



THE CITY OF  
**DAVENPORT**  
IOWA | USA

# **FY 2025 Budget Workshop**

City Council Goal Setting &  
Introduction to the Operating Budget

February 3, 2024 | Davenport City Hall

# SCHEDULE



## February 3<sup>rd</sup> | Goal Setting & Introduction

- Goal Setting
- Fund Accounting and Structure Essentials
- FY 2023 Financial Review
- FY 2024 Financial Update



## February 6<sup>th</sup> | FY 2025 Operating Budget

- Property Tax Overview
- FY 2025 Operating Budget Review



## February 10<sup>th</sup> | Capital Funds & Capital Program

- Debt Service Fund
- Local Options Sales Tax Fund
- Road Use Tax Fund
- Six-Year Capital Improvement Program



## February 20<sup>th</sup> | Follow-ups and Workplan

- FY 2025 Operating Budget Continued
- Follow-ups
- CY 2024 Workplan

# FY 2025 BUDGET PACKETS



## Overview of FY 2025 Budget Binders:

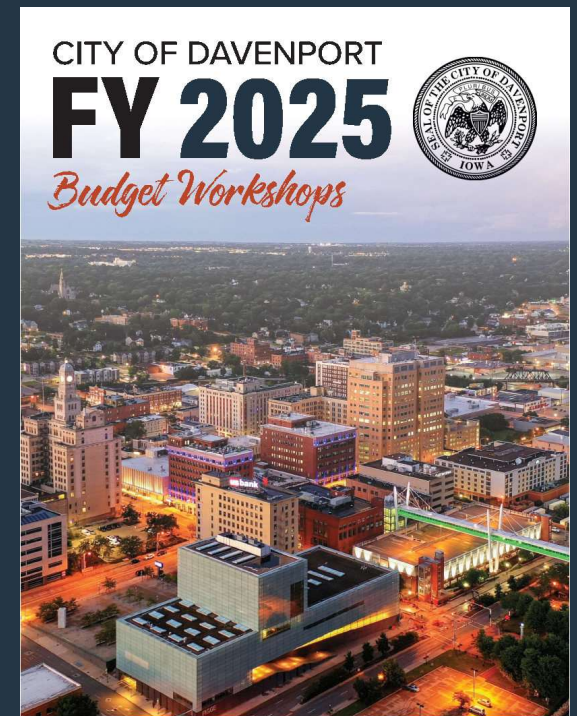
Overview Memo & Presentations

Budget Summary Reports

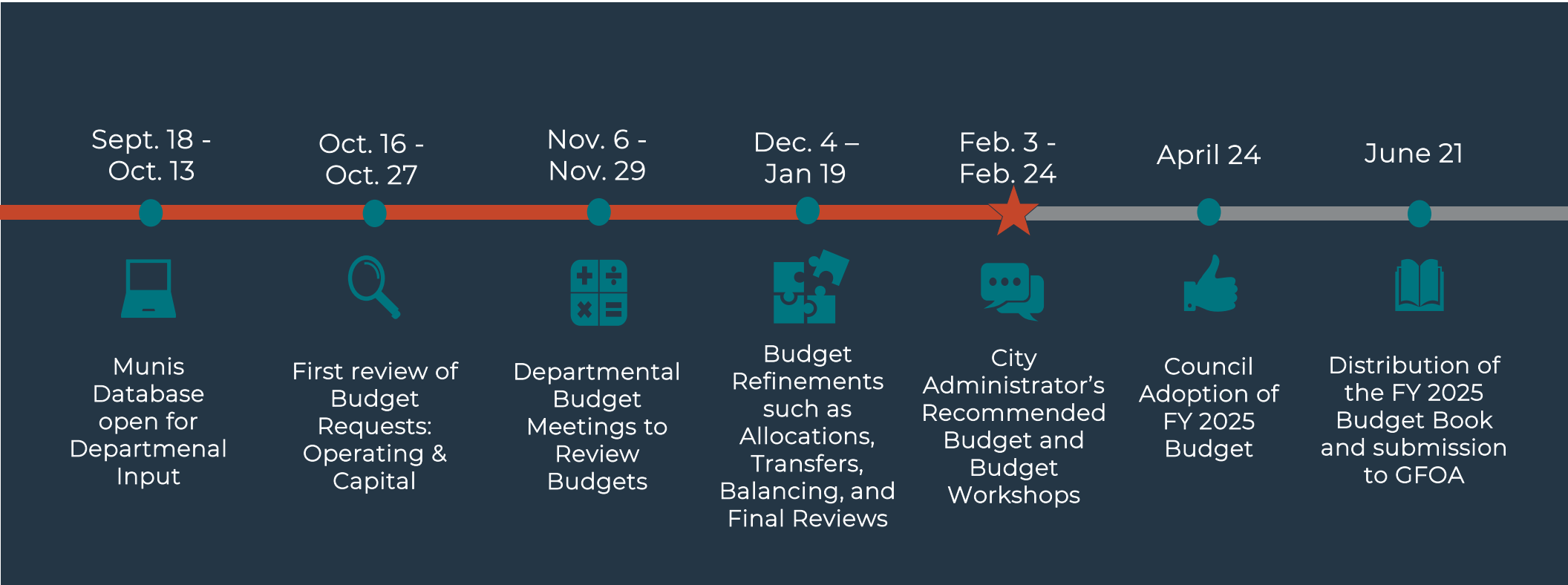
Department Business Plans & Detail Pages

CIP Summary Report

CIP Detail Pages



# BUDGET PROCESS





# FY 2025 BUDGET HIGHLIGHTS

1

Balanced budget that complies with financial policies and liquidity targets.

2

Lowers property tax levy rate by \$0.17 to \$16.61/\$1,000 taxable valuations.

3

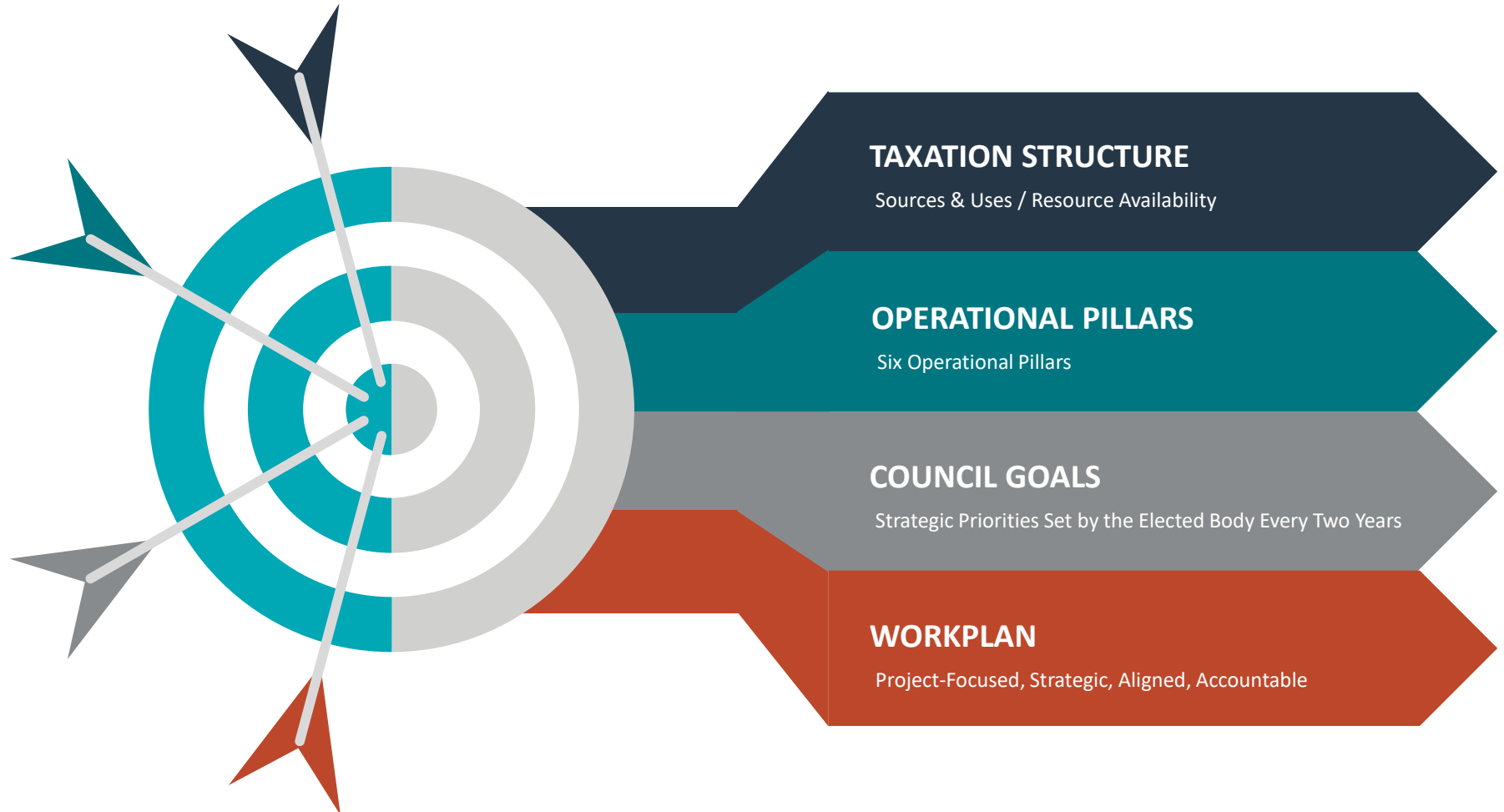
Core-competency focused and continues to deliver current service levels.



