

Budget Work Session

February 09, 2022

City of Des Moines





Schedule

Housing Services

Self-Supported Municipal Improvement Districts

Solid Waste Enterprise

Sanitary Sewer Enterprise

Stormwater Enterprise

Parking Enterprise

Capital Improvement Plan & Debt

Operating Budget

(General Fund, Road Use Tax Fund, & Local Option Fund)

Housing Services Budget Overview

February 9, 2022

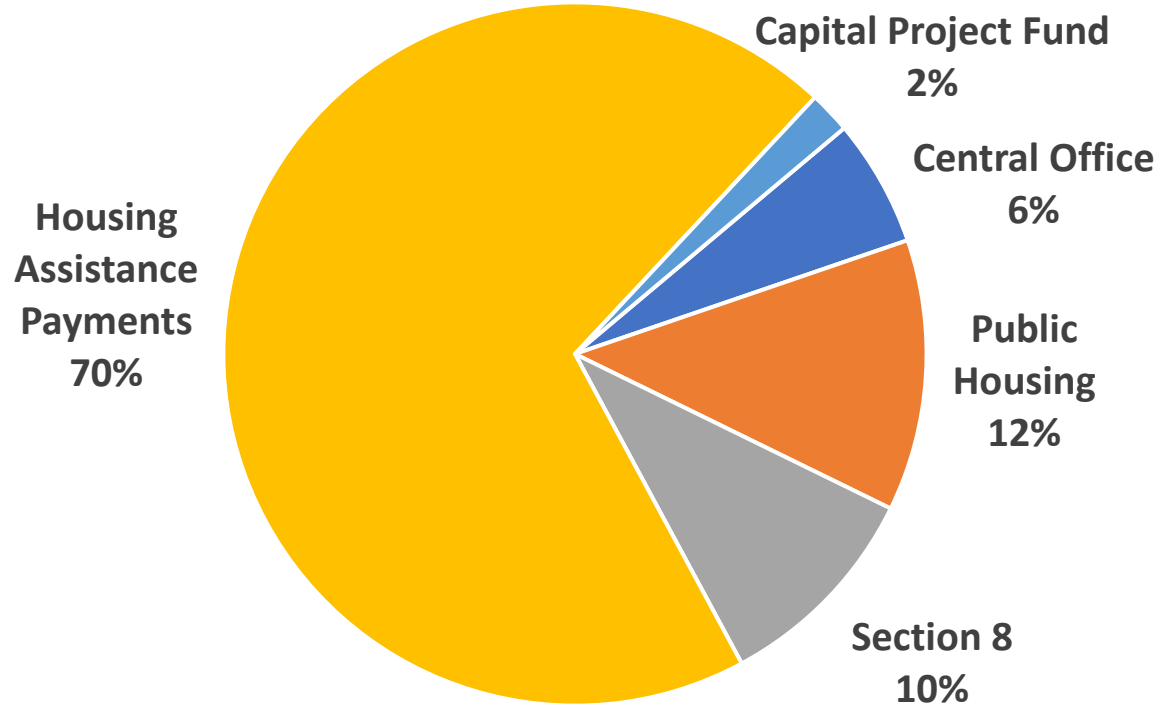
City of Des Moines



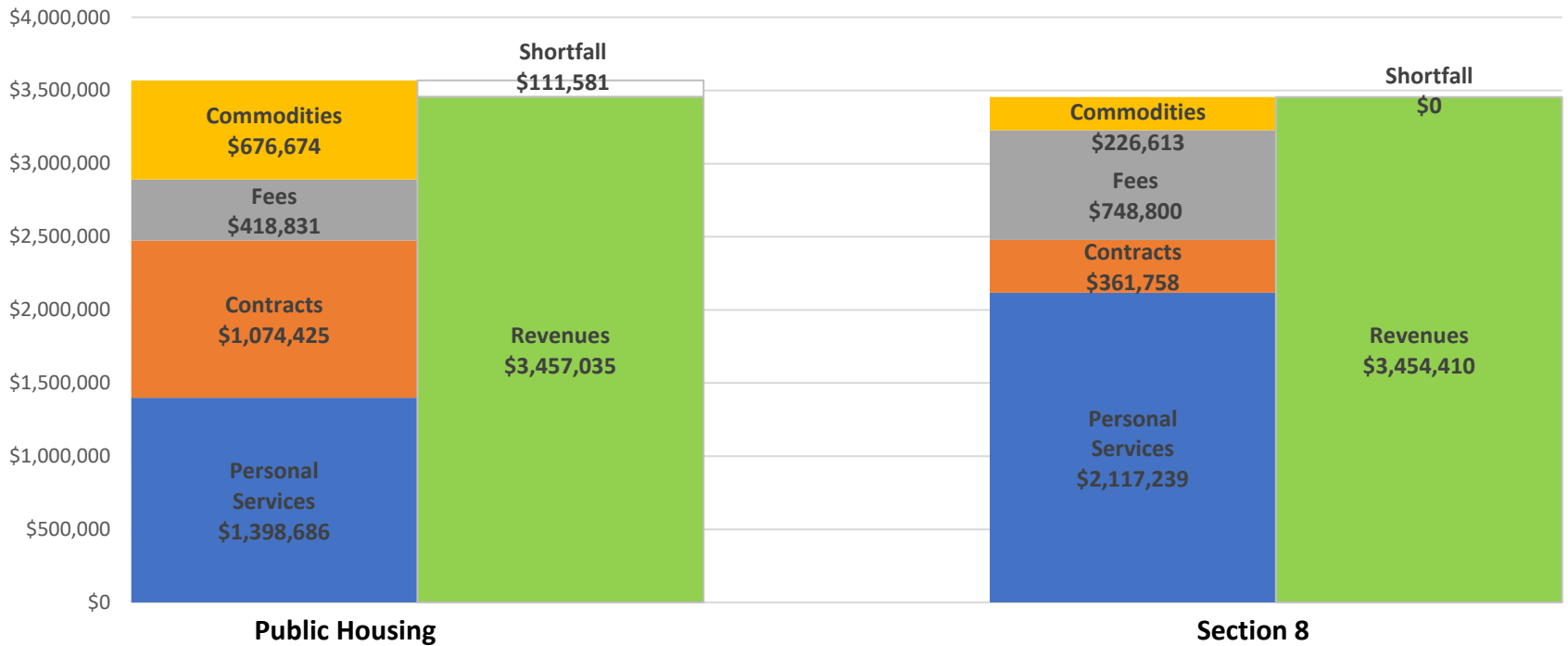
HOUSING SERVICES PROGRAMS

- Section 8 Choice Housing Voucher Program
 - Provides rental assistance in form of housing assistance payments (HAP)
 - 2,900 individuals or families receiving assistance (2,500 of 3,500 left on waiting list that opened in August of 2021)
 - \$460 average monthly housing assistance payment
- Public Housing Program
 - Owns and manages rental units for eligible low- and moderate-income individuals and families
 - 424 units – 34 scattered site single family homes; 390 in manor sites
 - Disposition Fund – established through HUD approved sale of scattered site units

FY 2023 RECOMMENDED BUDGET



SECTION 8 AND PUBLIC HOUSING FY2023 REVENUES AND EXPENDITURES



TOTAL REVENUES & EXPENDITURES (PUBLIC HOUSING & SECTION 8)

	FY2020 Actuals	FY2021 Actuals	FY2022 Adopted	FY2022 Amended	FY2023 Recomm
Total Revenues	\$ 24,681,930	\$ 23,990,028	\$ 24,169,021	\$ 24,521,229	\$ 24,385,859
Total Expenses	<u>23,977,000</u>	<u>22,961,754</u>	<u>24,547,897</u>	<u>24,410,337</u>	<u>24,385,859</u>
Surplus (Deficit)	<u>704,930</u>	<u>1,028,274</u>	<u>(378,876)</u>	<u>110,892</u>	<u>-</u>
HAP Reserves	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Final Surplus (Deficit)	<u>704,930</u>	<u>1,028,274</u>	<u>(378,876)</u>	<u>110,892</u>	<u>-</u>

NOTE: Section 8 program received additional revenue due to COVID-19 assistance (\$1,034,292) in FY2021.

OPERATING REVENUES AND EXPENDITURES

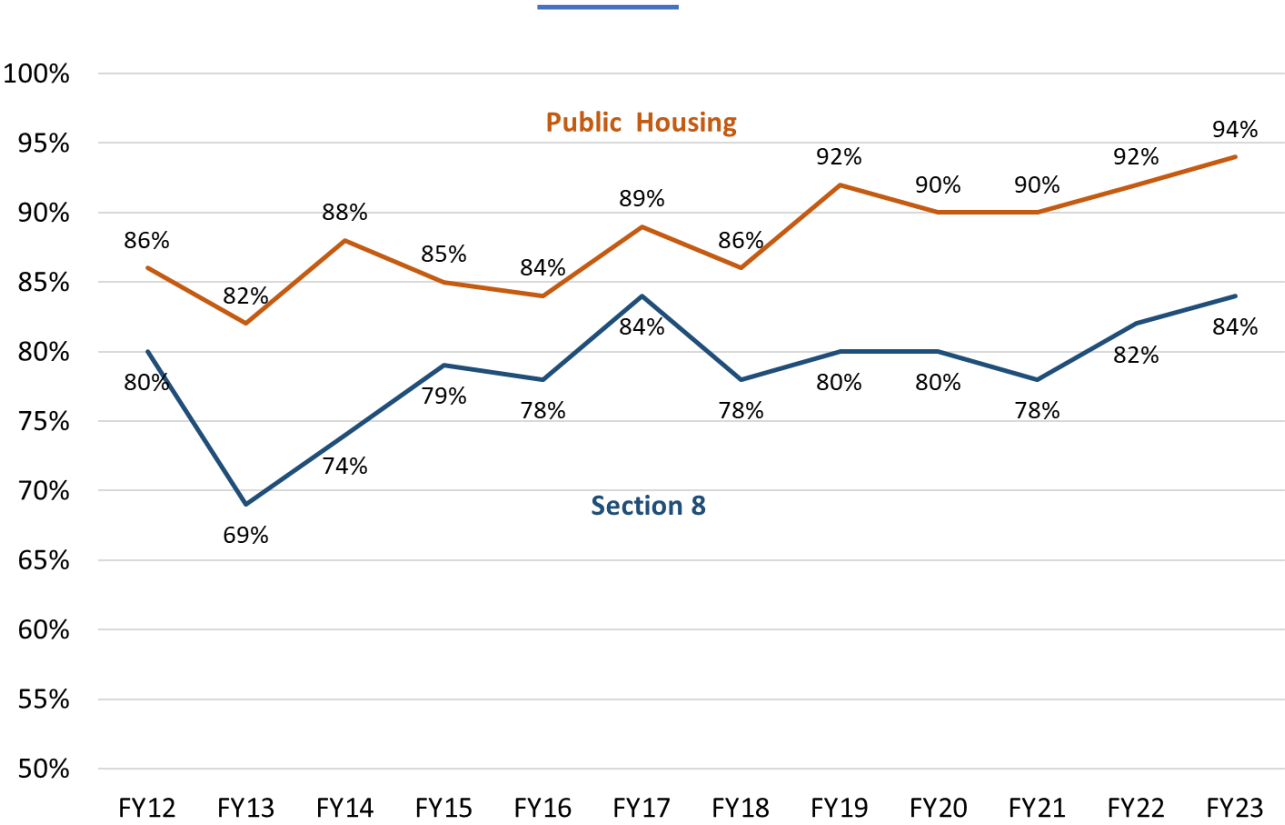
EXCLUDES HAP & CAPITAL

	FY2020 Actuals	FY2021 Actuals	FY2022 Adopted	FY2022 Amended	FY2023 Recomm
Operational Revenues					
Public Housing	\$ 2,953,252	\$ 3,242,371	\$ 3,353,764	\$ 3,439,335	\$ 3,457,035
Section 8	<u>3,781,505</u>	<u>3,890,538</u>	<u>3,281,006</u>	<u>3,464,951</u>	<u>3,454,410</u>
Total Operational Revenue	6,734,757	7,132,909	6,634,770	6,904,286	6,911,445
Operational Expenses					
Public Housing	2,950,181	3,055,925	3,656,869	3,522,027	3,568,616
Section 8	<u>3,079,646</u>	<u>3,048,710</u>	<u>3,356,777</u>	<u>3,354,059</u>	<u>3,454,410</u>
Total Operational Expense	6,029,827	6,104,635	7,013,646	6,876,086	7,023,026
Surplus (Deficit)					
Public Housing	3,071	186,446	(303,106)	(82,692)	(111,581)
Section 8	127,539	841,828	(75,771)	110,892	-
CARES Act	<u>\$ 574,320</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total	\$ 704,930	\$ 1,028,274	\$ (378,876)	\$ 28,200	\$ (111,581)
General Fund Support					
Public Housing	-	-	303,106	82,692	111,581
Section 8	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Des Moines' Support	-	-	303,106	82,692	111,581
Section 8 Other Local Govt	-	-	-	-	-
Remaining Surplus (Deficit)	<u>704,930</u>	<u>1,028,274</u>	<u>(75,771)</u>	<u>110,892</u>	<u>-</u>

Public Housing and Section 8 only - includes Central Office allocation

The credit amount in Section 8 Other Local Government reflects a surplus in the Section 8 program for the year. This will be used to reduce future billings for anticipated deficits. Section 8 program received additional revenue due to COVID-19 assistance (\$1,034,292) in FY2021.

