

BUDGET OVERVIEW FY 2021/22

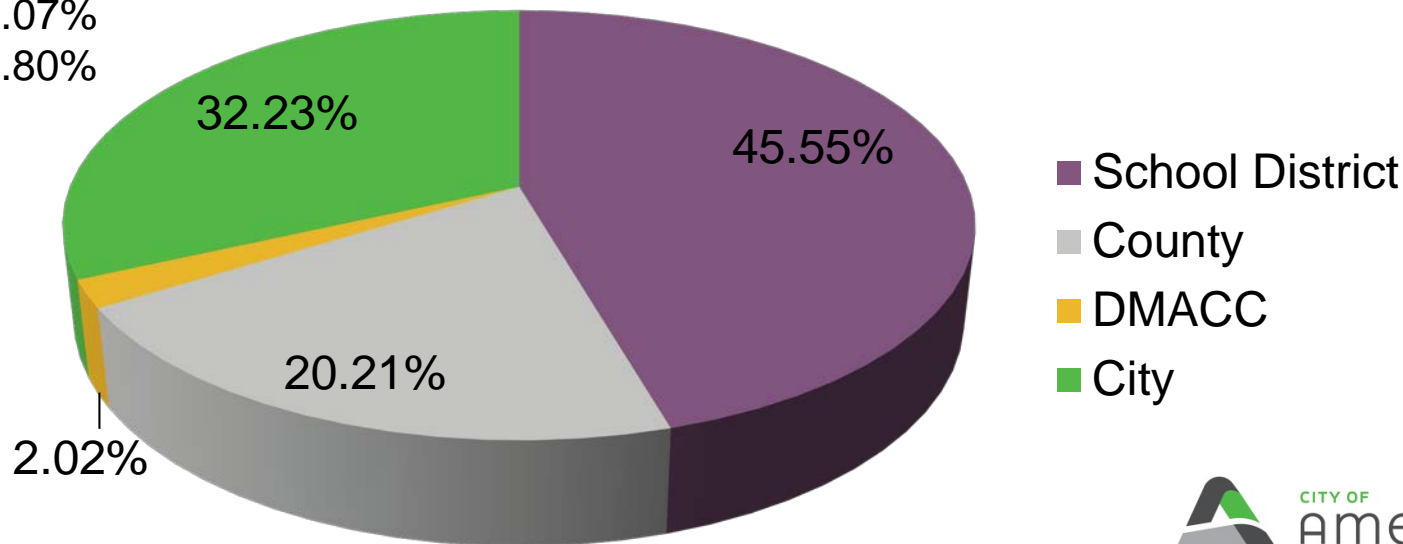


FINANCE DEPARTMENT

Property Taxes 2020/21 Rates

Previous Year's Rates

School	45.50%
County	20.63%
DMACC	2.07%
City	31.80%



Overall Budget

- ❑ Property tax rate is down \$0.27 from FY 20/21
- ❑ Taxable and assessed value is up for all major property classes
- ❑ Modest increase in total tax dollars, most property taxpayers will see a reduction or less than 1% increase in City tax bills
- ❑ Balanced General Fund budget for operations and capital
- ❑ Forecasting 4% growth in Local Option Sales Tax revenue
- ❑ Utility rate increases for sewer only, per capita increase for Resource Recovery