# Goal Setting

# PROCESS

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# OPERATIONAL PILLARS

COUNCIL  
GOALS



WELL-PROTECTED  
COMMUNITY



SUSTAINABLE  
INFRASTRUCTURE



WELCOMING  
NEIGHBORHOODS



FISCAL  
VITALITY



HIGH-PERFORMING  
GOVERNMENT



VIBRANT  
REGION



# COUNCIL GOALS 2022-2023

## ● Carry Over Initiatives

ARPA  
CP Rail Merger + Associated  
Impacts  
Federal Stimulus Programs  
(Transportation Bill)

## ● Public Safety

Public Safety Response  
Staffing (Attraction, Retention,  
Succession Planning)  
Community Engagement  
Crime Reduction



## ● Neighborhood Level Infrastructure

Streets  
Alleys  
Traffic Calming  
Sidewalks  
+ More

**City Administrator's  
Recommended  
Workplan**



# Current Workplan Update



# PUBLIC SAFETY TALENT INVESTMENT

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# FIRE STATION 3

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# ARPA PLAN

Proud ARPA Project

## ARPA Updates

### Project Highlights:

Multi-Sport Courts are fairly new to the Parks and Recreation realm. These types of courts were initially pitched for urban settings where green space was limited and there was a need for an area that could be a multi-purpose space. Multi-Sport Courts can be used for various hard court activities including basketball, pickleball, tennis, and volleyball.

When the City of Davenport was awarded funding through the American Rescue Plan Act, the Parks and Recreation Department started vetting various park improvement projects for the Van Buren, Cork Hill, and Herrington neighborhood parks. It was decided that all three of these areas would be optimal for Multi-Sport Courts. With approval from the City Council, the Multi-Sport Court journey began.

Initially, this project was sent to bid in the Spring of 2023, and after bid opening, City Staff decided the best course of action would be to rebid this project in the fall for optimal bidding opportunity. In November 2023, the bid was reissued, and award was recommended to City Council. On December 13, 2023 Davenport City Council approved the award of the Multi-Sport Court Installation project to Langman Construction, Inc. City staff is excited to begin construction of the three courts with an anticipated completion date in the Summer of 2024.

### Planning & Development

**Creating Places**  
**Main Street Landing: Adventure Play and Event Lawn** | The developmental design construction package has been received. The next phase will include the construction documentation. Sasaki and City staff will begin to develop working drawings and set a final estimate of construction costs. The project team continues to work on value engineering exercises to ensure the project stays within budget.

**Cork Hill, Van Buren, and Herrington Multi-Sport Courts** | On December 13, 2023, Davenport City Council awarded the Multi-Sport Court contract to Langman Construction, Inc. Next steps include setting up a pre-construction meeting.

**Emeis Adaptive and Inclusive Playground** | Proposals have been evaluated by City staff and three finalists have been selected for a round of public input. A final recommendation will be made based on the feedback generated during the input session.

**Cork Hill Splashpad** | The project plans, specifications, and purchase of the water play equipment is currently being prepared for Council approval on the first cycle of January 2024. Project bid is anticipated shortly after Council approval.

**West Locust Sewer Connectivity**  
**Duck Creek Sewer** | On December 13, 2023, Davenport City Council awarded the Duck Creek Sewer contract to Valley Construction Company. City staff will begin initial construction planning with the contractor shortly after the new year.

**Multi-Modal Connectivity**  
**Multi-Modal | N/S Path** | Final plans are completed and the majority of the property acquisition activities are anticipated to conclude in the upcoming months.

**Flood Mitigation**  
**Flood Mitigation Stage 22** | On December 13, 2023, Davenport City Council awarded the Flood Mitigation contract to Langman Construction, Inc.

### Construction

**Neighborhood Reinvestment**  
**DREAMPlus** | Forty-seven projects have now been awarded, with 35 already complete or with work underway.

**Library Enhancements**  
**Fairmount Community Center** | Construction has begun and is expected to conclude in the Spring of 2024.

**Creating Places**  
**Dahse Splashpad** | The Hentley Group is on site and construction has officially commenced. Subsurface work is expected to continue as weather allows. All splash and play equipment have been ordered and are currently in fabrication.

### Completed

**Youth & Family Support**  
Launch of Coordinated Assessment Program (CAP)

Launch of Group Violence Intervention (GVI)

**Creating Places**  
MLK Plaza: \$500,000 commitment awarded by City Council

Public Wi-Fi Hot Spots

**Library Enhancements**  
Hiring of Library Social Worker

Launch of Pre-K Literacy Initiative

**Creating Places | Neighborhood Parks Play**  
Whalen Playground | June 2023

Harbor Road Playground | December 2022

Lafayette Playground | December 2022

Emeis Ninja Warrior Playground | June 2023

**Neighborhood Reinvestment**  
Regional Transitional Housing

ARPA





# ARPA PLAN

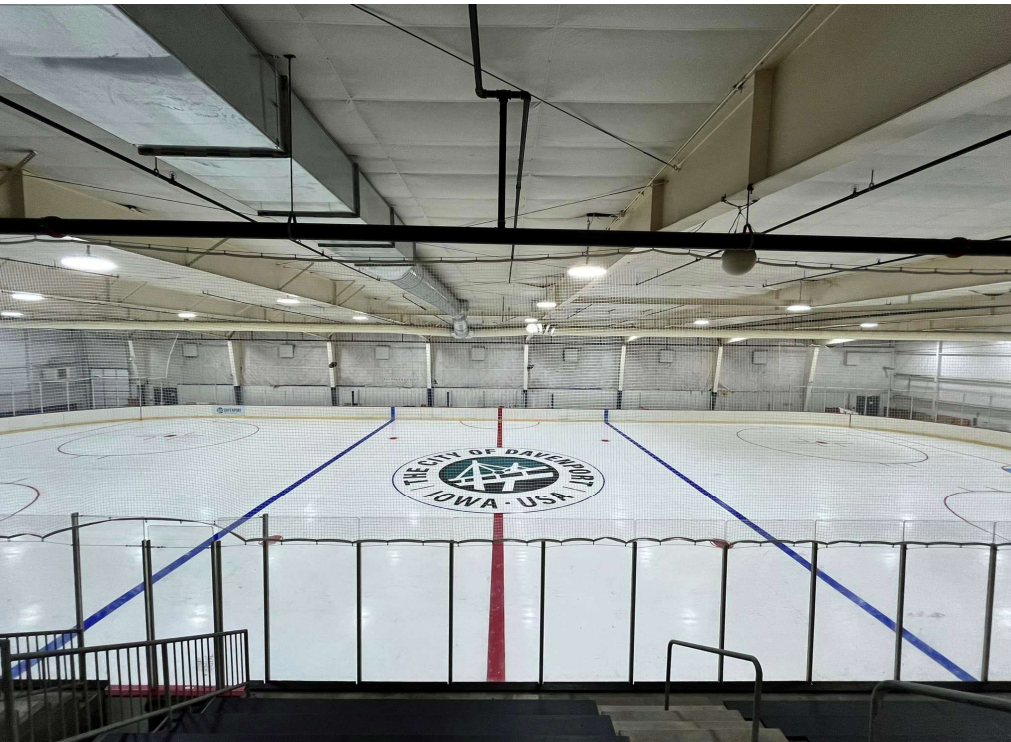
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# FACILITY INVESTMENT STRATEGIES

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# NORTHPARK MALL & MARKET STUDY



REQUEST FOR QUALIFICATIONS (RFQ) #23-96  
*Retail Market Analysis & Use Strategy | Davenport, Iowa*

#### PURPOSE

The purpose of this RFQ is to solicit proposals from qualified firms for the City of Davenport, Iowa (hereafter referred to as "City") to perform a retail market analysis and strategy recommendation for targeted areas. The City's intention is to enter into a Professional Services Agreement (PSA) with the selected firm for these services. The City invites qualified firms or individuals to submit a proposal outlining their qualifications for consideration.