PRORATION OF HUD REVENUES



RECENT PROGRAM CHANGES

	2020 FTE	2021 FTE	2022 FTE	2023 FTE
Public Housing	11.00	11.00	11.00	11.00
Section 8	17.00	17.00	17.00	17.00
<u>Central Office</u>	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
Total	34.00	35.00	35.00	35.00

- 28E agreements with municipalities for Section 8 expenses
- On-line program applications
- Increased use of contracts

CHALLENGES AND OPPORTUNITIES

- Future of federal funding unknown
- Rental Assistance Demonstration Program
 - Royal View Manor
- Disposition Program of scattered sites
- Mainstream and Emergency Housing Voucher Programs (EHV)
- Continue support from suburban communities for Section 8 program



Questions

Let's take
a **Break**
(if needed)



Self-Supported Municipal Improvement Districts

February 9, 2022

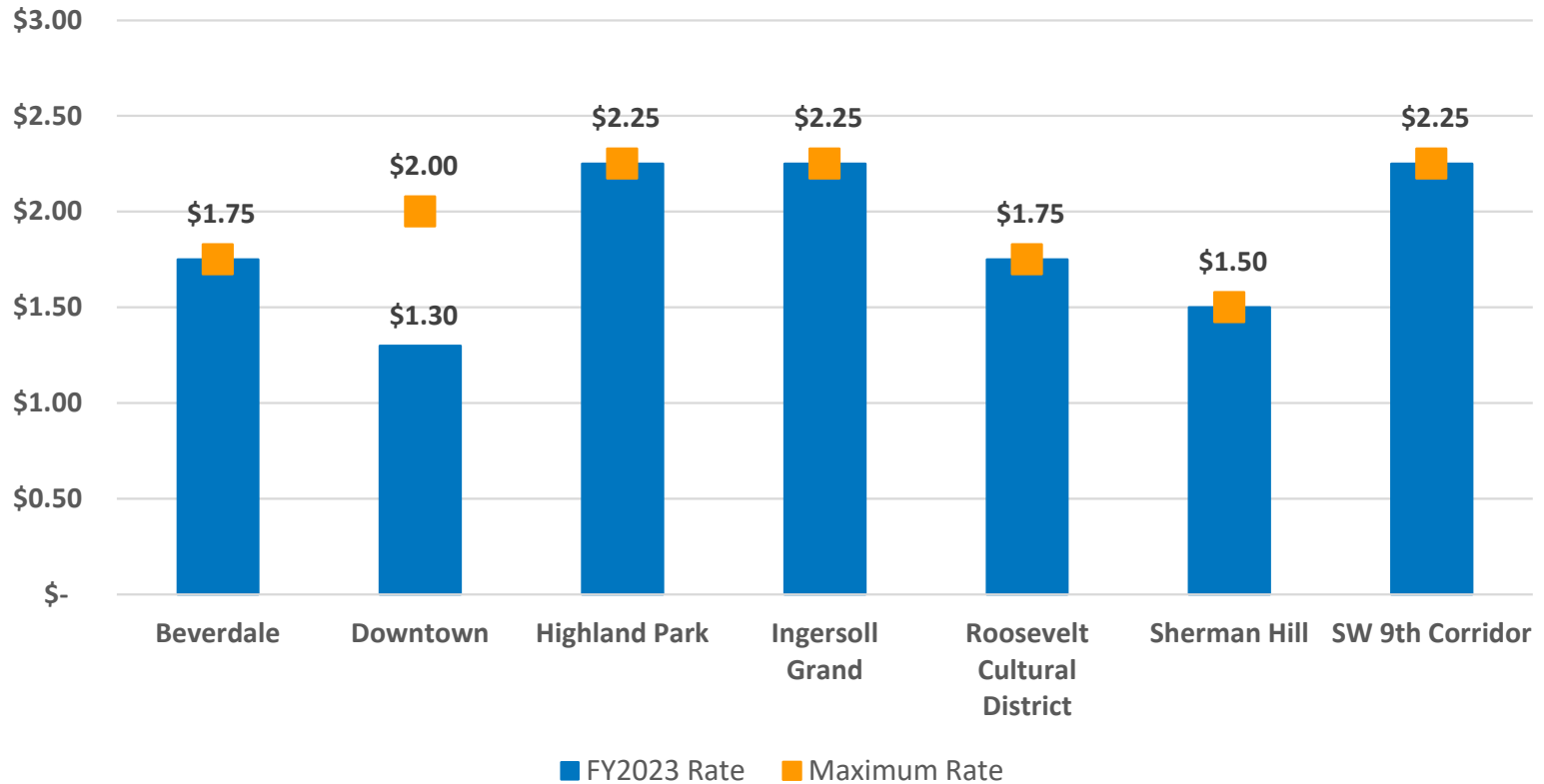
City of Des Moines



SSMID TERMS

SSMID	Established	End of Levy Authorization
Beaverdale	January 13, 2014	June 30, 2029
Downtown	February 23, 1998	June 30, 2024
Highland Park	October 20, 2003	June 30, 2024
Ingersoll Grand	January 28, 2013	June 30, 2033
Roosevelt Cultural District	September 26, 2016	June 30, 2027
Sherman Hill	October 9, 2017	June 30, 2027
SW 9 th Corridor	August 8, 2016	June 30, 2027

SSMID Levy Rates



SSMID Budget Process

SSMID	Budget Submittal Deadline	Audit Requirement Met
Beaverdale	Board meeting held in January includes a review of finances and discussion on recommended levy rate.	N/A
Highland Park	Annual board meeting held in January includes review of finances and discussion on recommended levy rate.	N/A
Roosevelt Cultural District	Board meeting held in November includes a review of finances and discussion on recommended levy rate.	N/A
Sherman Hill	Budget prepared by Finance staff as part of budget process.	N/A
Downtown	Budget submitted by SSMID by December 1st of each year.	<input checked="" type="checkbox"/>
Ingersoll Grand	Budget submitted by SSMID by October 1st of each year.	<input checked="" type="checkbox"/>
SW 9 th Corridor	Budget submitted by SSMID by October 1st of each year.	<input checked="" type="checkbox"/>

SSMID Financial Data

	Beaverdale	Highland Park	Roosevelt Cultural District	Sherman Hill
FY21 Actual Revenues	15,275	16,617	6,714	88,123
FY21 Actual Expenditures	16,029	25,251	6,243	19,622
FY21 Net Activity	(754)	(8,634)	472	68,501
FY21 End of Year Fund Balance	\$ 29,618	\$ 29,599	\$ 8,608	\$ 438,442
FY22 Estimated Revenues	15,146	18,038	6,709	96,528
FY22 Estimated Expenditures	17,970	15,900	6,100	77,453
FY22 Net Activity	(2,824)	2,138	609	19,075
FY22 End of Year Fund Balance	\$ 26,794	\$ 31,737	\$ 9,217	\$ 457,517
FY23 Estimated Revenues	14,734	23,730	6,877	99,153
FY23 Estimated Expenditures	19,070	16,000	6,200	39,900
FY23 Net Activity	(4,336)	7,730	677	59,253
FY23 End of Year Fund Balance	\$ 22,458	\$ 39,467	\$ 9,894	\$ 516,770

SSMID Financial Data

	Downtown	Ingersoll Grand	SW 9th Corridor
FY21 Actual Revenues	2,220,630	185,124	102,610
FY21 Actual Expenditures	2,221,127	251,688	84,392
FY21 Net Activity	(497)	(66,564)	18,219
FY21 End of Year Fund Balance	\$ 3,976	\$ (26,508)	\$ 21,033
FY22 Estimated Revenues	2,371,207	234,105	103,567
FY22 Estimated Expenditures	2,371,207	190,000	103,567
FY22 Net Activity	-	44,105	-
FY22 End of Year Fund Balance	\$ 3,976	\$ 17,597	\$ 21,033
FY23 Estimated Revenues	2,196,836	245,054	106,828
FY23 Estimated Expenditures	2,196,836	200,000	106,828
FY23 Net Activity	-	45,054	-
FY23 End of Year Fund Balance	\$ 3,976	\$ 62,651	\$ 21,033

Downtown

	FY2022	FY2023
	Amended	Recommend
Estimated Beginning Fund Balance	\$ 2,850,062	\$ 3,203,610
Revenues		
Property Tax	2,382,773	2,428,141
Downtown Maintenance	474,239	487,198
PILOT	23,364	23,364
SkatePark Reimbursement	-	53,251
Voluntary and Miscellaneous Support	280,168	264,547
Total Revenues	<u>\$ 3,160,544</u>	<u>\$ 3,256,501</u>
Expenses		
Management, Marketing, Facility Fees	483,968	509,934
Clean	449,360	463,235
Safe	157,231	154,491
Beautification	80,924	70,065
Downtown Maintenance	1,188,150	1,162,037
Skatepark Maintenance	-	48,410
Cowles Commons Maintenance	27,363	14,745
Brenton Skating Plaza Operations	30,000	30,000
Court District Security	120,000	123,600
D-Line	50,000	50,000
Miscellaneous Project Support	220,000	231,600
Total Expenses	<u>\$ 2,806,996</u>	<u>\$ 2,858,117</u>
Surplus / (Deficit)	<u>\$ 353,548</u>	<u>\$ 398,384</u>
Estimated Ending Fund Balance	<u><u>\$ 3,203,610</u></u>	<u><u>\$ 3,601,994</u></u>

Ingersoll Grand

	FY2022 Amended	FY2023 Recommend
Estimated Beginning Fund Balance	\$ 181,225	\$ 111,952
Revenues		
Property Tax	190,000	200,000
Sponsorships/Earned Revenue	50,000	55,000
Merchandise	<u>1,000</u>	<u>2,000</u>
Total Revenues	\$ 241,000	\$ 257,000
Expenses		
Administration	74,274	102,200
Rent & Utilities	5,400	6,300
Marketing & Promotion	20,000	25,000
Ingersoll LIVE	45,000	45,000
Run the Avenues	-	-
Economic Development	55,000	-
Planning & Design	25,000	-
Repairs & Maintenance	80,600	90,500
The Avenues Restoration Contribution	<u>5,000</u>	<u>-</u>
Total Expense	\$ 310,274	\$ 269,000
Net Income (Loss)	<u>\$ (69,274)</u>	<u>\$ (12,000)</u>
Estimated Ending Fund Balance	<u>\$ 111,952</u>	<u>\$ 99,952</u>

SW 9th Corridor

	FY2022	FY2023
	Amended	Recommend
Estimated Beginning Fund Balance	\$ 46,636	\$ 46,636
Property Tax Revenues	<u>104,017</u>	<u>105,369</u>
Total Revenues	<u>\$ 104,017</u>	<u>\$ 105,369</u>
Expenses		
Administration & Program Support	35,000	30,000
Marketing	2,000	2,000
Events	5,000	5,000
Special Projects/Node Improvements	52,017	58,369
Maintenance on Bell Plaza	<u>10,000</u>	<u>10,000</u>
Total Expenses	<u>\$ 104,017</u>	<u>\$ 105,369</u>
Net Operating Surplus (Loss)	-	-
Estimated Ending Fund Balance	<u><u>\$ 46,636</u></u>	<u><u>\$ 46,636</u></u>



Questions

Let's take
a **Break**
(if needed)