Tax Levy Breakdown

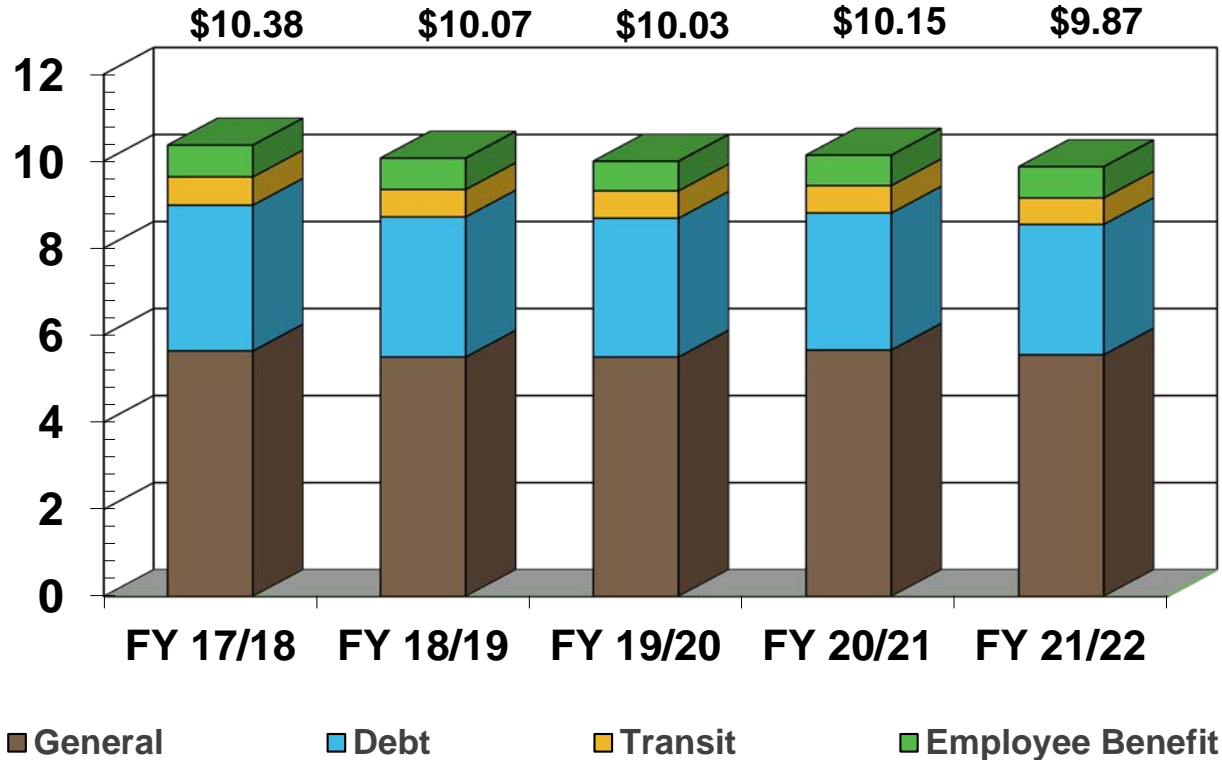
Taxable Valuation	\$ 3,257,725,869
Percentage Change	4.7%
TIF Valuation Available for Debt Service	\$ 81,120,190

Levy Type	Levy Rate Per \$1,000	Dollar Value of Levy
General	5.54979	\$ 18,079,685
Employee Benefits	0.71802	2,339,120
Transit	0.60847	1,982,240
Total W/O Debt Svc.	6.87628	22,401,045
Debt Service	2.99735	10,007,684
TOTAL LEVIED TAXES	9.87363	\$ 32,408,729