The selection criteria listed within this RFQ shall be used to measure how well each vendor has met the desired requirements and qualifications. Pricing, while an important factor, will be only one of many criteria used to evaluate the responses to the request. The award will be based on evaluation of **all** selection criteria.

#### BACKGROUND

The City of Davenport, situated along the Mississippi River, and half-way between Des Moines and Chicago, is a full-service municipality with thirteen departments, each overseen by a department director. The organization consists of approximately 1,200+ employees, six bargaining units, and employs a governing structure that utilizes a professional City Administrator. The City is governed by eleven elected officials, including an elected Mayor, 8 ward aldermen, and 2 at-large aldermen. The population is approximately 102,000.

In connection with the City Administrator's CY 2023 workplan, and in alignment with the policy directives and goals set forth by the City Council, the City desires a partner to conduct a retail market analysis and strategy development for a current mall site and ability to conduct future retail corridor studies if requested.

Nationally, more retail stores have closed than have opened in each of the last several years, and this trend has been observed in Davenport including at the NorthPark Mall. Retail is a competitive industry subject to constant change and is facing unprecedented impacts in a post-pandemic environment and as the consumer continues to make different buying decisions focused on online platforms. *The City seeks to understand, anticipate, and plan for its retail environment in a way that supports the City's sales tax base, provides access to shopping for its citizens, and ensures that neighborhoods are free from blight.* Proposed property uses may include repositioning, residential anchors and mixed-use, experience-oriented retail mix, and central and/or public space. All recommendations should ensure new development does not harm other retail centers already established within the City of Davenport. This Retail Market Analysis & Use Strategy should examine market conditions at a broad level, while also demonstrating issues and opportunities for specified targeted areas.



# WPCP CAPITAL STRATEGY

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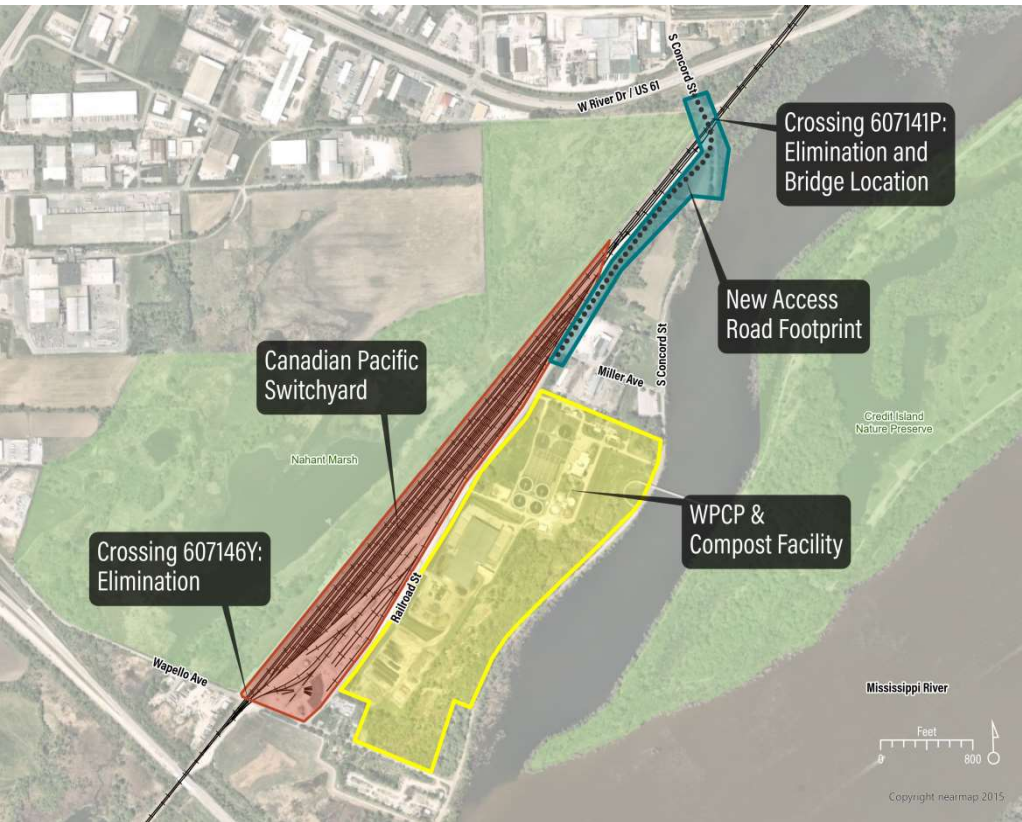
# NEIGHBORHOOD INVESTMENT PROGRAMS

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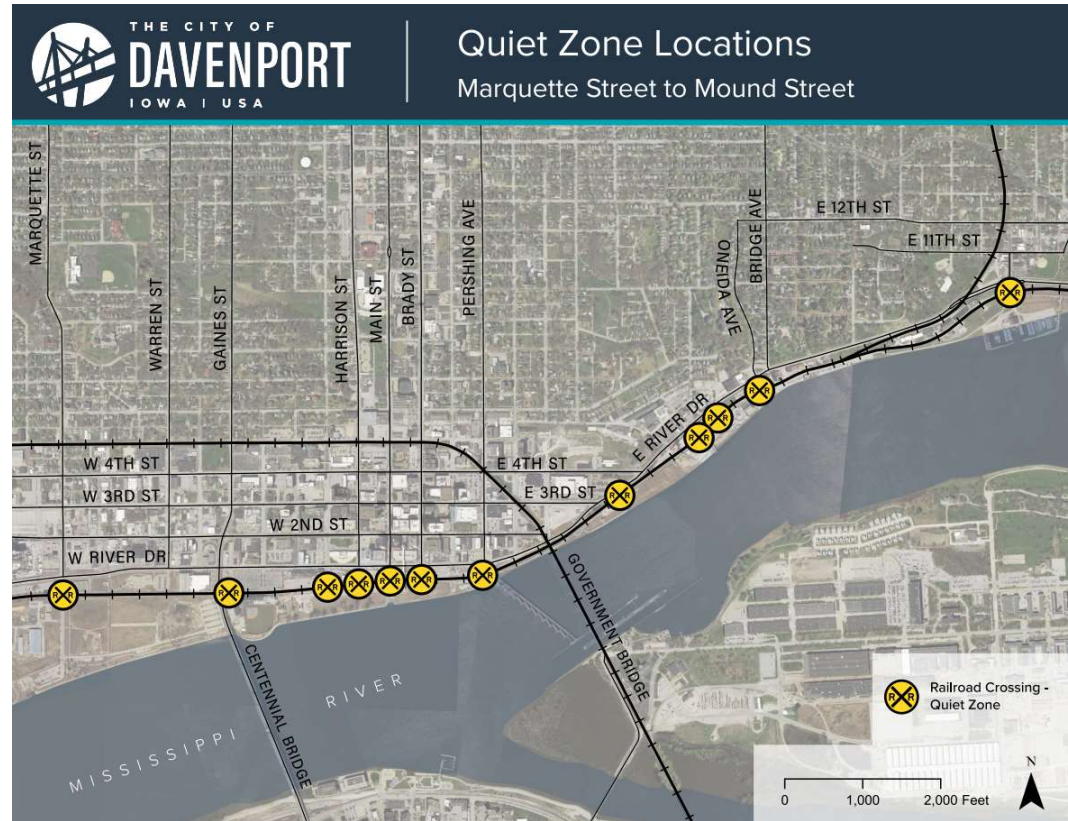