Solid Waste Enterprise

February 9, 2022

City of Des Moines

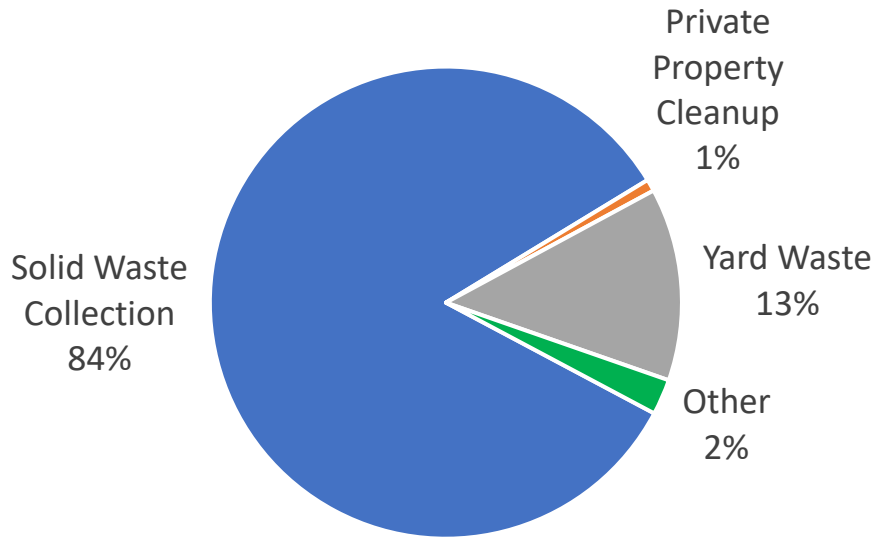


Solid Waste

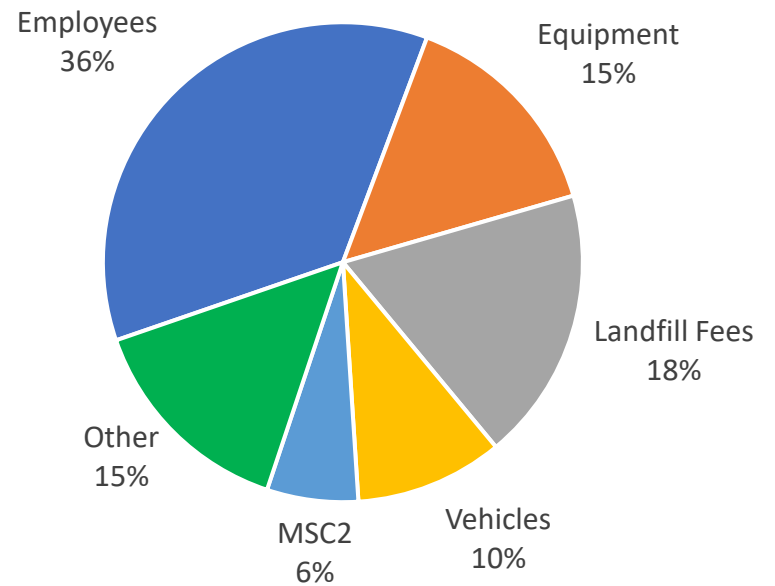
- Public Works Sanitation Division provides trash, yard waste, and recyclables collection to approximately 66,000 homes
- Solid Waste supports SCRUB and property cleanups
- Dumpster services are provided to City parks, municipal buildings, WRA, and 4-plex locations
- Staffing at 49 full time positions
- 23 side-loaders, 12 front/rear loaders
- All side-loaders replaced in last three years

FY 2023 Budget

Source of Funds



Use of Funds

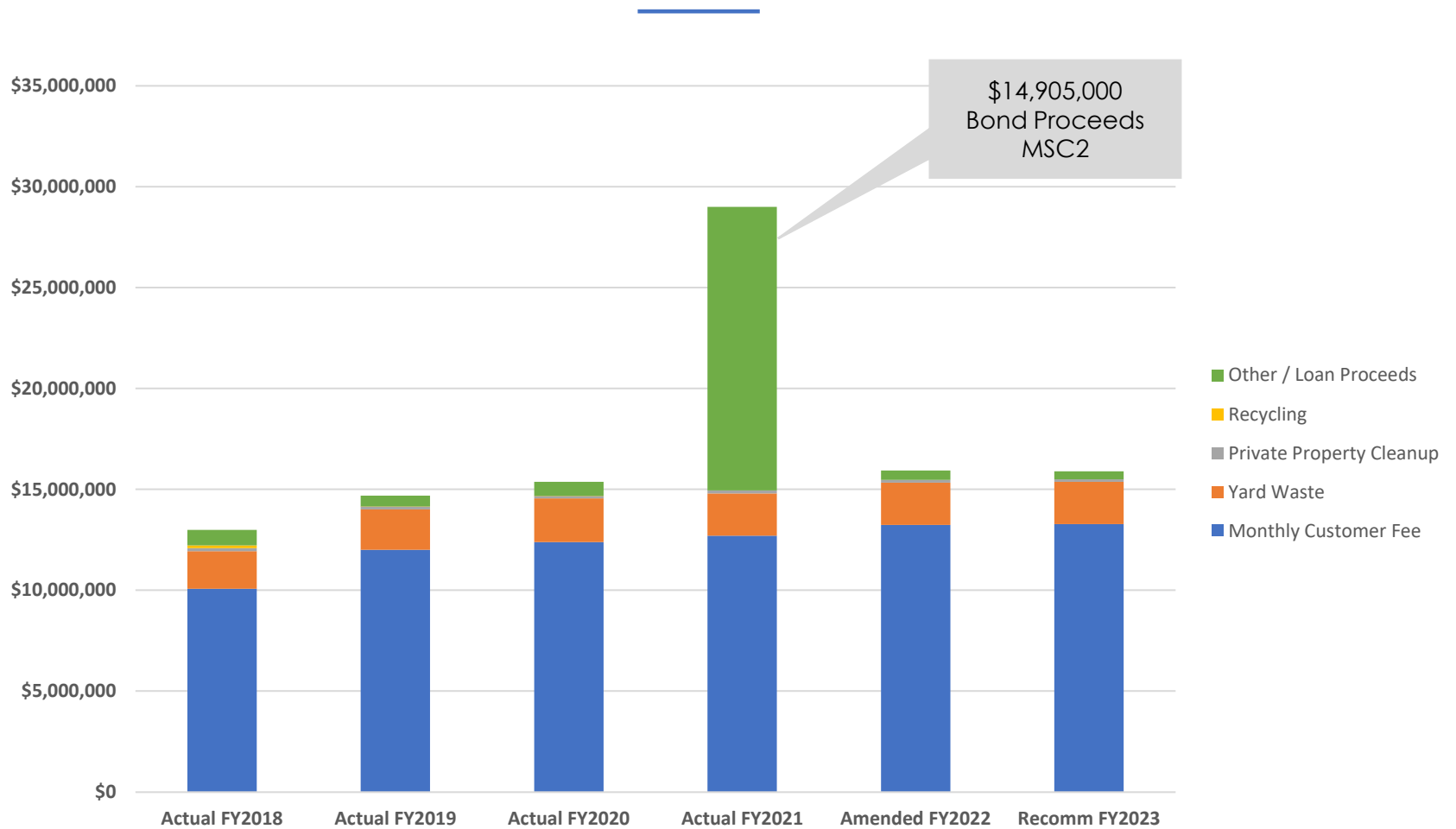


Current Rates

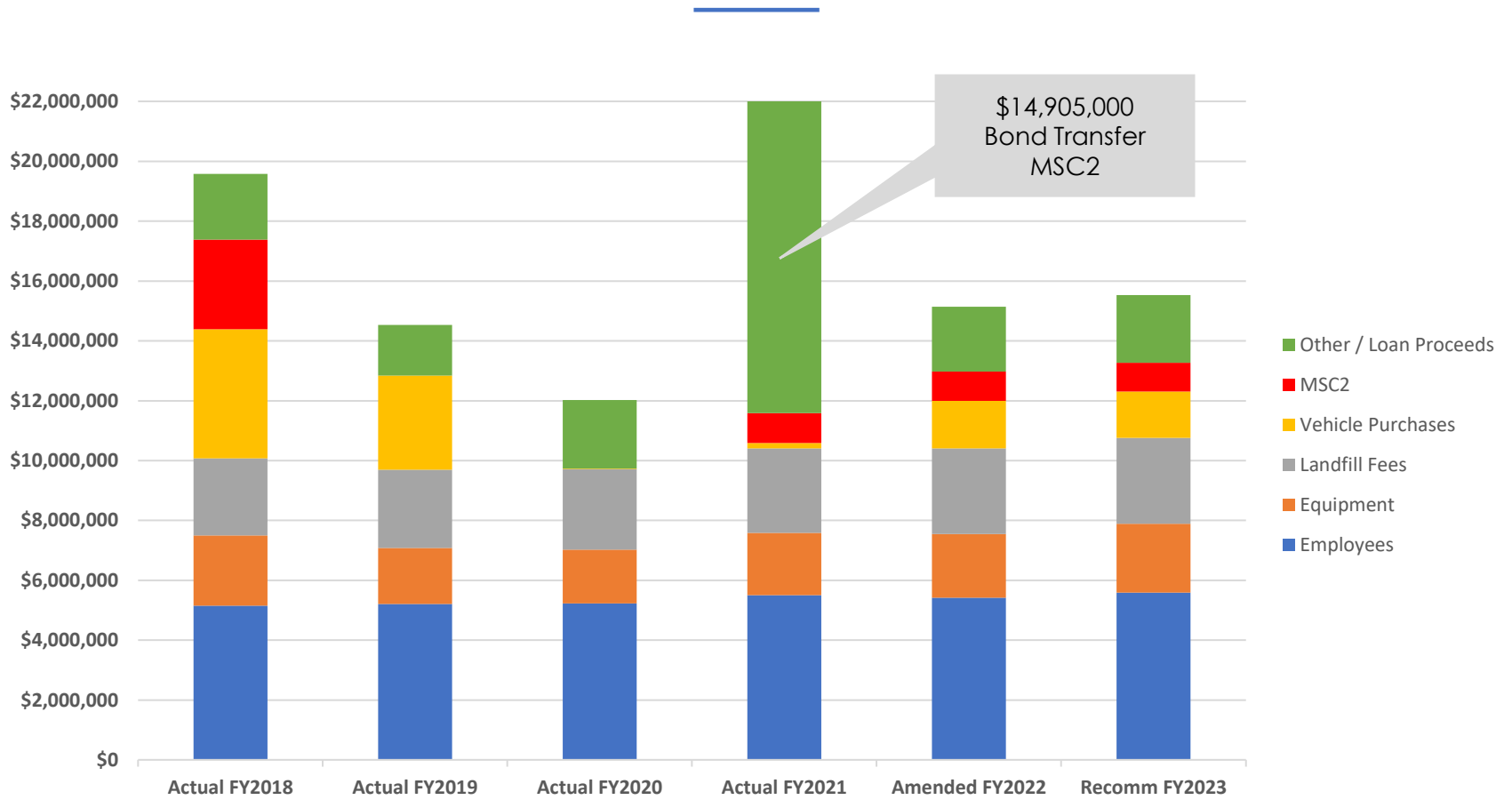
FY2022 Current Rates		
First 64 gallon	\$	14.56
First 96 gallon	\$	15.66
Additional 64 gallon	\$	12.35
Additional 96 gallon	\$	13.45
City of DM - Dumpster	\$	9.73
<i>First 64 gallon subsidized</i>	\$	<i>10.00</i>
<i>First 96 gallon subsidized</i>	\$	<i>11.00</i>

No changes in rates in FY 2023.