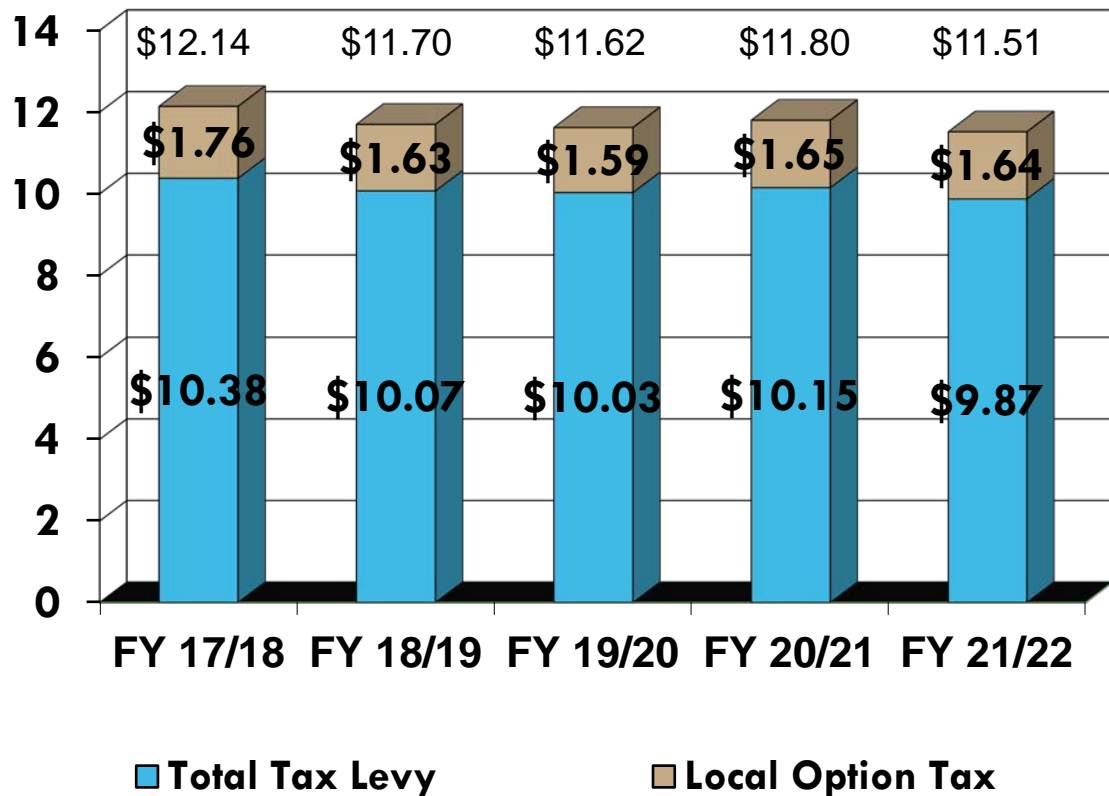
Tax Levy Breakdown

		Valuation January 1, 2019 Property Tax Payable 20-21		Valuation January 1, 2020 Property Tax Payable 21-22				
Taxable Valuation		3,112,286,020		3,257,725,869				
Percentage Change		1.1%		4.7%				
TIF Valuation Available for Debt Service		75,857,137		81,120,190				
Levy Type	Levy Rate Per \$1,000	Dollar Value of Levy	Levy Rate Per \$1,000	Dollar Value of Levy	Change in Levy Rate	% Change in Levy Rate	Change in Dollar Value of Levy	% Change in Dollar Value of Levy
General	7.47446	23,262,662	7.34421	23,925,426	(0.13025)	-1.74%	662,764	2.85%
State Repl. Tax	(0.16039)	499,179	(0.15149)	493,525	0.00890	-5.55%	(5,654)	-1.13%
Local Option Tax	(1.65356)	5,146,361	(1.64293)	5,352,216	0.01063	-0.64%	205,855	4.00%
Net General	5.66051	17,617,122	5.54979	18,079,685	(0.11072)	-1.96%	462,563	2.63%
Employee Benefits	0.74439	2,316,742	0.76591	2,495,125	0.02152	2.89%	178,383	7.70%
State Repl. Tax	(0.02059)	64,091	(0.01873)	61,005	0.00186	-9.03%	(3,086)	-4.82%
Fund Balance Use	(0.02410)	75,000	(0.02916)	95,000	(0.00506)		20,000	
Net Employee Benefits	0.69970	2,177,651	0.71802	2,339,120	0.01832	2.62%	161,469	7.41%
Transit	0.65473	2,037,720	0.62550	2,037,720	(0.02923)	-4.46%	-	0.00%
State Repl. Tax	(0.01840)	57,275	(0.01703)	55,480	0.00137	-7.45%	(1,795)	-3.13%
Net Transit	0.63633	1,980,445	0.60847	1,982,240	(0.02786)	-4.38%	1,795	0.09%
Total W/O Debt Svc.	6.99654	21,775,218	6.87628	22,401,045	(0.12026)	-1.72%	625,827	2.87%
Debt Service	3.36324	10,722,504	3.07961	10,282,350	(0.28363)	-8.43%	(440,154)	-4.10%
Fund Balance Use	(0.11762)	375,000	-	-	0.11762		(375,000)	
State Repl. Tax	(0.09535)	304,004	(0.08226)	274,666	0.01309	-13.73%	(29,338)	-9.65%
Net Debt Service	3.15027	10,043,500	2.99735	10,007,684	(0.15292)	-4.85%	(35,816)	-0.36%
TOTAL LEVIED TAXES	10.14681	31,818,718	9.87363	32,408,729	(0.27318)	-2.69%	590,011	1.85%

