400	400,000	400,000	450,000	450,000	450,000
Other transfers in		50,000	50,000	-	-	-	-	-
Transfers in from Employee benefits	4,623,676	-	-	-	257,501	986,132	1,910,302	2,715,524
Total Revenues	31,170,754	30,657,863	30,830,459	31,736,637	32,792,953	33,842,172	35,015,723	36,098,095

City of Bettendorf, General Fund Summary

Expenditures:	FY 23/24 V1	FY 23/24 V2	FY 23/24 V3	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Public safety	15,871,933	15,771,933	15,716,712	16,266,797	16,836,135	17,425,400	18,035,289	18,666,524
Culture & recreation	6,529,415	6,441,960	6,474,616	6,668,854	6,868,920	7,074,988	7,287,237	7,505,854
Community & economic development	1,368,843	1,283,384	1,434,375	1,477,406	1,521,728	1,567,380	1,614,402	1,662,834
General government	5,547,357	5,547,357	5,612,357	5,808,789	6,012,097	6,222,521	6,440,309	6,665,720
Debt service	80,000	-	-	-	-	-	-	-
Capital projects	590,376	590,376	571,876	600,000	600,000	600,000	600,000	600,000
Transfer out to FMAS	559,990	559,990	559,990	576,919	588,672	600,721	613,075	613,075
Transfer out to LFC (Rec)			-	-	-	-	-	-
Transfer out to Splash Landing			-	-	-	-	-	-
Transfer out to Transit	406,199	406,199	406,199	429,806	446,999	464,879	483,474	502,813
Transfer out to Electronic			-	-	-	-	-	-
Transfer out to Vehicle			-	-	-	-	-	-
Due From Splash Landing Project	3,499,999	3,499,999	3,499,999	(333,334)	(333,334)	(333,334)	(333,334)	(333,334)
Total all expenditures	34,454,112	34,101,198	34,276,124	31,495,239	32,541,217	33,622,554	34,740,451	35,883,485
Inc(dec) in fund balance	(3,283,358)	(3,443,335)	(3,445,665)	241,398	251,735	219,618	275,272	214,609
Ending fund balance	7,965,388	7,805,411	7,803,081	8,044,479	8,296,214	8,515,833	8,791,104	9,005,714
Fund balance %	23%	23%	23%	26%	25%	25%	25%	25%

20%	6,890,822.40	6,820,239.60	6,855,224.80	6,299,047.72	6,508,243.44	6,724,510.75	6,948,090.23	7,176,697.03
25%	8,613,528.00	8,525,299.50	8,569,031.00	7,873,809.65	8,135,304.30	8,405,638.43	8,685,112.78	8,970,871.29
30%	10,336,233.60	10,230,359.40	10,282,837.20	9,448,571.58	9,762,365.16	10,086,766.12	10,422,135.34	10,765,045.55
35%	12,058,939.20	11,935,419.30	11,996,643.40	11,023,333.51	11,389,426.03	11,767,893.81	12,159,157.89	12,559,219.80

Decision Point:

- Combine levies under the General Fund at \$7.85 to maximize allowable growth under pending legislation?

Budget Calendar

Date	Action
3/17/23	Max Levy Hearing Notice sent to paper
3/20/23	COW discussion & budget wrap up
3/25/23	Max Levy Hearing Notice publication
3/31/23	Budget Adoption Hearing Notice sent to paper
4/4/23	Max Levy Public Hearing
4/8/23	Budget Adoption Hearing Notice publication
4/18/23*	Budget Adoption Public Hearing & Certification of Taxes

*Could call a special meeting to delay PH and adoption to 4/28/23