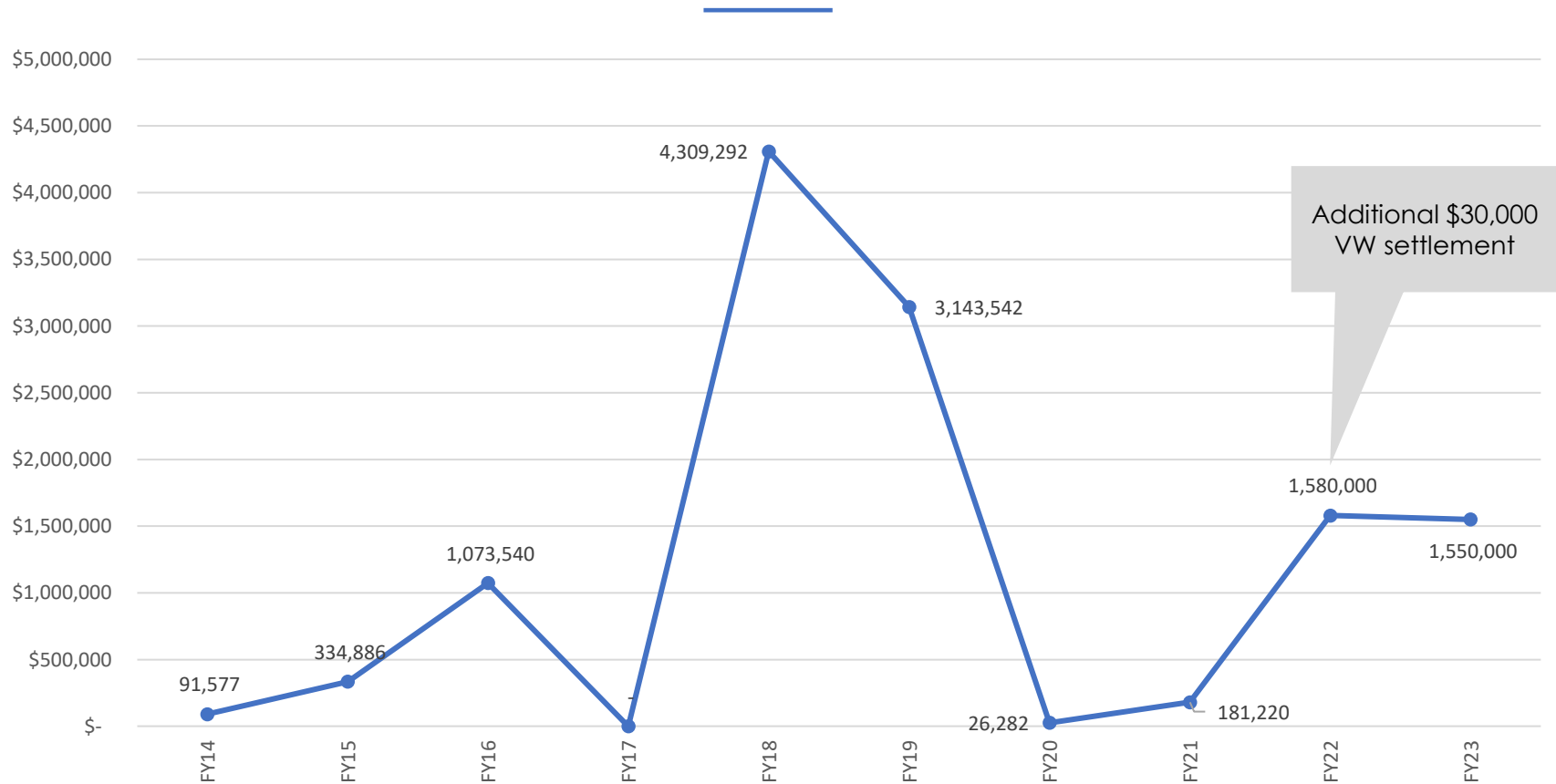
Total Revenues



Total Expenses



Vehicle Replacement Expense



Next Steps

- Recycling Changes
 - Metro Waste Authority opened a new recycling facility in Grimes
 - Started operations in November of 2021
 - Contract negotiations are still on-going
 - Uncertainty recycling revenue
 - Unknown commodity prices and fees at new MWA facility
 - Increased city delivery charges to Grimes facility
- No changes in rates in FY 2023. Finance will present to Council next year with rates for multiple future fiscal years.



QUESTIONS

Let's take
a **Break**
(if needed)



Sanitary Sewer Enterprise

February 9, 2022

City of Des Moines



Sanitary Sewer

Established to provide funding for:

- Operation and maintenance of Sanitary Sewer – 1,006 miles
- Planning and design for capital construction projects
- Compliance with federal and state laws and regulations

Sanitary Sewer

Long
Term
Control
Plan /
WRA
Projects



Connection
Fee
Program

Sewer
Lining
Program



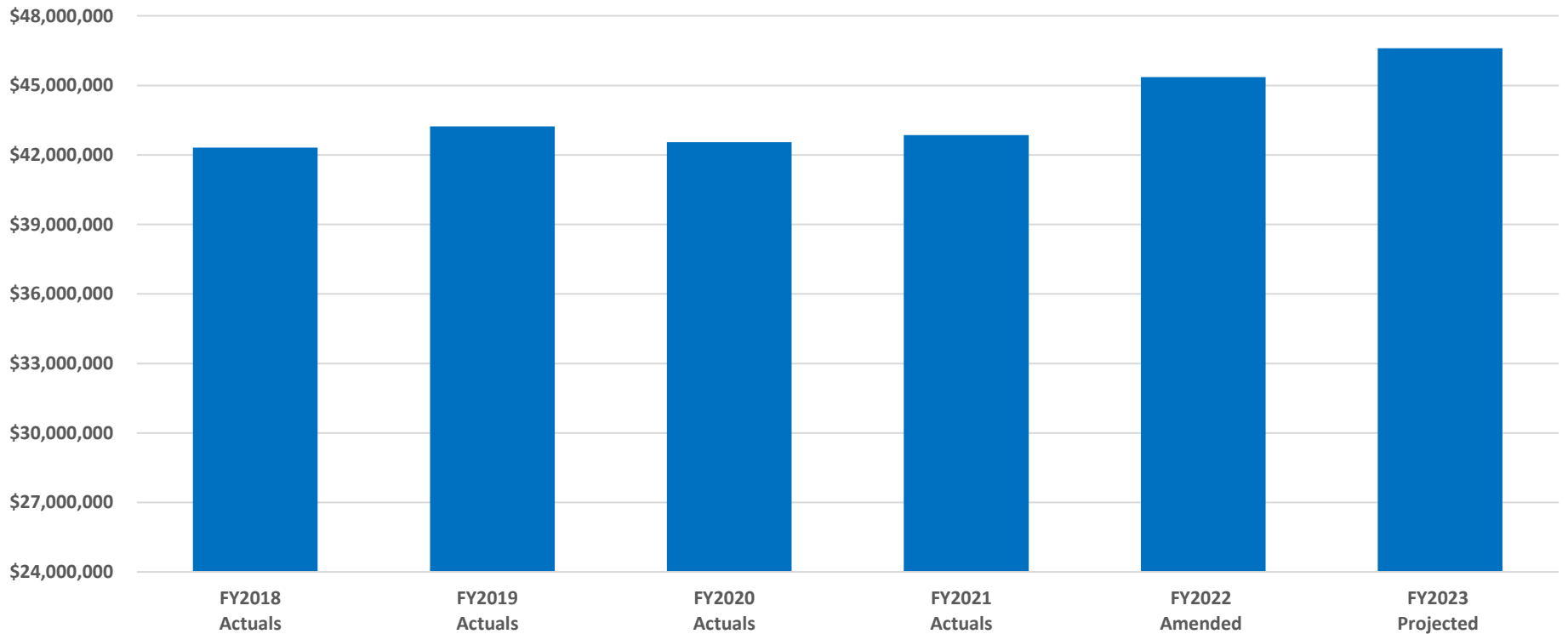
City-Wide
Sewer
Program

Sanitary Sewer Personnel

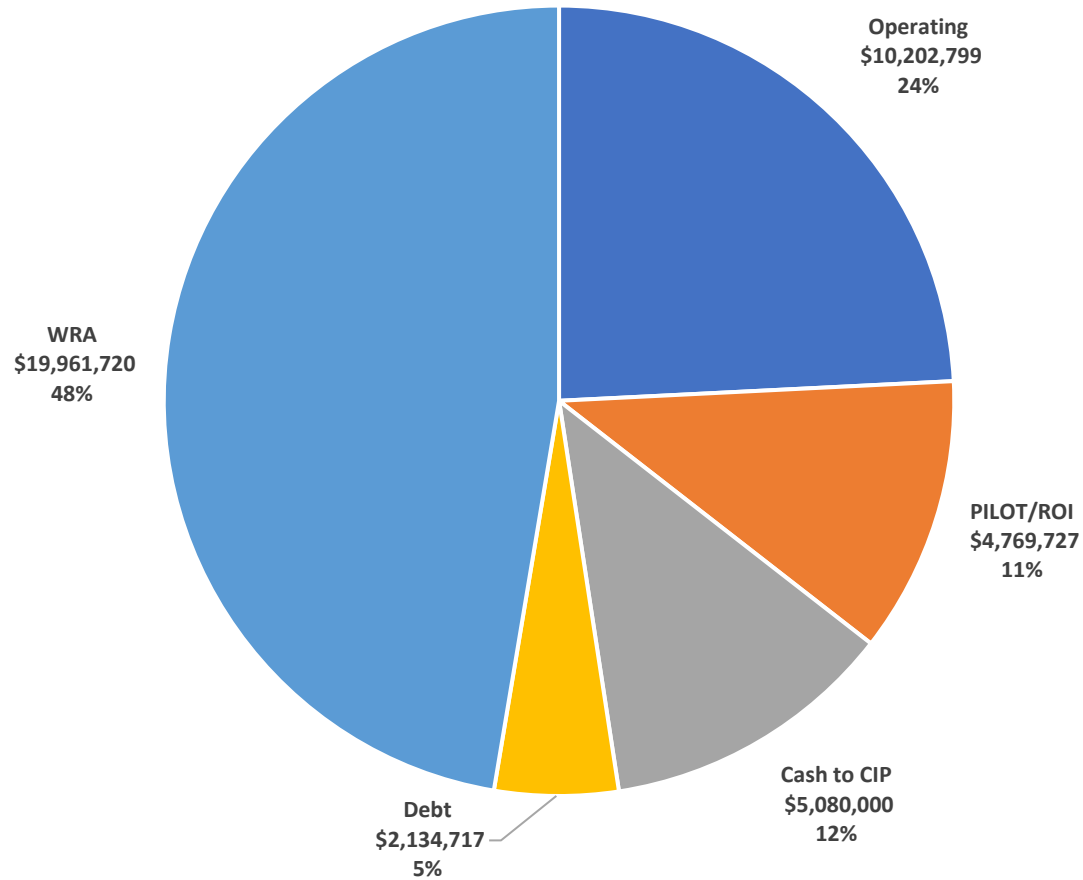
52.4 Full Time Equivalents (FTEs)

- Sanitary Sewer Maintenance and Repair: 41.9 FTEs
- Project Management/ Engineering/ Billing: 4.0 FTEs
- Pump Station Operations: 6.5 FTEs
- No changes in personnel in comparison to previous year