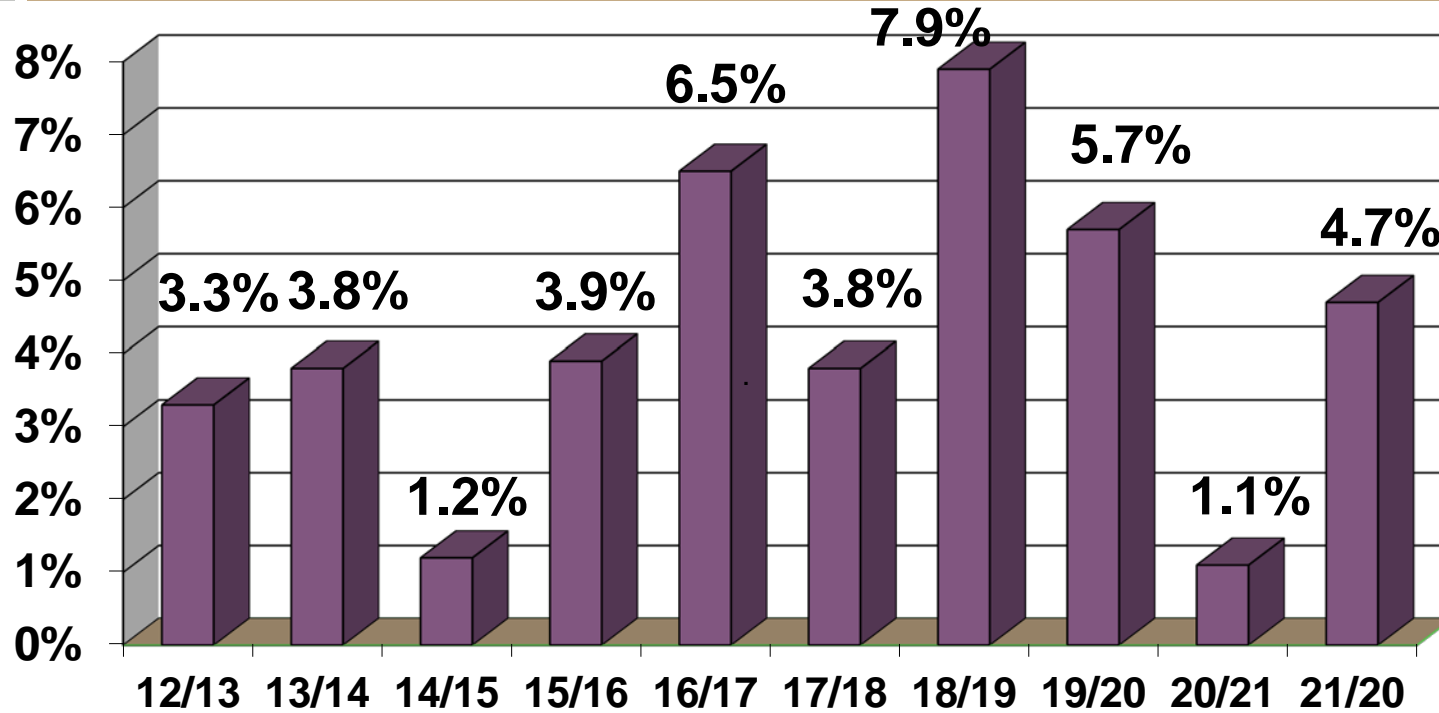
Total Tax Levy/\$1,000 Taxable Valuation