# CP PROJECTS



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# GRANT (FRA)

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# GRANT (CFP)

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# MAIN STREET LANDING

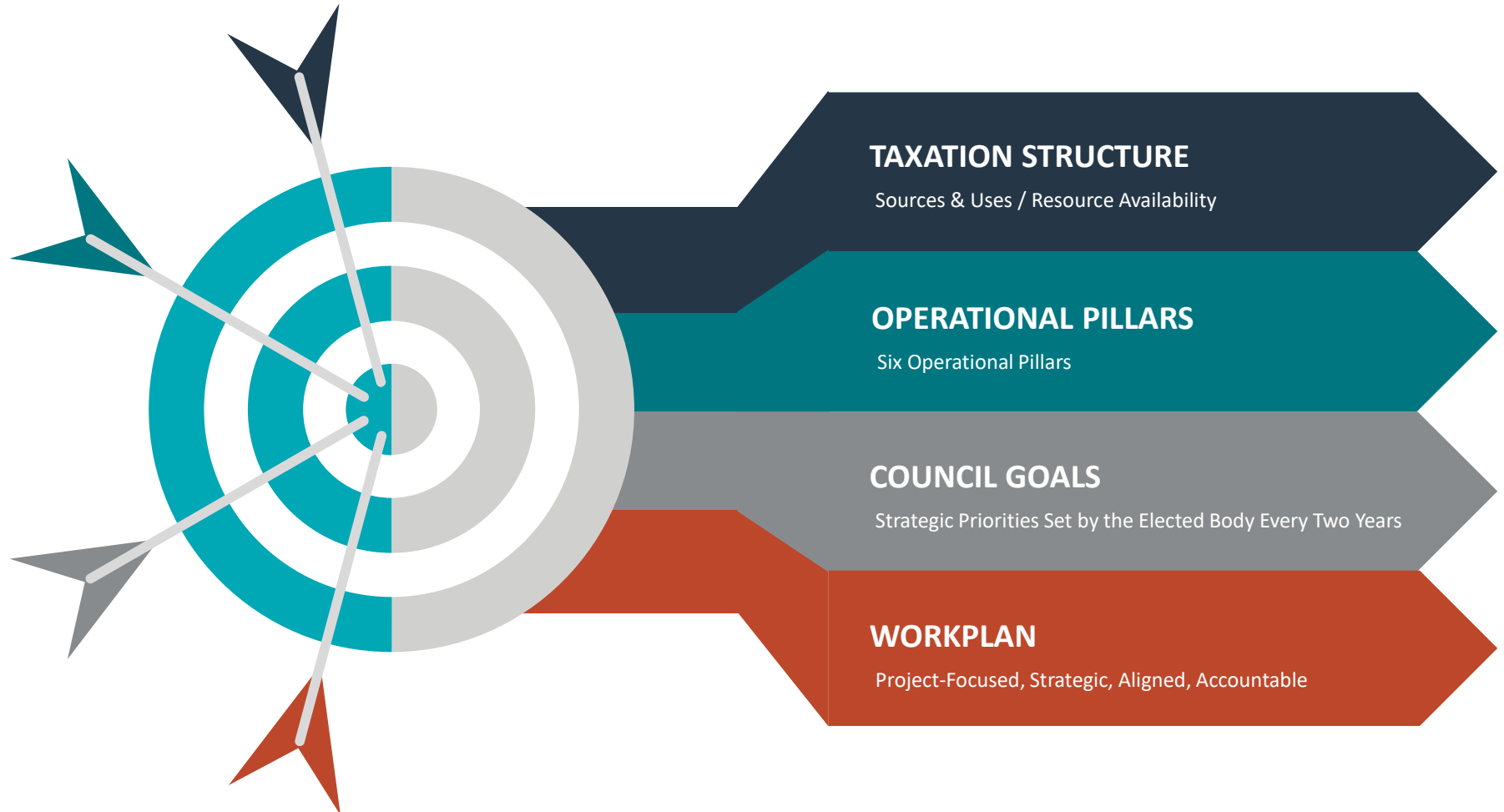




# 2024-2025 Goal Setting

# PROCESS

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# CONSENSUS FACTORS



“General Consensus” factors included any of the below criteria:

- Received at least 6 high priority votes; OR
- Received all medium or high priority votes; OR
- Received only two low priority votes or less

Submissions were then grouped into consensus themes for the City Council’s discussion

Top 5 Priority Selections are also provided with total number of votes as information.

# GENERAL CONSENSUS

## Well-Protected Community



Reduce crime with continued focus on gun violence interventions (\*received 11 high priority votes)

Continue to invest in public safety data analytics & technology investments

Achieve full staffing within Police & Fire departments

Review & refine rental inspection processes

# GENERAL CONSENSUS

## Sustainable Infrastructure



Invest in street network improvements & maintenance

Invest in sewer network improvements & maintenance

Evaluate WPCP capacity & required long-term capital needs



# GENERAL CONSENSUS

## Fiscal Vitality



Provide for a balanced budget with no property tax increase

Establish new I-280 industrial/business park

Continue momentum on NorthPark Mall redevelopment strategy

Evaluate existing TIF policy

Continue ARPA project(s) implementation

Evaluate & establish incentives for the redevelopment and revitalization of business corridors (city center focus)



# GENERAL CONSENSUS

## High-Performing Government



Restore & maintain organizational professionalism and decorum

Continue commitment to ongoing federal partnerships & funding partnerships

Improve Council governance and establish awareness on roles & responsibilities of Mayor, Council, and Staff

Implement Elected Officials Code of Conduct

Apply significant focus to strategic projects underway & limit new 2025 goals

Hire & onboard permanent City Administrator and Corporation Counsel

Restore decorum at City Council meetings

# GENERAL CONSENSUS

## Welcoming Neighborhoods



Continue momentum on the Annie Wittenmyer redevelopment project

Expand commercial DREAM program

Enhance nuisance abatement procedures for rental properties

# GENERAL CONSENSUS

## Vibrant Region



Increase collaboration with Davenport Community School District

Apply focus to recruiting businesses and developers to Davenport

Improve the City's overall image as a regional leader

# DRAFT CONSENSUS POLICY THEMES



**PUBLIC SAFETY** | Continue to invest in, and focus on, public safety resourcing with an ongoing and major emphasis on reducing crime and gun violence.

**INFRASTRUCTURE** | Invest and maintain sustainable infrastructure for street networks, sewer systems, and the Water Pollution Control Plant.

**ECONOMIC DEVELOPMENT** | Strategically promote economic development opportunities to grow and diversify the City's tax base and evaluate inducements in areas that have faced disinvestment.

**CARRY-OVER INITIATIVES** | Continue and complete the number of initiatives underway including the final implementation of the ARPA plan.

**GOVERNANCE** | Improve, stabilize, and align the City's overall governance at all levels, and conduct matters with the highest levels of professionalism, civility, & decorum.

# WHAT'S NEXT? GOALS & WORKPLAN



City Administrator's Recommended CY 2024 Workplan



# Fund Accounting

# FUND ACCOUNTING

The purpose of fund accounting is to demonstrate compliance with federal, state, and local laws with our sources of money.



The City has 113 funds.