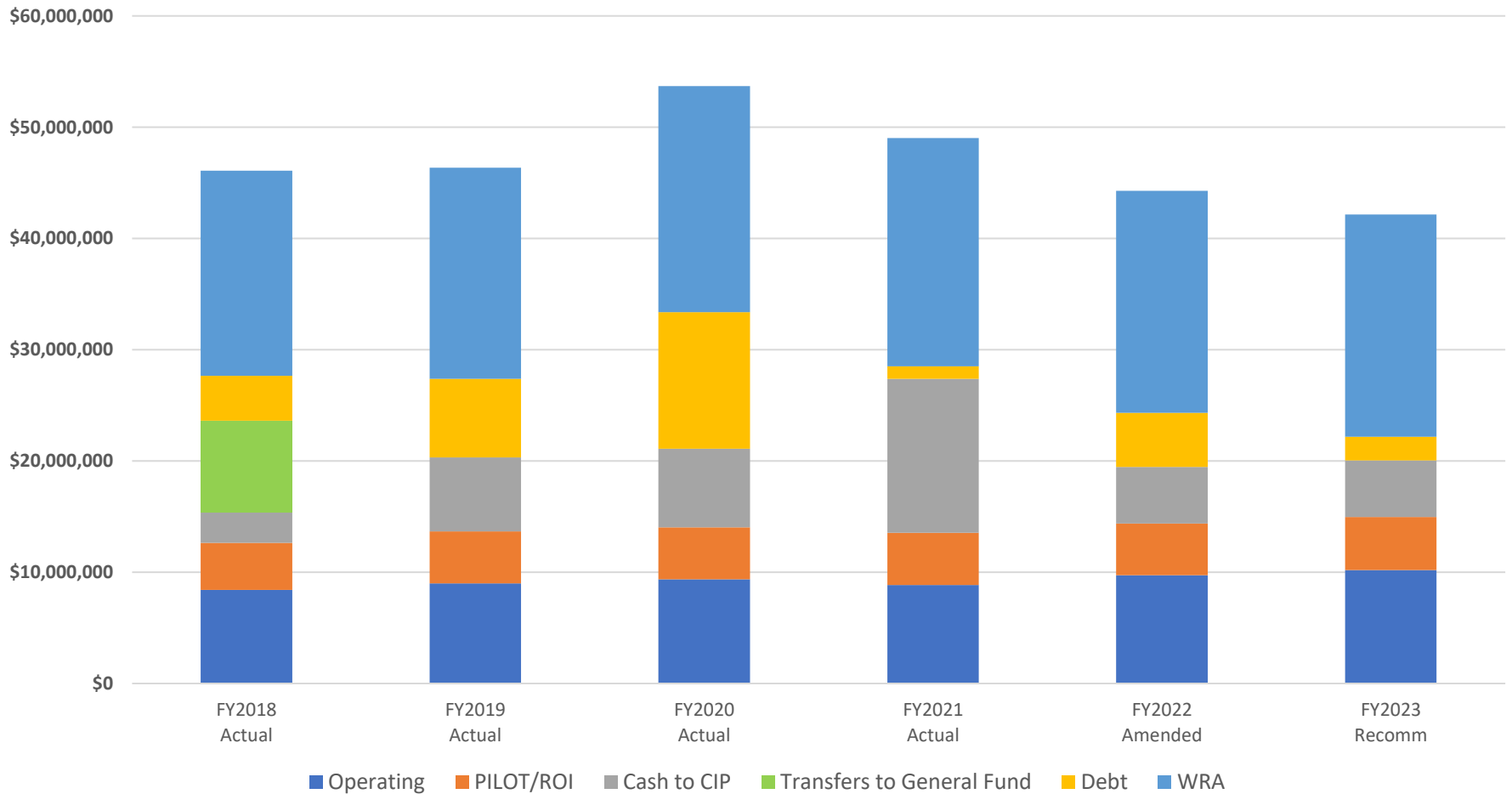
Operating Revenue



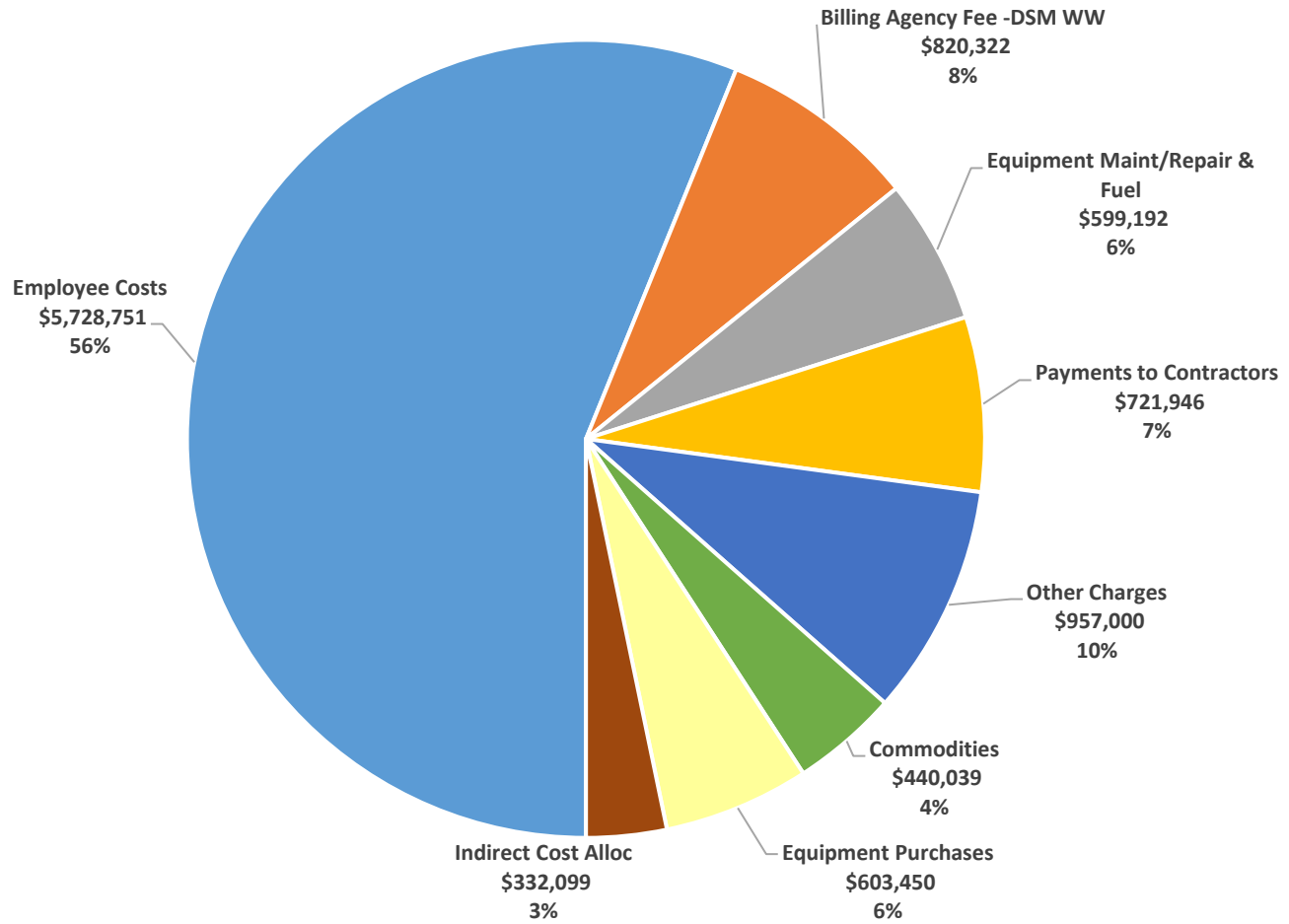
FY 2023 Recommended Total Budget



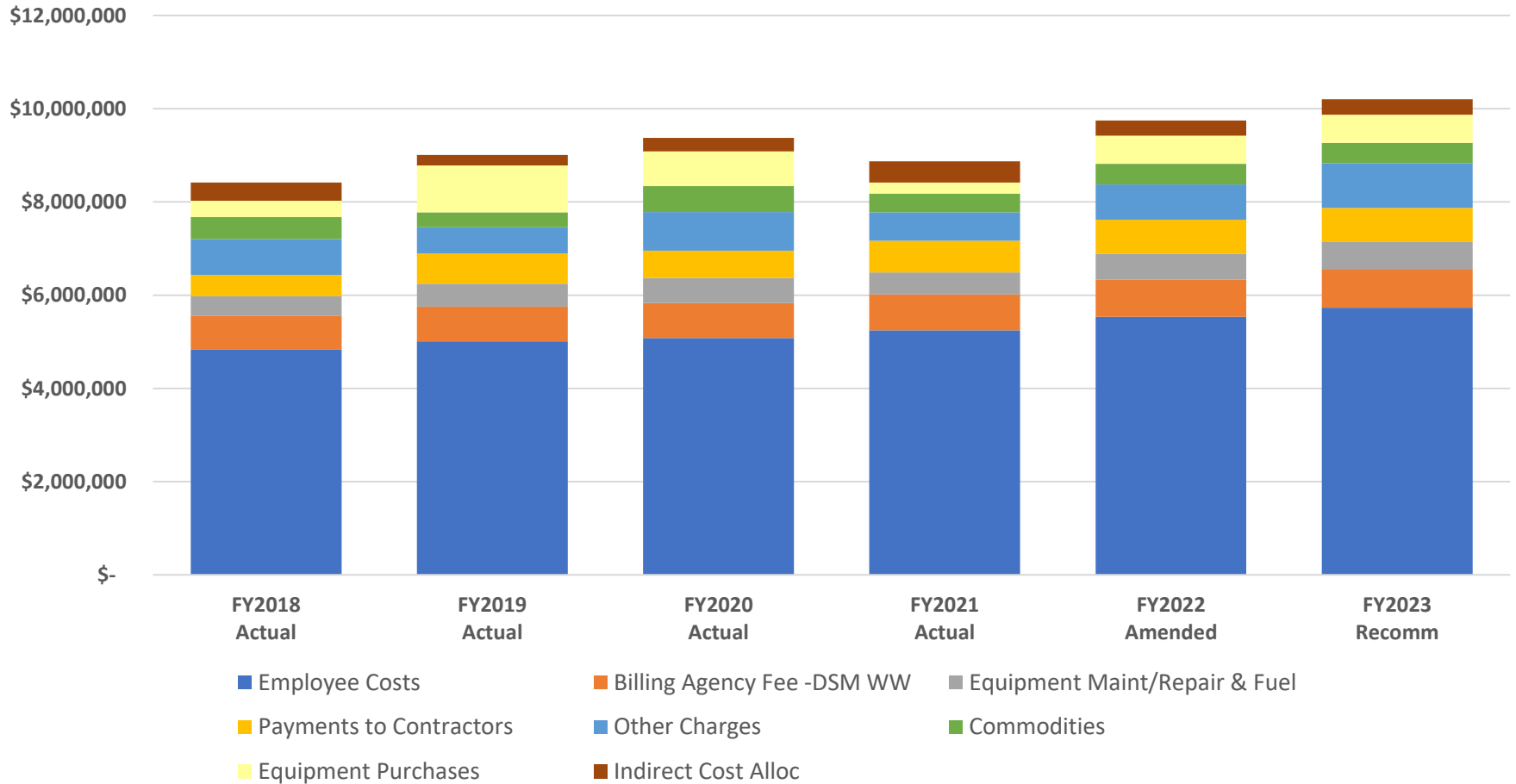
Sanitary Sewer Total Budget



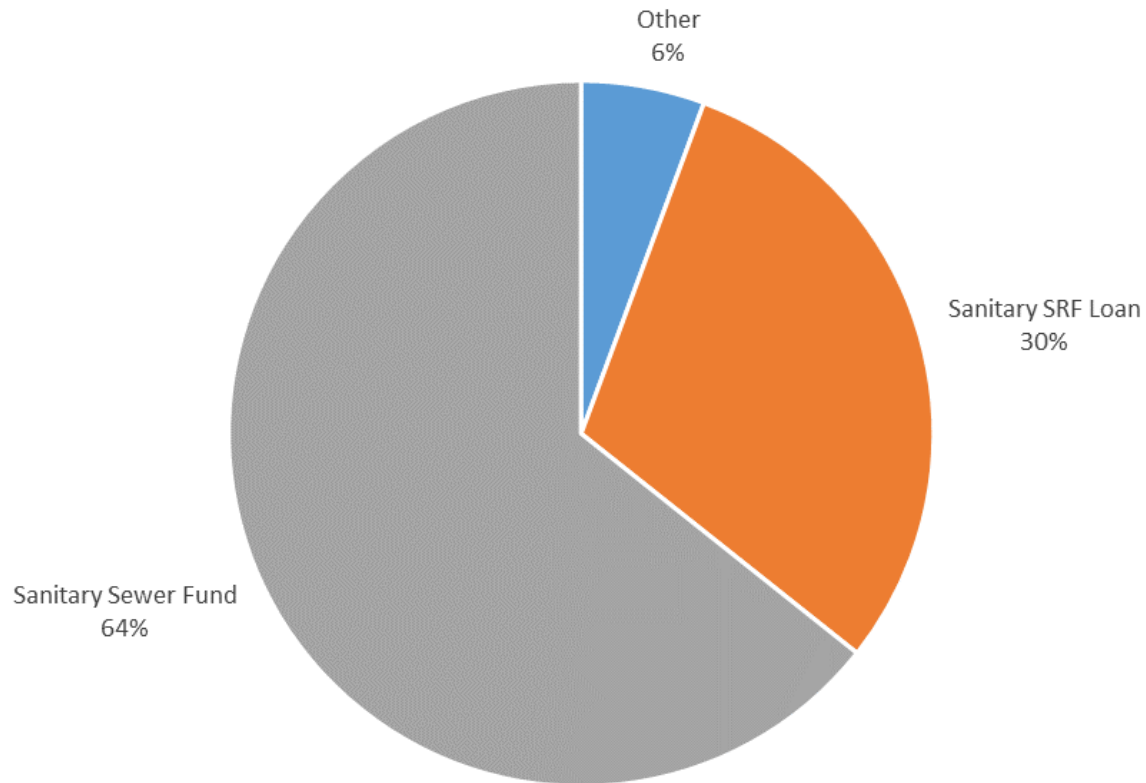
FY 2023 Operating Budget – DSM Only



Operating Budget – DSM Only



FY 2023 CIP Funding Sources



Sanitary Sewer CIP Projects

Projects	FY 22-26	Completion Estimate
Sanitary Sewer Lining and Repairs	12,115,676	On-going
Sanitary Sewer Trunk Sewers	4,999,955	On-going
Little Four Mile Trunk Sanitary Sewer	-	Completed
Lower Oak Park and Highland Park Sewer Separation	-	Completed
Market District Lift Station and Force Main	-	Completed
River Bend and King Irving Sewer Separation	995,860	FY 2023
Near West Side Sewer Separation	7,247,000	FY 2023
Western Ingersoll Run Sewer Separation	16,201,469	FY 2024
Total	\$ 41,559,960	

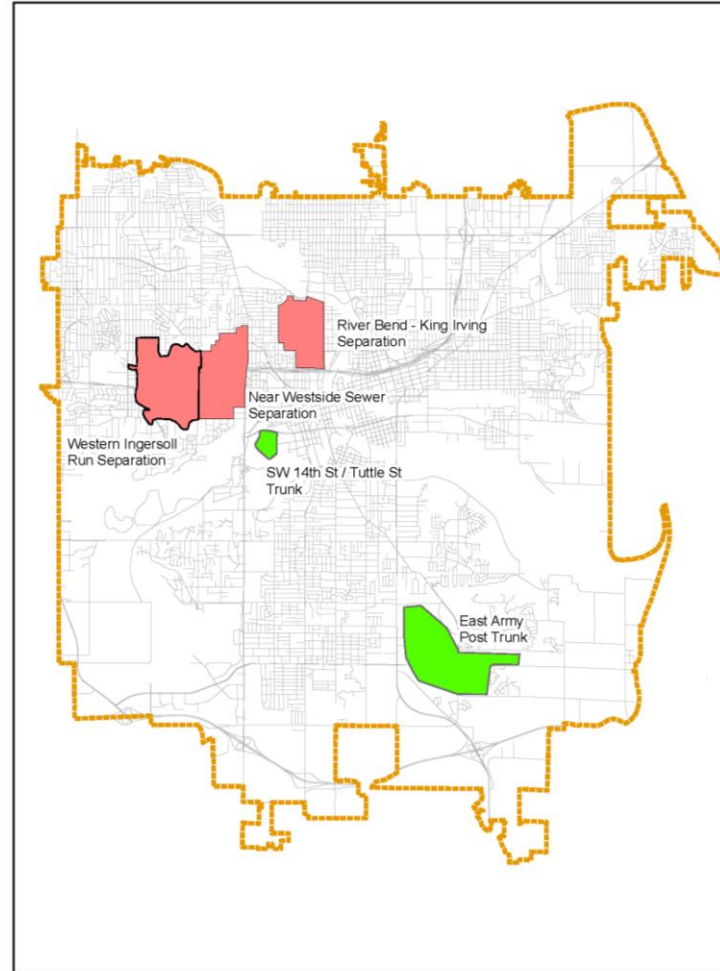
FY 22-26 column is the budgeted CIP expenditures. Past Actuals are not included.