Local Option Tax Impact on Levy



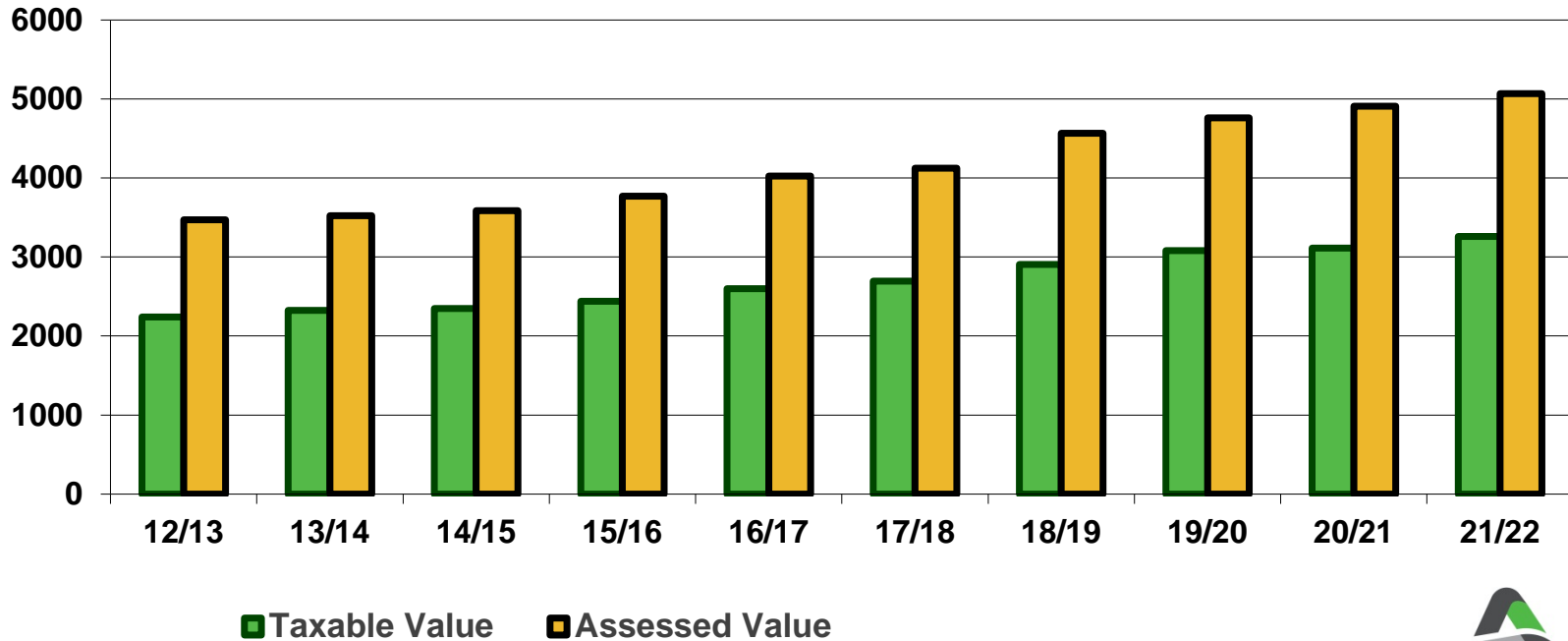
Taxable Valuation – Percentage Change



Assessed and Taxable Value

Property Type	Valuation January 1, 2019 Property Tax Payable 20-21		Valuation January 1, 2020 Property Tax Payable 21-22		Dollar Value Change		Percentage Change	
	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value
Residential	3,602,940,093	1,984,198,690	3,681,243,300	2,076,567,110	78,303,207	92,368,420	2.17%	4.66%
Commercial/Multi Res.	1,133,983,558	968,320,242	1,216,946,940	1,021,670,292	82,963,382	53,350,050	7.32%	5.51%
Industrial	157,037,512	139,481,242	158,198,170	140,542,410	1,160,658	1,061,168	0.74%	0.76%
Utilities	15,149,489	14,076,331	14,493,006	13,322,959	(656,483)	(753,372)	-4.33%	-5.35%
Total Valuation Less Military Exemption	4,909,110,652	3,106,076,505	5,070,881,416	3,252,102,771	161,770,764	146,026,266	3.30%	4.70%
	2,127,948	2,127,948	2,031,644	2,031,644	(96,304)	(96,304)	-4.53%	-4.53%
Net Valuation	4,906,982,704	3,103,948,557	5,068,849,772	3,250,071,127	161,867,068	146,122,570	3.30%	4.71%
Utilities Subject to Excise		8,337,463		7,654,742		(682,721)		-8.19%
Total Taxable Value		3,112,286,020		3,257,725,869		145,439,849		4.67%

Property Valuation in \$ Millions



Changes in Taxable Value

Property Type	Total Change in Taxable Value	Change Due New Property Improvements	Change Due Transfers Class Change	Change Due New & Expiring Exemptions(1)	Change Due to Increased Valuations of Existing	Change Due State Rollback Adjustment	Net Change on Existing Property(2)
Residential	92,368,420	31,760,000	(4,927,000)	(1,048,000)	17,435,000	49,148,420	66,583,420
Commercial/Multi Res.	53,350,050	41,298,000	4,486,000	7,169,000	11,614,000	(11,216,950)	397,050
Industrial	1,061,168	6,652,000	-	(5,599,000)	8,168	-	8,168
Utilities	(753,372)	-	-	-	(753,372)	-	(753,372)
Total Valuation Change Less Military Exemption	146,026,266 (96,304)	79,710,000 -	(441,000) -	522,000 -	28,303,796 (96,304)	37,931,470 -	66,235,266 (96,304)
Change in Net Valuation	146,122,570	79,710,000	(441,000)	522,000	28,400,100	37,931,470	66,331,570
Percentage Change In Taxable Value	4.71%	2.57%	-0.01%	0.02%	0.91%	1.22%	2.14%
Valuation Change Attributable to New Valuations					Valuation Change Attributable to Existing Property		
79,791,000					66,331,570		
% of Change in Net Valuation					54.61%		45.39%

Debt Service Allocation

Use of Bond Proceeds	Allocated Debt Service	Debt Service Abatements	Property Tax Support	Rate Per \$1,000 Valuation
Airport	70,983	70,983	-	
Fire Department Apparatus	174,867	43,717	131,150	0.03928
Fire Facilities	13,220	-	13,220	0.00396
Public Safety Radio	252,736	28,051	224,685	0.06729
Library	1,181,527	-	1,181,527	0.35387
City Hall Improvements	14,548	-	14,548	0.00436
Water Projects	124,535	124,535	-	
Sewer Projects	382,739	382,739	-	
Resource Recovery	161,487	161,487	-	
Urban Renewal - TIF	331,425	331,425	-	
Storm Sewer	99,843	-	99,843	0.02990
Streets	7,571,984	-	7,571,984	2.26785
Special Assessments	318,313	318,313	-	
2021/2022 CIP G. O. - Less Abated	1,045,393	-	1,045,393	0.31310
TOTAL G. O. DEBT	11,743,600	1,461,250	10,282,350	3.07961
Less: State Replacement Tax			274,666	0.08226
Use of Fund Balance		-	-	0.00000
TOTAL DEBT SERVICE COST	\$ 11,743,600	\$ 1,461,250	\$ 10,007,684	2.99735
FY 2021/2022 Debt Service Levy			\$ 10,007,684	2.99735