Major fund types include:

- General Funds
- Special Revenue Funds
- Internal Service Funds
- Enterprise Funds
- Debt Service Funds
- CIP Funds

# FUND ACCOUNTING (EXAMPLES)

## General Funds

- General Fund
- Hotel/Motel Tax Fund
- Trust and Agency Fund

## Special Revenue Funds

- Road Use Tax Fund
- Local Option Sales Tax Fund
- Grant Funds

## Internal Service Funds

- Risk Fund
- Employee Insurance Fund
- IT Fund

## Enterprise Funds

- Sewer Fund
- Solid Waste Fund
- Golf Fund

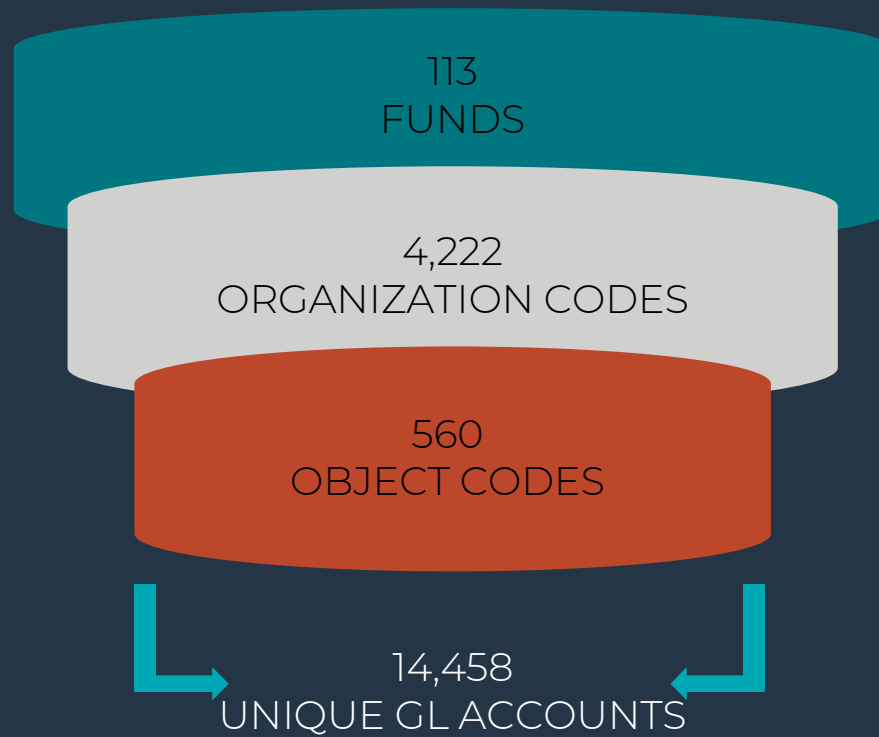
Debt/TIF and CIP Funds





# Fund Essentials

# ACCOUNT STRUCTURE



# FUND ESSENTIALS— GENERAL FUNDS

## General Fund

### Revenue

- Property tax levy (\$8.47/\$1,000 taxable value) (capped/previously \$8.10)
- Cable TV Franchise Tax, Development Fees, and Licenses & Permits
- Charges for services such as pool admissions, nuisance abatements, etc.

### Use

- Any legal public use
- Broadest spending category
- Public safety, code compliance, parks, support services, etc.

# FUND ESSENTIALS- GENERAL FUNDS

## Trust & Agency Fund

### Revenue

- Revenue is received from the trust and agency property tax levy (\$4.93/\$1,000 taxable value) (not capped)

### Use

- Used for costs related to employee benefits such as social security, health insurance, and pension contributions including MFPRSI (22.66% in FY25) and IPERS (9.44% in FY25)

# FUND ESSENTIALS— GENERAL FUNDS

## Hotel/Motel Tax Fund

### Revenue

- Generated by the hotel/motel tax of 7% for lodging in Davenport

### Use

- 50% for recreational, convention, cultural or entertainment facilities, or for the promotion and encouragement of tourist and convention business in the city
- 50% any legal public use

# FUND ESSENTIALS- SPECIAL REVENUE FUNDS

## Self-Supporting Municipal Improvement Districts

### Revenue

- Voluntary property tax approved by property owners of the district
- There are currently 7 districts

### Use

- These taxes are used to fund improvements within the district such as infrastructure, streetscape, and beautification projects

# FUND ESSENTIALS— SPECIAL REVENUE FUNDS

## Road Use Tax Fund

### Revenue

- Generated by the motor fuel tax, vehicle registrations, and car rentals
- Disbursed to City from the State

### Use

- Expenditures supporting work that typically occurs “between the curbs”
- Primarily used for internal and external costs/contracts for construction, reconstruction, and improvement projects
- Winter operations including salt purchases and snow plowing

# FUND ESSENTIALS- SPECIAL REVENUE FUNDS

## Grant Funds

### Revenue

- Revenue is received through federal and state grant awards; typically has a very limited and specified scope to which the City is responsible for demonstrating accountability

### Use

- Special projects, community planning and economic development, etc.



# FUND ESSENTIALS— SPECIAL REVENUE FUNDS

## Local Sales Tax Fund

### Revenue

- Voted by referendum in 1988
- 1% of gross sales collected within Scott County redistributed by formula to cities in the county; disbursed from the State

### Use

- 60% used for property tax relief (debt, general, tort)
- 40% used for “pay as you go” capital purchases and projects
- Public safety vehicle purchases, parks vehicles, debt service payments, traffic signal improvements, general fund transfer, etc.

# FUND ESSENTIALS- SPECIAL REVENUE FUNDS

## Riverfront Improvement Fund

### Revenue

- Revenue received from rents of levee land and buildings

### Use

- Any projects or expenditures related to the city-owned land along the levee of the Mississippi River (employee expenses, utilities, general maintenance, and community engagement initiatives such as Summer Concert Series and Riverfront Cleanup)
- Under the general administration of the Riverfront Improvement Commission

# FUND ESSENTIALS— SPECIAL REVENUE FUNDS

## Youth Sports Fund

### Revenue

- Revenue received primarily from registration fees for youth sports activities (formerly Dad's Club)

### Use

- Employee expenditures (instructors, etc.)
- Youth sports and activities (soccer, basketball, volleyball, baseball, etc.)

# FUND ESSENTIALS – INTERNAL SERVICE FUNDS

## Risk Fund

### Revenue

- All other funds/departments contribute to this fund based on risk premiums and through an allocation formula

### Use

- Employee workers' compensation claims, property/liability insurance, Risk Division, legal services, Legal Department, contracts with service providers including medical partners, consultants, and occupational health services, etc.

# FUND ESSENTIALS – INTERNAL SERVICE FUNDS

## IT Fund

### Revenue

- All other funds/departments contribute to this fund based on user charges and through an allocation process

### Use

- IT Department budget to include software maintenance agreements and contracts, equipment purchases, personnel, network security, etc.

# FUND ESSENTIALS – INTERNAL SERVICE FUNDS

## Employee Insurance Fund

### Revenue

- All other funds/departments contribute to this fund based on health insurance premiums per employee

### Use

- Expenses related to claims, insurance products, required fees, and consulting services
- Third Party Administrator/Pharmacy Benefit Manager contracts
- The City is self-insured and covers all claims up to the stop loss level of \$190k



# FUND ESSENTIALS – ENTERPRISE FUNDS

## Sewer Fund

### Revenue

- Sewer fees for residential, commercial, and industrial customers

### Use

- Costs generated from operating, maintaining, or improving the sewer system
- Engineering and sewer personnel, water pollution control plant operations, sewer lateral program, emergency sewer repairs, “pay as you go” CIP, etc.

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Water Pollution Control Plant Fund

### Revenue

- Contributions from member cities of the 28E Agreement (Davenport, Bettendorf, Riverdale, and Panorama Park)
- Compost facility sales

### Use

- Operation, maintenance, and improvement of the city's sewage treatment plant and compost facility

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Clean Water Utility Fund

### Revenue

- A clean water utility fee is imposed on all properties with in the City limits for impervious areas on a property
- Residential properties are charged 1 equivalent residential unit (ERU) monthly

### Use

- Expenses related to the operation, maintenance, and improvement of the stormwater collection system

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Parking Fund

### Revenue

- Ramp charges, parking leases, retail rental space at city-owned ramps, and parking fines

### Use

- Expenses related to the operation, maintenance, and improvement of city-owned ramps and parking lots and the enforcement of city parking ordinances

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Transit Fund

### Revenue

- Property tax levy (\$0.91/\$1,000 of taxable value) (capped), grants, and rider fares

### Use

- Transit employee costs, farebox maintenance, fuel, bus maintenance, service agreements, etc.

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Airport Fund

### Revenue

- Hangar rental, land rental, and fuel sales

### Use

- Expenses related to the operation, maintenance, and improvement of the city's municipal commuter airport



# FUND ESSENTIALS – ENTERPRISE FUNDS

## RiverCenter Fund

### Revenue

- Facility charges
- Subsidy provided by hotel/motel tax fund (Budgeted \$655K)

### Use

- Expenses related to the operation, maintenance, and improvement of the city's convention center (RiverCenter) and the Adler Theatre

# FUND ESSENTIALS – ENTERPRISE FUNDS

## Golf Course Fund

### Revenue

- Golf fees, cart rentals, and concessions

### Use

- Expenses and contracts related to the operation, maintenance, and improvement of three city-owned golf courses: Duck Creek, Emeis, and Red Hawk

# FUND ESSENTIALS – ENTERPRISE FUNDS

## River's Edge Fund

### Revenue

- User fees for hockey leagues, ice rentals, and special programs
- Subsidy provided by the hotel/motel tax fund (Budgeted \$50K)

### Use

- River's Edge operations, maintenance, personnel, and improvement of the River's Edge, utilities, etc.