Sanitary CIP Projects by Year

Projects	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Sanitary Sewer Lining and Repairs	4,085,676	2,030,000	2,000,000	2,000,000	2,000,000	12,115,676
Sanitary Sewer Trunk Sewers	3,169,333	1,830,622	-	-	-	4,999,955
Near West Side Sewer Separation	7,247,000	-	-	-	-	7,247,000
Lower Oak Park and Highland Park Sewer Separation	-	-	-	-	-	-
River Bend and King Irving Sewer Separation	995,860	-	-	-	-	995,860
Western Ingersoll Run Sewer Separation	14,201,469	2,000,000	-	-	-	16,201,469
Little Four Mile Trunk Sanitary Sewer	-	-	-	-	-	-
Market District Lift Station and Force Main	-	-	-	-	-	-
Total	29,699,338	5,860,622	2,000,000	2,000,000	2,000,000	41,559,960

Sanitary Sewer CIP Projects

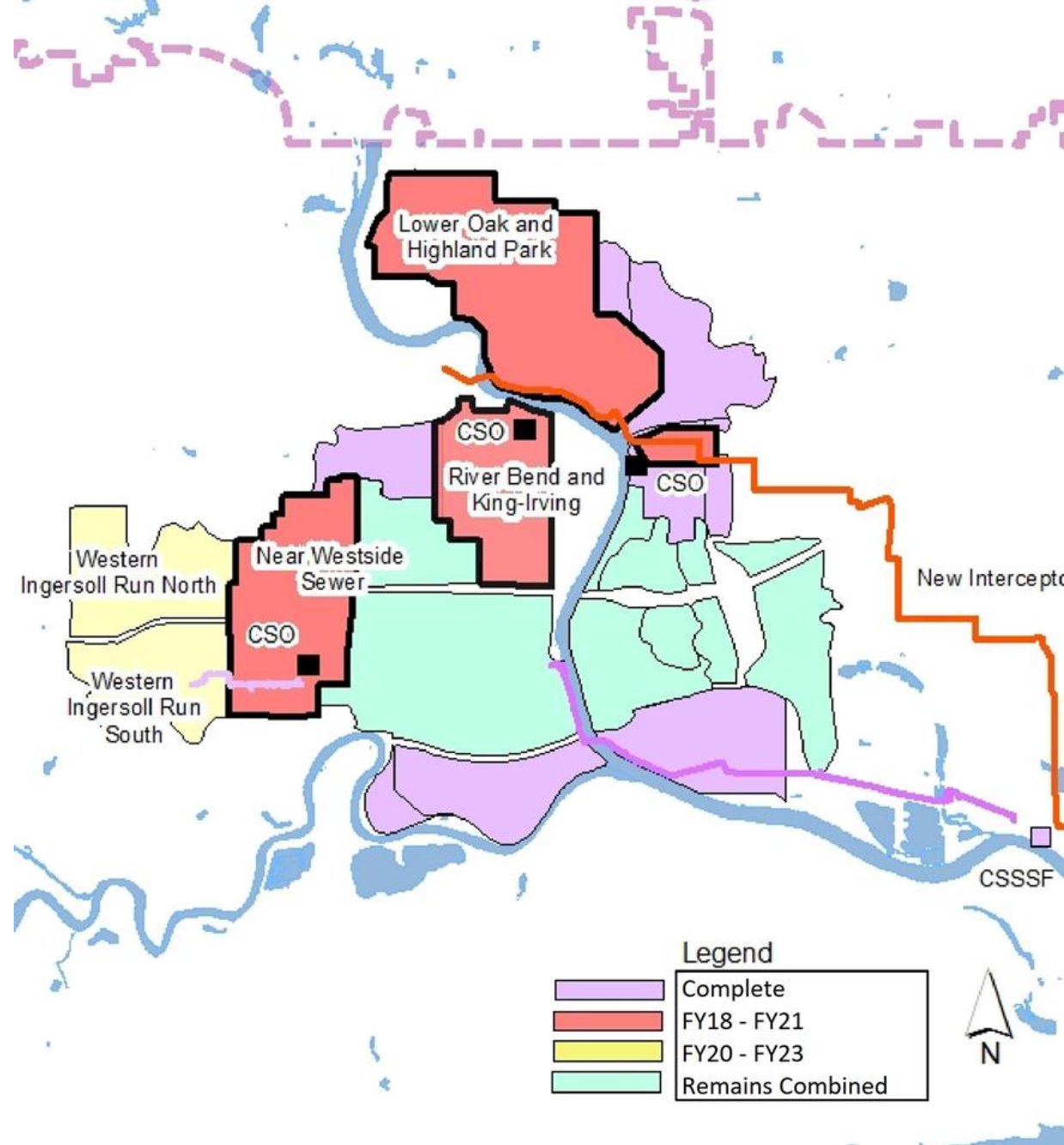
-  Separation Projects
-  Expansion Projects



Long Term Control Plan



Consent Decree deadlines for CSO elimination:

- 2nd Ave/Franklin Ave
- Birdland Pump Station
- 22nd St / High St







Near West Side Sewer Separation





LEGEND


-  Detention Basin
-  Pump Station

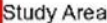
Project Locations

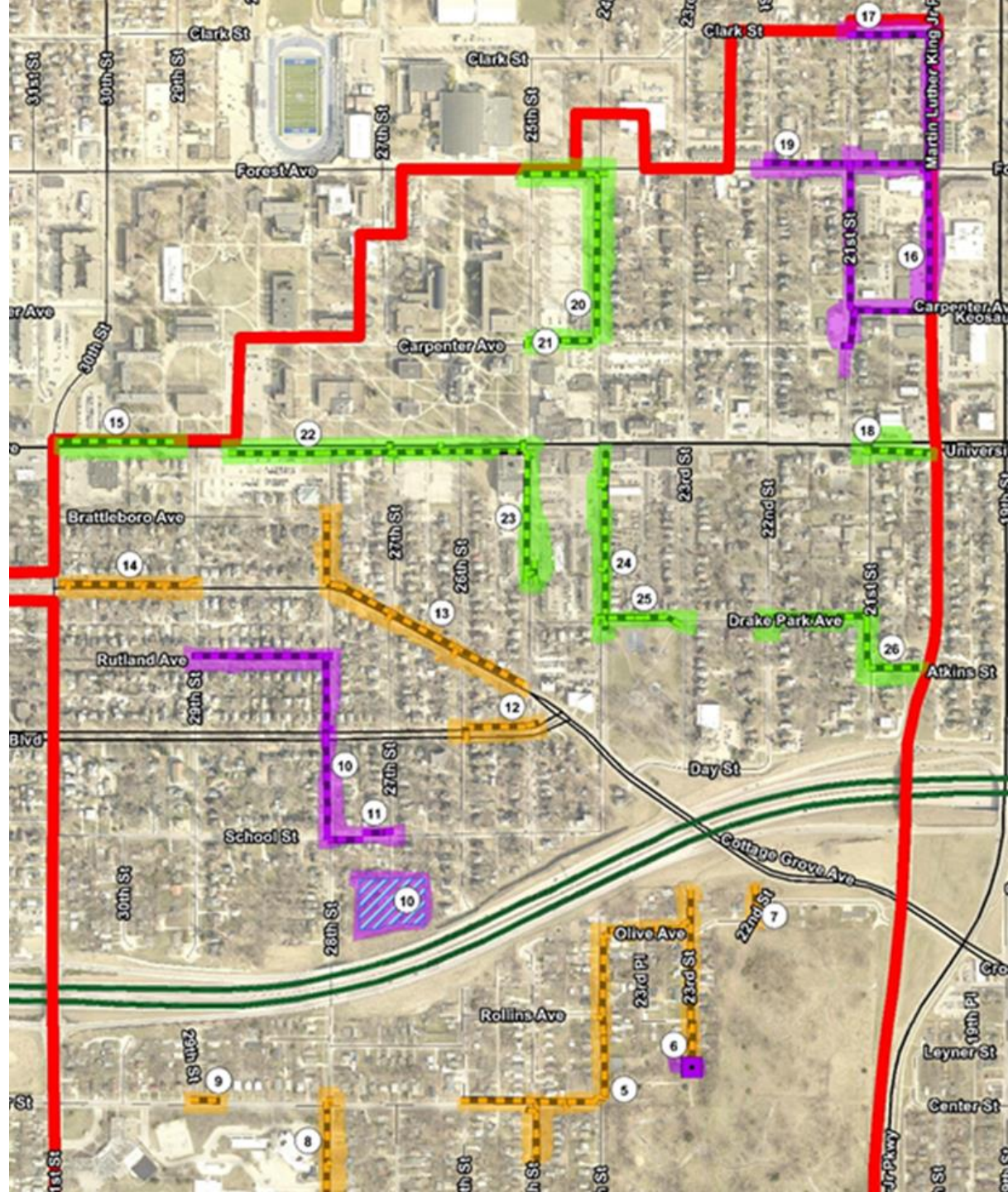
-  Phase 1
-  Phase 2
-  Phase 3
-  Phase 4

Phase

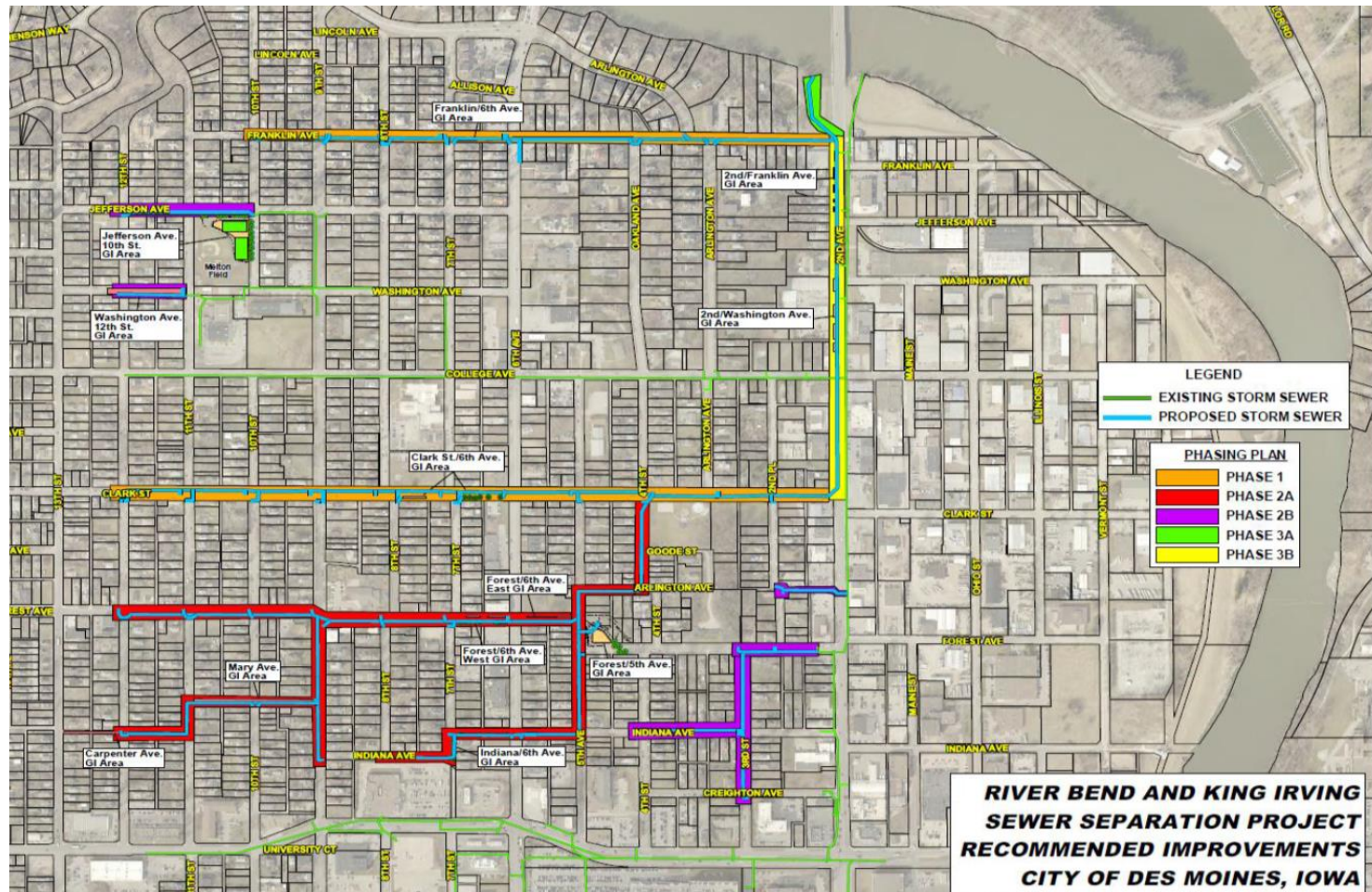
-  Phase 1
-  Phase 2
-  Phase 3
-  Phase 4