2021/2022 CIP G.O. ISSUE	
Arterial Street Pavement Impr.	800,000
Collector Street Pavement Impr	2,400,000
Concrete Pavement Impr.	3,500,000
Asphalt Street Pavement Imp.	2,500,000
Seal Coat Street Pavement Impr.	750,000
Downtown Street Impr.	245,000
Intelligent Transportation System	160,400
Downtown Plaza	700,000
Tax Supported Bonds	\$ 11,055,400
East 13th Street Sewer Ext. TIF	\$ 2,700,000
Abated Bonds	\$ 2,700,000
Total G.O. Bonds	\$ 13,755,400



Debt Service Fund Balance

CURRENT AND PROPOSED DEBT SERVICE

Debt Service Issues	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Current Outstanding	10,722,504	9,236,956	8,551,866	7,993,510	7,426,056	6,818,463
New/Proposed Issues						
<i>*Tax Supported Issue Amount</i>				-		
FY 2022 \$13,755,400		1,045,394	1,045,394	1,045,394	1,045,394	1,045,394
FY 2023 \$13,781,200	-	-	1,343,490	1,343,490	1,343,490	1,343,490
FY 2024 \$11,075,700	-	-	-	1,078,740	1,078,740	1,078,740
FY 2025 \$11,397,600	-	-	-	-	1,145,030	1,145,030
FY 2026 \$13,563,920	-	-	-	-		1,362,660
TOTAL DEBT SERVICE	10,722,504	10,282,350	10,940,750	11,461,134	12,038,710	12,793,777
State Replacement Tax	304,004	274,666	274,666	274,666	274,666	274,666
Use of Debt Service Fund Bal.	375,000	-	200,000	220,000	165,000	275,000
Net Debt Service	10,043,500	10,007,684	10,466,084	10,966,468	11,599,044	12,244,111
Debt Service Levy	3.15027	2.99735	3.04334	3.09596	3.17917	3.25823

(Assumes 3.0% Annual Growth in Taxable Value) *Tax Supported Debt Service Excludes Abated Debt

Police and Fire Fund Balance Use

FIRE & POLICE TRUST FUND

Balance 6/30/92

\$4,332,866

Year	Fiscal Year	Covered Wages	Expenses/ Liability	Annual Interest Net Costs	Applied Principal	Principal Balance	(Incl. Rpl Tax) Property Tax	Incremental Tax Increase	Estimated Tax Rate
27 .	FY 18-19	8,418,517	2,190,498	10,832	38,000	320,439	2,085,034	122,172	0.71534
28 .	FY 19-20	8,741,122	2,029,477	8,651	0	329,090	2,091,970	6,936	0.67923
29 .	FY 20-21	9,153,465	2,316,742	0	75,000	254,090	2,177,651	85,681	0.69970
30 .	FY 21-22	9,530,653	2,495,125	0	95,000	159,090	2,339,120	161,469	0.71802
31 .	FY 22-23	9,864,226	2,623,884	0	50,000	109,090	2,509,793	173,759	0.74797
32 .	FY 23-24	10,209,474	2,833,129	0	85,000	24,090	2,684,038	174,245	0.77660
33 .	FY 24-25	10,566,806	3,087,621	0	24,090	0	2,999,440	315,402	0.84259

Contributions based on normal returns

Covered Wages increased by 3.5% per year, valuation by 3% per year

Forecasted Contribution Rates based on 7.5% return and new valuation method.

FY 18-19	26.02%
FY 19-20	24.41%
FY 20-21	25.31%
FY 21-22	26.18%
FY 22-23	26.60%
FY 23-24	27.75%
FY 24-25	29.22%



Dollar Value of Levy by Type

Property Type	FY 2020/21 Tax Levy	FY 2021/22 Tax Levy	Dollar Change	Percentage Change
Residential	20,133,288	20,503,256	369,968	1.84%
Commercial/Multi Res.	9,825,362	10,087,594	262,232	2.67%
Industrial	1,415,290	1,387,664	(27,626)	-1.95%
Utilities	142,830	131,546	(11,284)	-7.90%
TIF (Debt Service Only)	238,970	243,146	4,176	1.75%
Total Tax Levy	31,755,740	32,353,206	597,466	1.88%
Less Military Exemption	21,592	20,060	(1,532)	-7.10%
Tax Asking Before Excise	31,734,148	32,333,146	598,998	1.89%
Utilities Subject to Excise	84,571	75,584	(8,987)	-10.63%
TOTAL TAXES	31,818,719	32,408,730	590,011	1.85%