# FUND ESSENTIALS- DEBT SERVICE FUNDS

## General Debt Service

### Revenue

- Debt service levy (\$2.05/\$1,000 of taxable value) (not capped)
- Evaluated closely each year in conjunction with PFM to ensure sustainability of past, current, and future debt obligations

### Use

- Expenditures related to the city's general debt obligations (principal and interest payments)

# FUND ESSENTIALS- DEBT SERVICE FUNDS

## Tax Increment Financing Funds

### Revenue

- Property taxes designated for the TIF district to meet economic development agreement obligations

### Use

- Expenditures of the various tax increment financing (TIF) districts needed to comply with economic development agreement obligations

# FUND ESSENTIALS- CIP FUNDS

## Capital Improvement Fund

### Revenue

- General obligation bonds, local sales tax receipts, and enterprise fund user fees
- Federal and state grants

### Use

- Expenditures related to the acquisition, construction, renovation, or replacement of any major asset in the community



# FY 2023 Financial Review



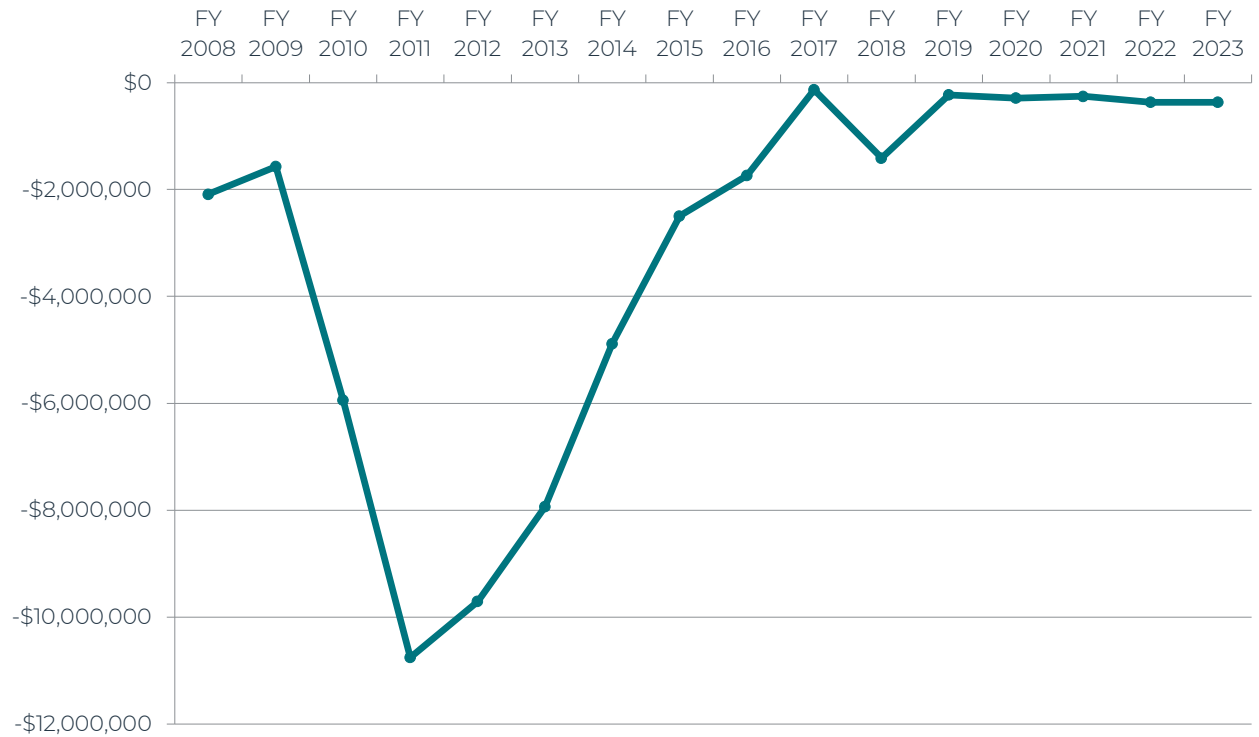
# FY 2023 SUMMARY



General Fund reserves are at maximum amount of 25.0% (City Council policy is between 17.0%-25.0%).

Unrestricted cash across all funds is at \$208.7M representing a 11.3% increase over prior year.