 Project ID






 Study Area

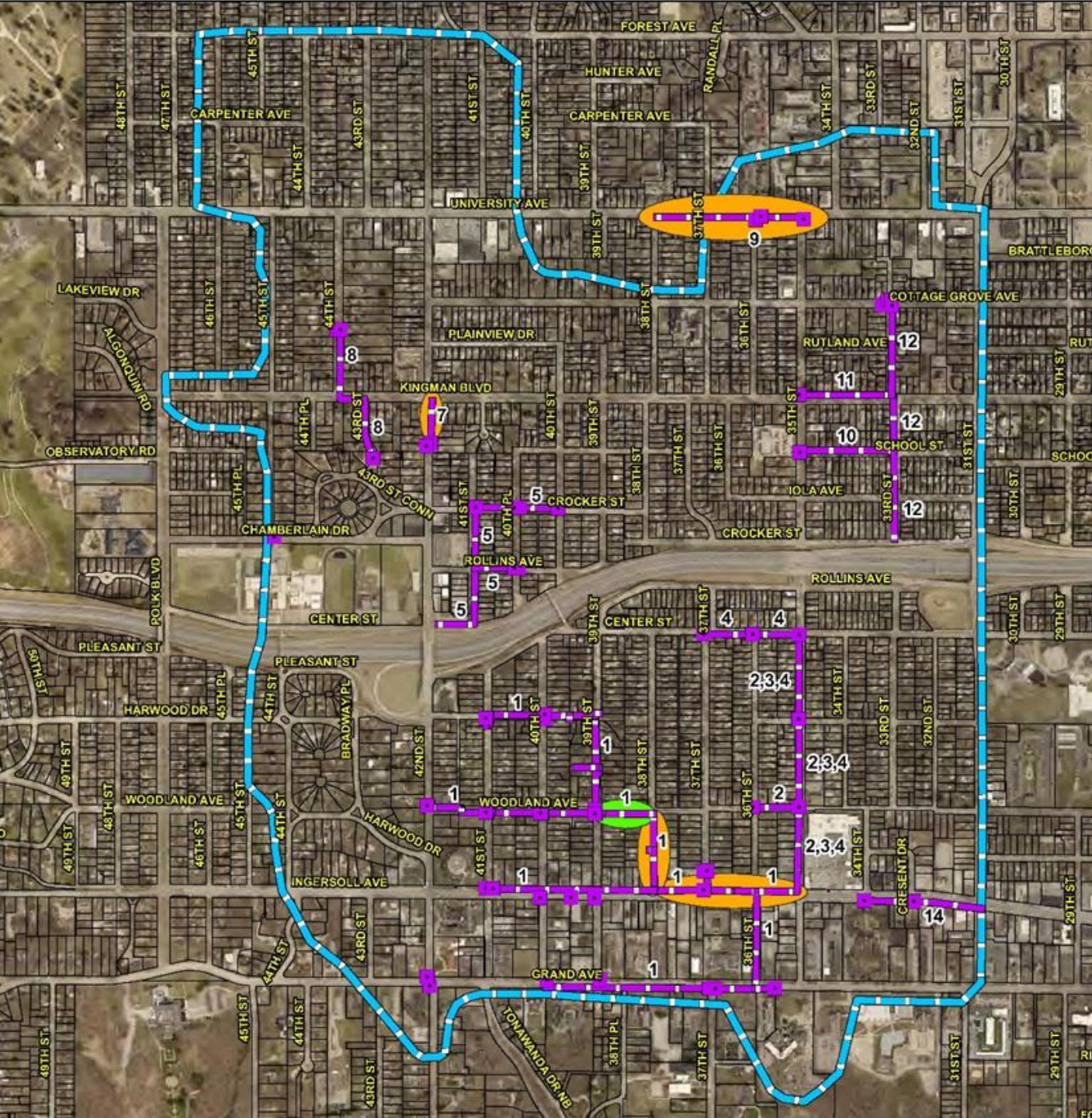


River Bend & King Irving Separation



Western Ingersoll Run Sewer Separation

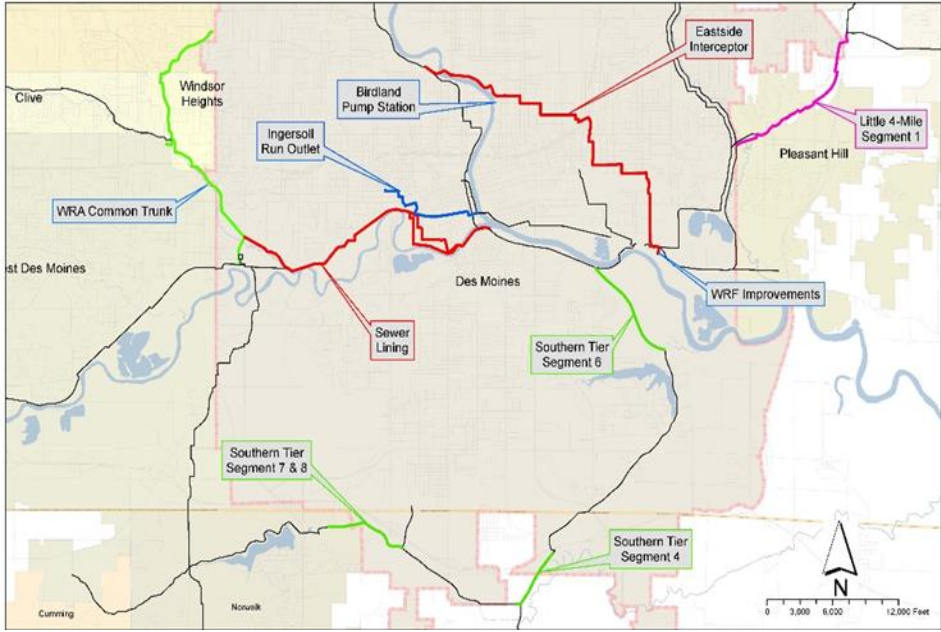
- LEGEND**
-  Project Area
 -  Proposed Storm Sewer
 -  Connected Sewer Intake
 -  Aggregate Storage GI
 -  Permeable Pavement/
Aggregate Storage GI



WRA Board Approved CIP Projects

WRA Conveyance Projects	FY 2022-2028	Year Complete
WRA Sewer Lining Phase 1 - 8	36,561,000.0	2022-2028
WRA Ingersoll Run Outlet	24,278,000.0	2024
WRA Southern Tier, Phase 10, Segment 24	3,231,000.0	2023
WRA Birdland Pump Station	17,310,000.0	2024
WRA Southern Tier, Phase 10, Segment 6	6,751,000.0	2025
WRA Southern Tier, Phase 10, Segment 7-8	7,415,000.0	2028
WRA Little Four Mile Interceptor, Phase 15, Segment 1	7,190,000.0	2027
WRA Common and Joint Trunk Improvemnets	20,284,000.0	2027
Total Conveyance Projects	\$ 123,020,000	

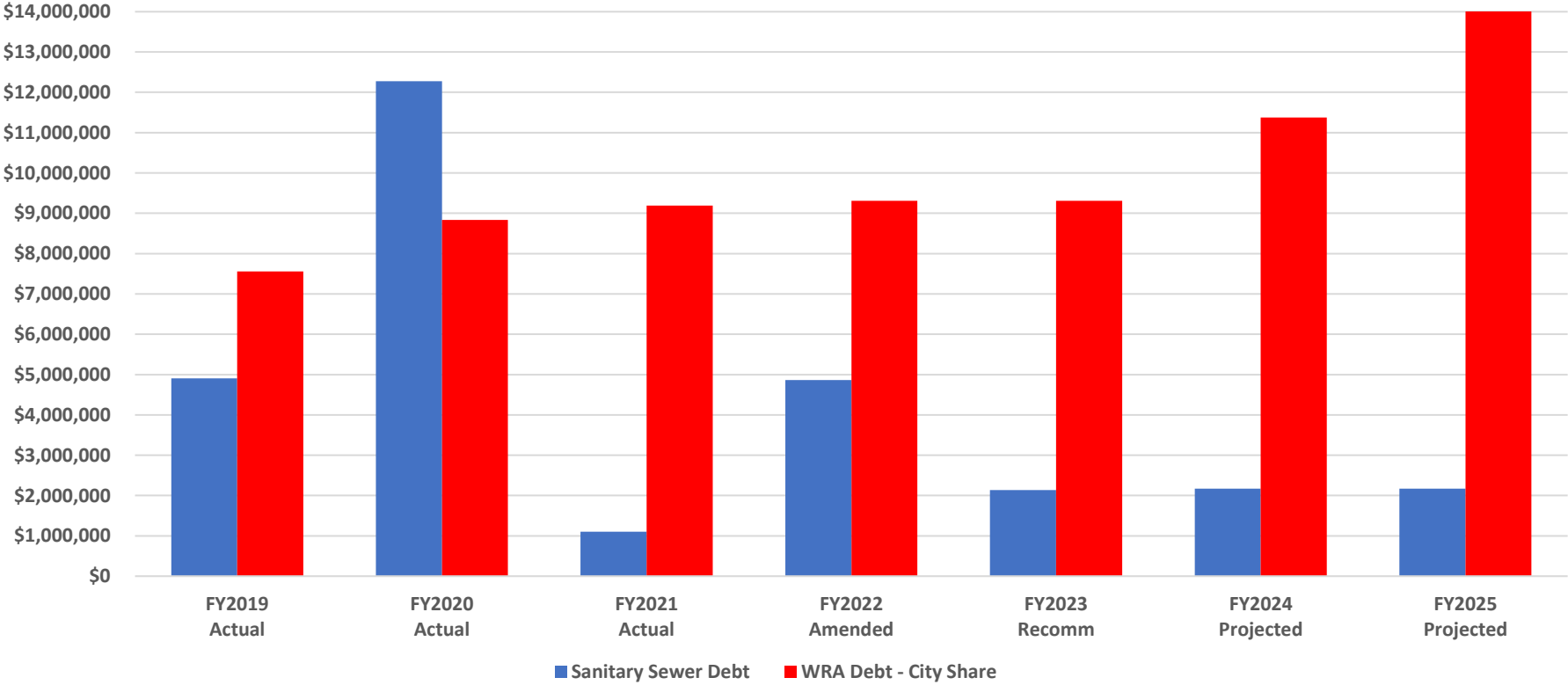
WRA Treatment Projects	FY 2022-2028	Year Complete
WRF Grit Removal Improvements	17,421,000.0	2022
WRF Clarifier Improvements, Phase 1	10,500,000	2023
WRF Site Access and Security Improvements	6,039,000	2024
WRF Clarifier Improvements, Phase 2	20,608,000	2025
WRF Flood Improvements	15,576,000	2023
WRF Phosphorus Recovery	30,494,000	2025
WRF Aeration Improvements	10,180,000	2026
WRA Eastside Wet Weather Treatment	65,815,000	2026
WRF Building 05 Improvements	13,131,000	2026
WRF Effluent Pumping Improvements	19,997,000	2025
WRF Disinfection	15,978,000	2026
WRF Parallel Pipe and Mixing Structure	5,156,000	2027
WRF Secondary Treatment Improvements	76,000,000	2027
Total WRF Projects	\$ 306,895,000	
TOTAL	\$429,915,000	



The City of Des Moines share of these projects is approximately 50% of cost shown. The actual allocation is based on total 3-year average flows and will change each year.