Levy Change Analysis by Dollar

<u>Property Type</u>	Total Change	Change Due To New Property	Net Change On Existing Property	Change Due to Rollback	Change Due To Rate Adj. -0.27318	Total Change On Existing Property
Residential	369,968	313,586	113,152	485,273	(542,043)	56,382
Commercial/Multi Res.	262,232	407,761	229,749	(110,752)	(264,526)	(145,529)
Industrial	(27,626)	65,679	(55,202)	-	(38,103)	(93,305)
Utilities	(11,284)	-	(7,439)	-	(3,845)	(11,284)
TIF (Debt Service Only)	4,176	16,208	8,691	-	(20,723)	(12,032)
Total Tax Levy	597,466	803,234	288,951	374,521	(869,240)	(205,768)
Less Military Exemption	(1,532)	-	(1,532)			(1,532)
Plus Excise Tax	(8,987)	-	(8,987)			(8,987)
Net Tax Asking	590,011	803,234	281,496	374,521	(869,240)	(213,223)

Taxable Valuation by Type

Property Type	Taxable Value FY 18/19	Taxable Value FY 19/20	Taxable Value FY 20/21	Taxable Value FY 21/22	Assessed Value FY 21/22
Residential	65.69%	65.74%	63.93%	63.89%	72.62%
Commercial/Multi Res.	29.20%	29.24%	31.20%	31.44%	24.01%
Industrial	4.76%	4.63%	4.49%	4.32%	3.12%
Utilities	0.43%	0.46%	0.45%	0.41%	0.29%
Gross Taxable Valuation	100.08%	100.07%	100.07%	100.06%	100.04%
Less Military Exemption	0.08%	0.07%	0.07%	0.06%	0.04%
Net Valuation	100.00%	100.00%	100.00%	100.00%	100.00%

Sample Tax Adjusted Value

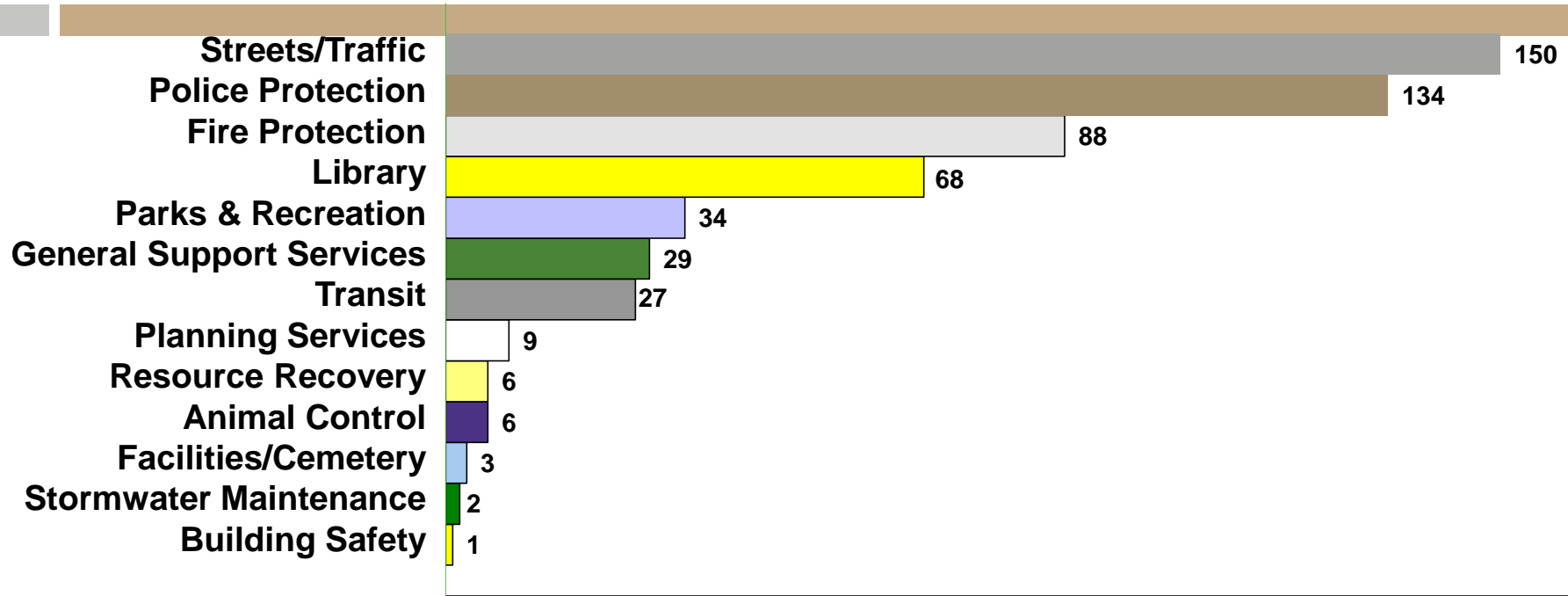
(Valuations increased by average assessment increase by property class)