### Negative Cash Funds (Total)

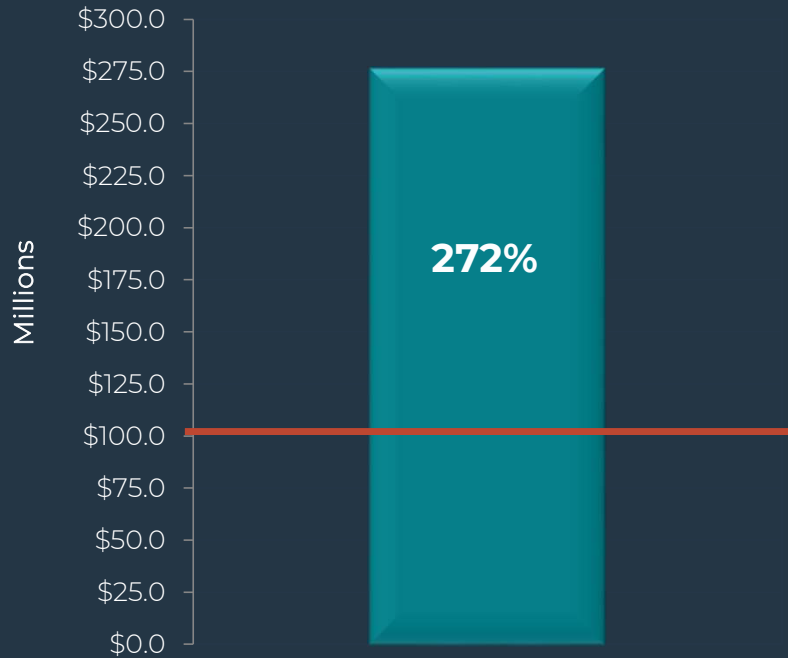


# LIQUIDITY POLICY

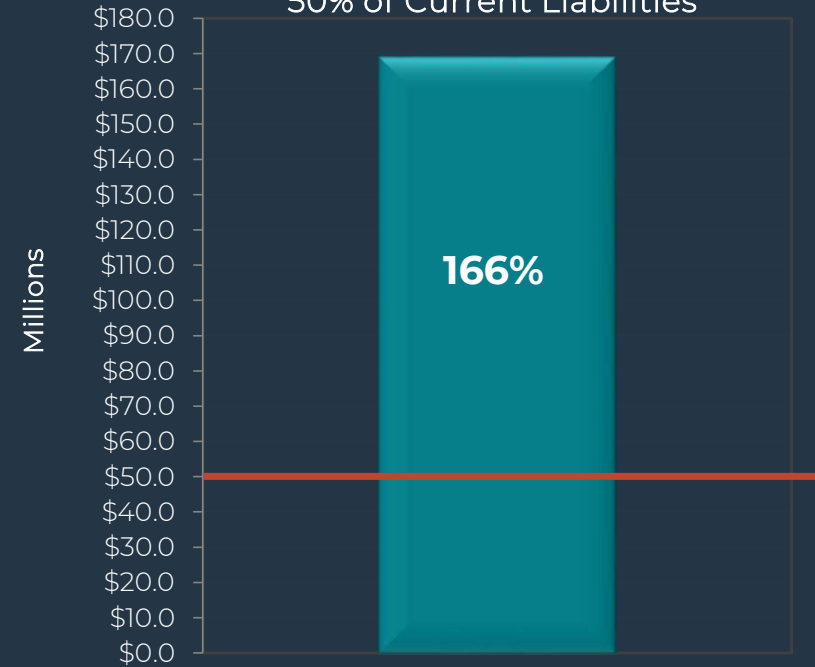
## Governmental Type Funds FY 2023



Current Assets in Excess of Current Liabilities



Cash & Short-Term Investments of at least 50% of Current Liabilities

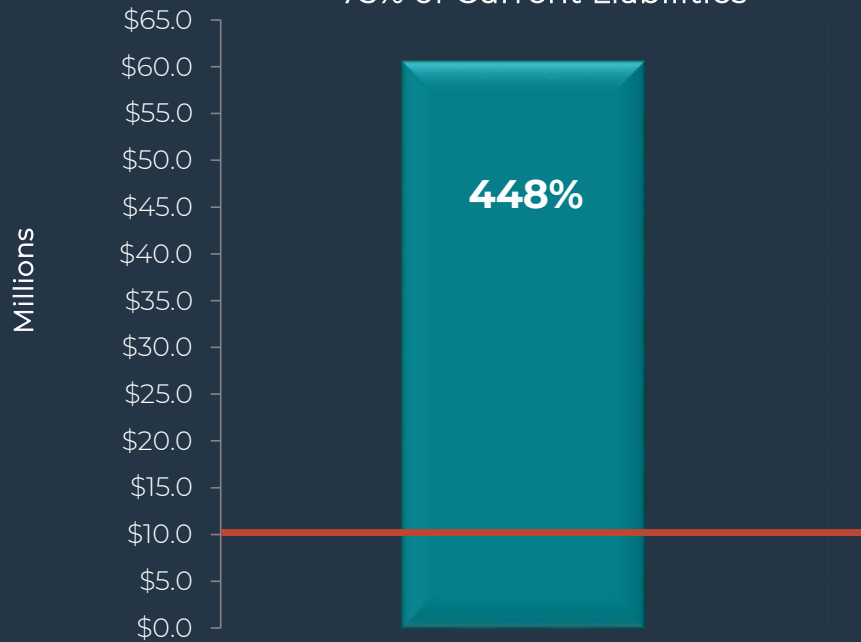


# LIQUIDITY POLICY

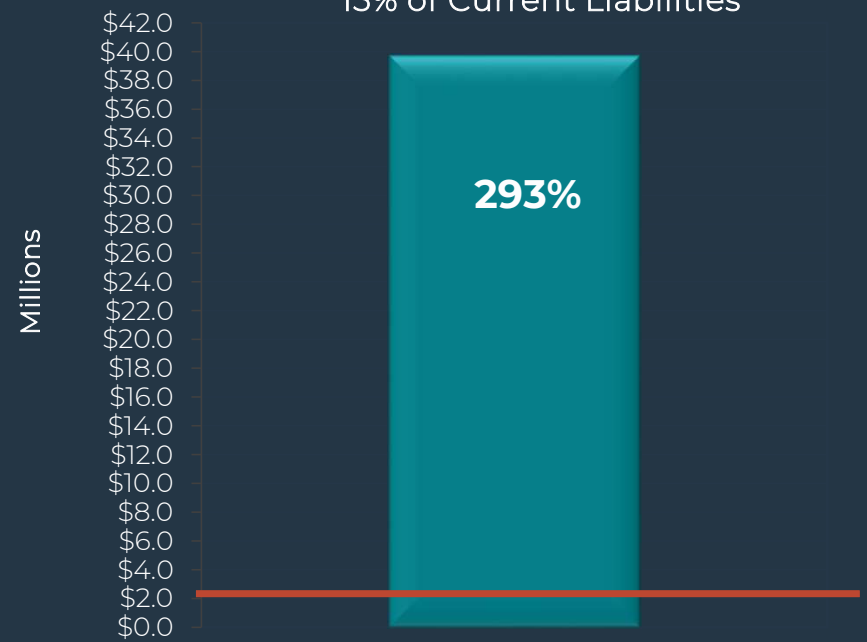
## Business Funds FY 2023



Current Assets of at least 75% of Current Liabilities



Cash & Short-term Investments of at least 15% of Current Liabilities



# FY 2023 REVIEW

Fund or Fund Type	June 30, 2022	June 30, 2023	Change	Percentage
Governmental Funds	\$155,338,773 Unrestricted Cash	\$169,016,276 Unrestricted Cash	+\$13,677,503 Unrestricted Cash	+8.80%
General Fund (Unassigned)	\$13,635,434 Fund Balance	\$14,345,554 Fund Balance	+\$710,120 Fund Balance	+5.21%
Trust & Agency Fund	\$4,527,244 Fund Balance	\$5,620,966 Fund Balance	+\$1,093,722 Fund Balance	+24.16%
Employee Insurance Fund	\$12,860,483 Net Position	\$13,577,779 Net Position	+\$717,296 Net Position	+5.58%
Risk Fund	\$10,584,899 Cash	\$11,198,892 Cash	+\$613,993 Cash	+5.80%
Hotel/Motel Tax Fund	\$2,942,949 Fund Balance	\$3,693,507 Fund Balance	+\$750,558 Fund Balance	+25.50%
Local Sales Tax Fund	\$15,409,809 Fund Balance	\$19,138,022 Fund Balance	+\$3,728,213 Fund Balance	+24.19%
Sewer Fund (Operations)	\$16,953,244 Cash	\$21,973,234 Cash	+\$5,019,990 Cash	+29.61%

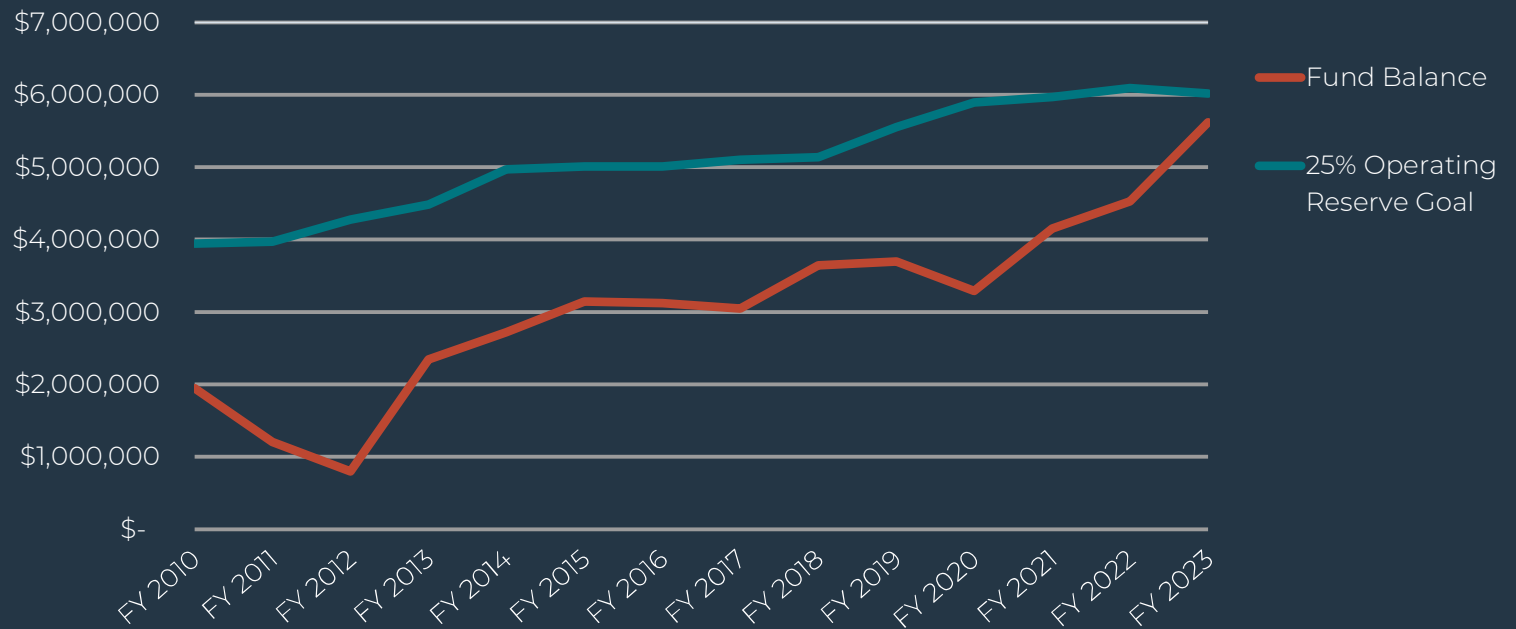
# FY 2023 REVIEW

Fund or Fund Type	June 30, 2022	June 30, 2023	Change	Percentage
Debt Service Fund	\$21,280,742 Cash	\$26,420,940 Cash	+\$5,140,198 Cash	24.15%
Road Use Tax Fund	\$4,272,305 Fund Balance	\$5,207,990 Fund Balance	+\$935,685 Fund Balance	21.90%
Clean Water Fund	\$2,543,628 Cash	\$2,888,311 Cash	+\$344,683 Cash	13.55%
Golf Fund	\$68,636 Cash	\$225,307 Cash	+\$156,671 Cash	228.26%
Airport Fund	\$8,131 Cash	\$42,465 Cash	+\$34,334 Cash	422.26%
Transit Fund	\$3,252,625 Cash	\$4,861,361 Cash	+\$1,608,736 Cash	49.46%
Solid Waste Fund	\$2,436,292 Cash	\$2,604,196 Cash	+\$167,904 Cash	6.89%
Parking Fund	\$77,387 Cash	\$124,808 Cash	+\$47,421 Cash	61.28%
River's Edge Fund	\$7,146 Cash	\$9,593 Cash	+\$2,447 Cash	34.24%