	FY 2020/21 Tax Levy	FY 2021/22 Tax Levy	Dollar Change	Percentage Change
City Rate				
Per \$1,000 Taxable Valuation	10.14681	9.87363	-0.27318	-2.69%
<u>Residential</u>				
100% Valuation	\$ 100,000.00	\$ 100,878.69		
Rollback Adjustment	55.0743%	56.4094%		
Taxable Value	\$ 55,074.30	\$ 56,905.06		
City Tax	\$ 558.83	\$ 561.86	\$ 3.03	0.54%
<u>Commercial</u>				
100% Valuation	\$ 100,000.00	\$ 101,199.40		
Rollback Adjustment	90%	90%		
Taxable Value	\$ 90,000.00	\$ 91,079.46		
City Tax	\$ 913.21	\$ 899.28	\$ (13.93)	-1.53%
<u>Industrial</u>				
100% Valuation	\$ 100,000.00	\$ 100,005.74 *		
Rollback Adjustment	90%	90%		
Taxable Value	\$ 90,000.00	\$ 90,005.17		
City Tax	\$ 913.21	\$ 888.68	\$ (24.53)	-2.69%

Sample Tax

	FY 2020/21 Tax Levy	FY 2021/22 Tax Levy	Dollar Change	Percentage Change
City Rate				
Per \$1,000 Taxable Valuation	10.14681	9.87363	-0.27318	-2.69%
<u>Residential</u>				
100% Valuation	\$ 100,000.00	\$ 100,000.00		
Rollback Adjustment	55.0743%	56.4094%		
Taxable Value	\$ 55,074.30	\$ 56,409.40		
City Tax	\$ 558.83	\$ 556.97	\$ (1.86)	-0.33%
<u>Commercial</u>				
100% Valuation	\$ 100,000.00	\$ 100,000.00		
Rollback Adjustment	90%	90%		
Taxable Value	\$ 90,000.00	\$ 90,000.00		
City Tax	\$ 913.21	\$ 888.63	\$ (24.58)	-2.69%
<u>Industrial</u>				
100% Valuation	\$ 100,000.00	\$ 100,000.00		
Rollback Adjustment	90%	90%		
Taxable Value	\$ 90,000.00	\$ 90,000.00		
City Tax	\$ 913.21	\$ 888.63	\$ (24.58)	-2.69%

Cost of City Services



Taxes Per \$100,000 of Assessed Residential Valuation
Includes Debt Service

Utility Rates

To support the Capital Improvements Plan over the next five years, rate increases will be required in several City Utilities.

Current estimated rate increases:

	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Electric	-	-	-	-	-
Water	6.0%	2.0%	9.0%	2.0%	9.0%
Sewer	-	5.0%	-	8.0%	-
Storm Sewer	-	5.0%	-	-	-
Resource Recovery	*	6.4%	-	-	-

*Resource Recovery Rate Changes:

FY 21/22 Application of 2020 Census Will Increase Per Capita Revenue

FY 22/23 Tipping Fee Increase \$58.75 to \$62.50

Utility Bill Rate Samples

MEDIAN USE RESIDENTIAL CUSTOMERS

Electric / Water Use	Electric Summer	Storm Water	Water Summer	Sewer	Total
600 kWh and 600 cf	\$81.10	\$4.95	\$26.98	\$29.34	\$142.37
Electric ECA	-\$4.32				-\$4.32
Totals	\$76.78	\$4.95	\$26.98	\$29.34	\$138.05
Increase Due to Rate Change	\$0.00	\$0.00	\$1.62	\$0.00	\$1.62
Totals	\$76.78	\$4.95	\$28.60	\$29.34	\$139.67
% Impact on Total Bill					1.17%

Utility Bill Rate Samples

MEDIAN USE COMMERCIAL (LP)

Electric / Water Use	Electric Summer	Storm Water	Water Summer	Sewer	Total
60,000 kWh and 15,000 cf	\$6,221.55	\$14.85	\$526.62	\$455.58	\$7,218.60
Electric ECA	-\$432.00				-\$432.00
Totals	\$5,789.55	\$14.85	\$526.62	\$455.58	\$6,786.60
Increase Due to Rate Change	\$0.00	\$0.00	\$31.60	\$0.00	\$31.60
Totals	\$5,789.55	\$14.85	\$558.22	\$455.58	\$6,818.20
% Impact on Total Bill					0.47%