# TRUST & AGENCY FUND RESERVES



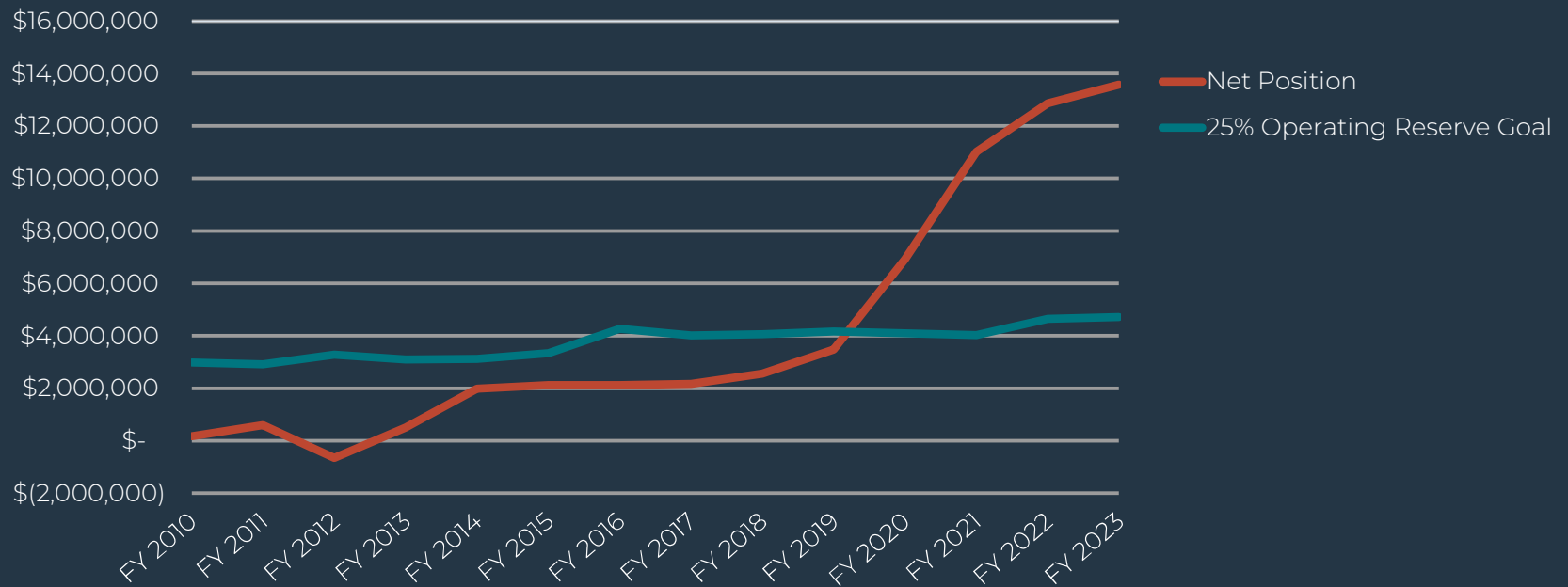
### Trust & Agency Fund Balance



# EMPLOYEE HEALTH FUND NET POSITION



Employee Health Fund





# FY 2024 Financial Update



# FY 2024 BUDGET

General Fund operating departments are currently at, or below, expected spending levels as of the end of December 2023.

With 50% of the year completed, 48.6% of overall budgeted expenditures have been spent.

Department	Budget	YTD	%
City Council	337,783	171,761	50.8%
Mayor	131,471	46,786	35.6%
Finance	1,693,260	847,273	50.0%
Administration	942,179	422,996	44.9%
IT	-	(68,288)	-
HR	827,600	391,690	47.3%
CED	1,232,186	293,892	23.9%
Civil Rights	442,367	172,229	38.9%
DNSD	2,210,913	982,110	44.4%
Public Works	3,572,384	1,814,401	50.8%
Police	20,873,717	10,378,376	49.7%
Fire	14,295,621	7,211,302	50.4%
Parks & Rec	4,511,074	2,130,053	47.2%
Library	2,680,966	1,305,693	48.7%
<b>Total</b>	<b>53,751,521</b>	<b>26,100,274</b>	<b>48.6%</b>

# FY 2024 BUDGET



As of the end of December, Payroll costs are in line with expected budget levels.

General Fund payroll costs are currently at 47.3%, which is slightly below the expected budget of 48.1%.

Trust & Agency benefits are currently at 48.5% which is below the expected budget of 49.1%.

Benefit Summary			
Benefit	Budget	YTD	%
FICA	1,566,037	746,470	47.7%
IPERS	1,471,400	629,173	42.8%
Employee Insurance	11,509,780	5,649,153	49.1%
MFPRSI	5,921,544	2,916,002	49.2%
RHSP	1,040,000	559,664	53.8%
Fit Pay	140,000	-	-
<b>Total</b>	<b>21,648,761</b>	<b>10,500,462</b>	<b>48.5%</b>

# FY 2024 HEALTHCARE COSTS



Claims and expenditures are currently trending above the original budget of \$15.6M

- YTD | \$8.6M as of the end of December
- Current year-end projection | \$17,274,954

As of the end of December, claims for FY 2024 are 30.3% higher than claims in FY 2023.

FY 2024 monthly average is \$1,428,148.

These expenditures will be closely monitored by Finance/Human Resources and in partnership with the City's benefits consultant.

The City is entering its final year of the Third-Party Administrator/Pharmacy Benefit Manager contracts. An RFP for a TPA/PBM will be issued during FY 2025, and this typically bends the health insurance cost curve.



# Next Steps

# CALENDAR

February 6, 2024	FY 2025 Property Tax and Operating Budget Overview
February 10, 2024	Capital Improvement Budget Workshop
February 20, 2024	Follow-Up Budget Workshop
February 21, 2024	COW – Motion to set public hearing on Proposed Tax Levy
February 28, 2024	CC – Motion to set public hearing on Proposed Tax Levy
March 5, 2024	Finance staff files Budget Statement with IDOM <b>(Due by 3/15)</b>
March 20, 2024	Property Tax Statements mailed out to all property owners (County)
March 27, 2024	Hold public hearing on Proposed Tax Levy (Special Meeting – 5:00 PM)
April 3, 2024	COW – Motion to set public hearing on Budget Adoption (Rule Suspension)
April 17, 2024	COW – Public hearing on Budget Adoption and Resolution adopting “City Administrator’s Recommended FY 2025 Operating & Capital Improvement Budget”
April 24, 2024	CC – Adoption of FY 2025 Budget
April 25, 2024	Certify Budget with County Auditor & IDOM <b>(Due by 4/30)</b>

# SCHEDULE



## February 3<sup>rd</sup> | Goal Setting & Introduction

- Goal Setting
- Fund Accounting and Structure Essentials
- FY 2023 Financial Review
- FY 2024 Financial Update



## February 6<sup>th</sup> | FY 2025 Operating Budget

- Property Tax Overview
- FY 2025 Operating Budget Review



## February 10<sup>th</sup> | Capital Funds & Capital Program

- Debt Service Fund
- Local Options Sales Tax Fund
- Road Use Tax Fund
- Six-Year Capital Improvement Program



## February 20<sup>th</sup> | Follow-ups and Workplan

- FY 2025 Operating Budget Continued
- Follow-ups
- CY 2024 Workplan

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# THANK YOU

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