Annual Debt Payments Excluding Early Redemptions

Sanitary Sewer - Annual Debt Payments EXCLUDING Early Redemptions



Summary

- Long Term Control Plan (separation projects) and WRA projects will be significant drivers on system rates
- \$12 million in sewer lining and repair projects to extend life of infrastructure and reduce inflow and infiltration
- City sewer separation projects will be completed by FY 2023
- Finance is suggesting a 6% rate increase. Finance will present to Council next year with rates for multiple future fiscal years.
- Rates adopted through FY 2022 (volume per 1,000 gal):

FY 2022 - \$7.94

FY 2023 - \$8.42



Questions

Let's take
a **Break**
(if needed)



Stormwater Enterprise

February 9, 2022

City of Des Moines



Stormwater Utility Overview

- Established in 1994
- Operation and maintenance:
 - Storm Sewer Maintenance – 571 miles
 - Storm Pump Stations – 32
 - Street Cleaning – 16,650 lane-miles annually
 - Levee Mowing and Inspection – 23 miles
- Rates are based on Equivalent Resident Unit (ERU)

Stormwater Utility Overview

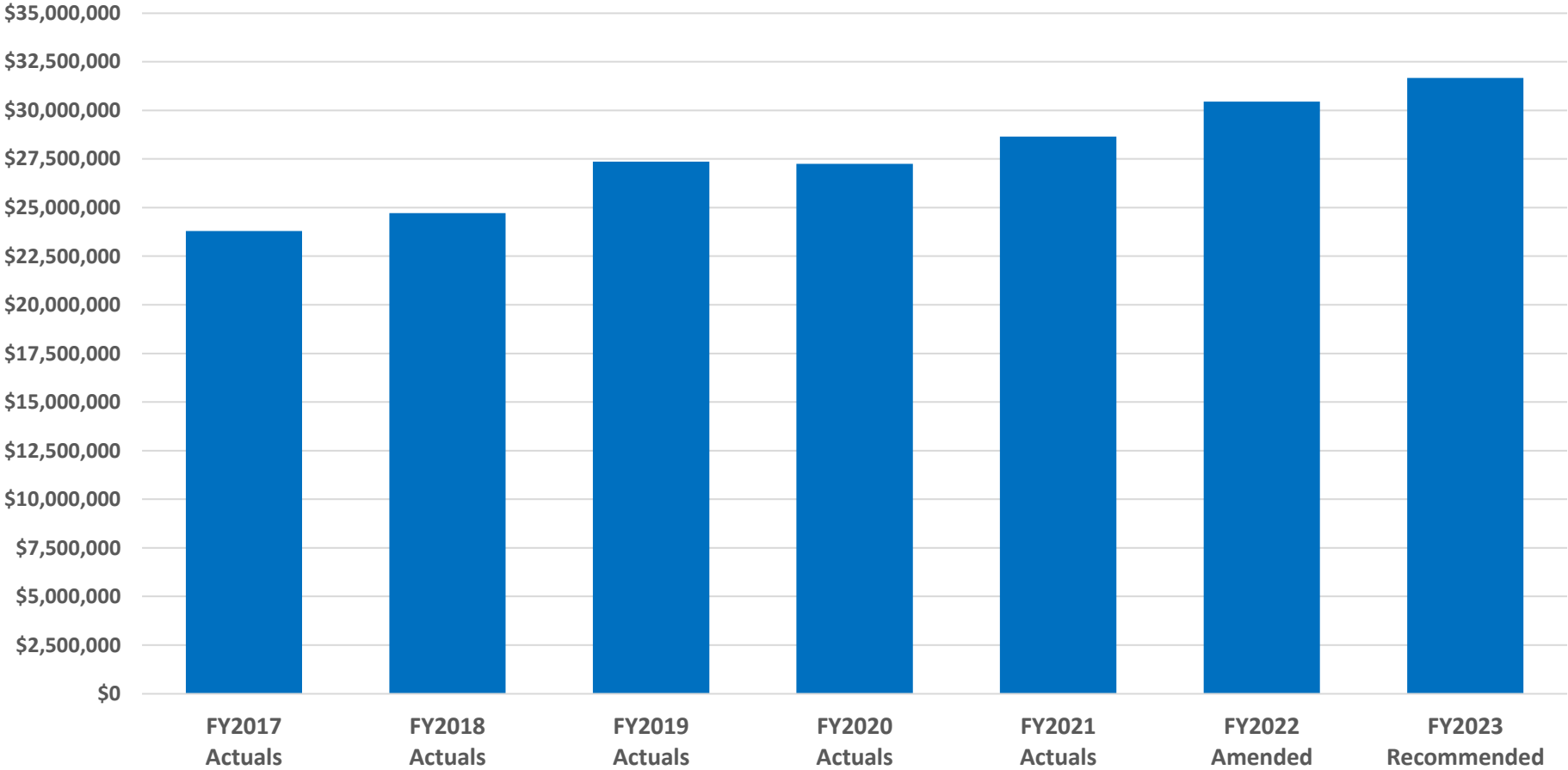
- Compliance with federal and state laws and regulations on flood prevention
- Mitigation and water pollution prevention
- Planning /design and construction of projects
- Public education

Stormwater Personnel

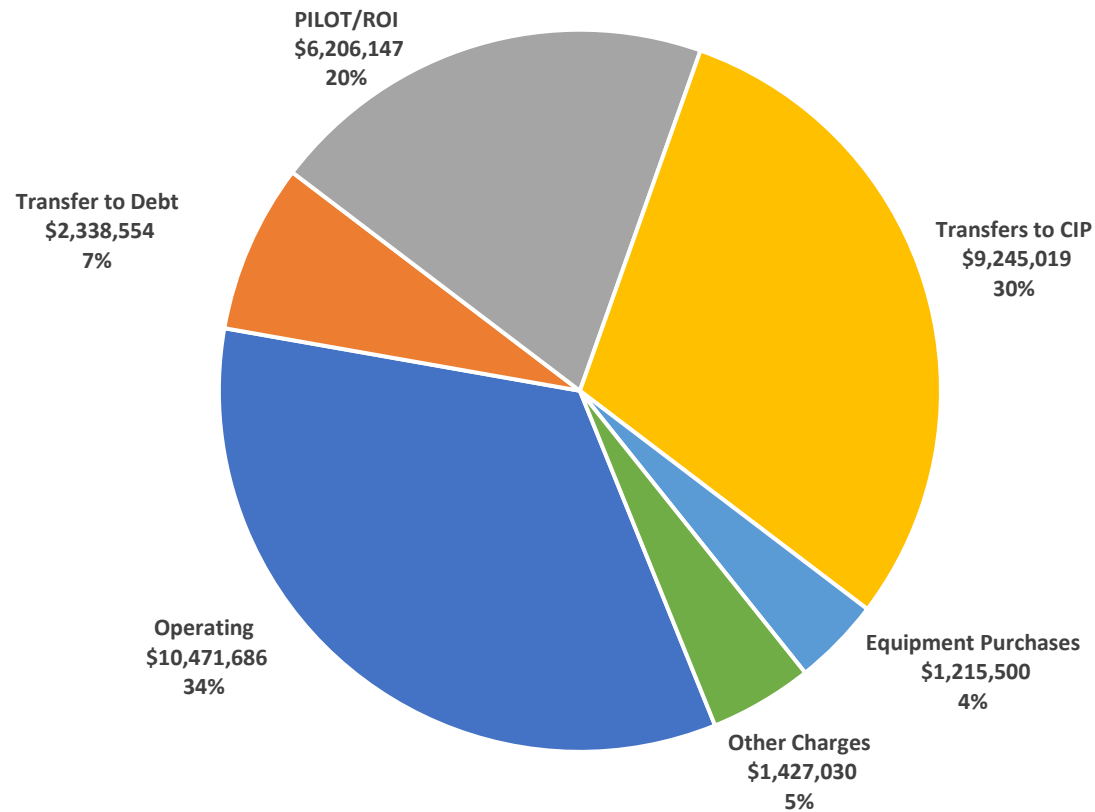
65.6 Full Time Equivalents (FTEs)

- Stormwater Maintenance and Repair: 33.1 FTEs
- Street Cleaning: 21.0 FTEs
- Project Management/ Engineering/ Billing: 4.0 FTEs
- Pump Station Operations: 6.5 FTEs
- NPDES: 1.0 FTE
- No changes in personnel in comparison to previous year

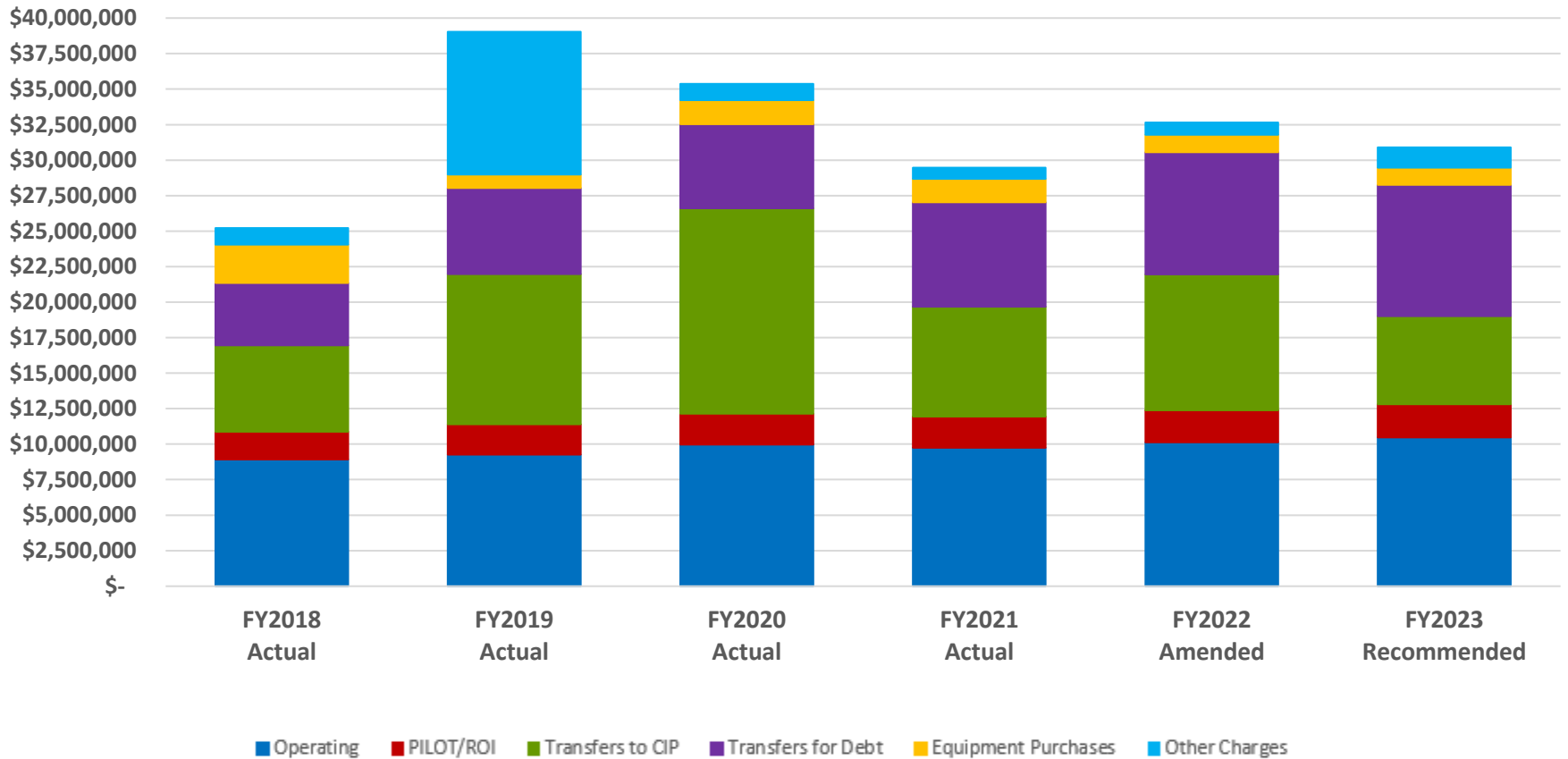
Operating Revenue from Services



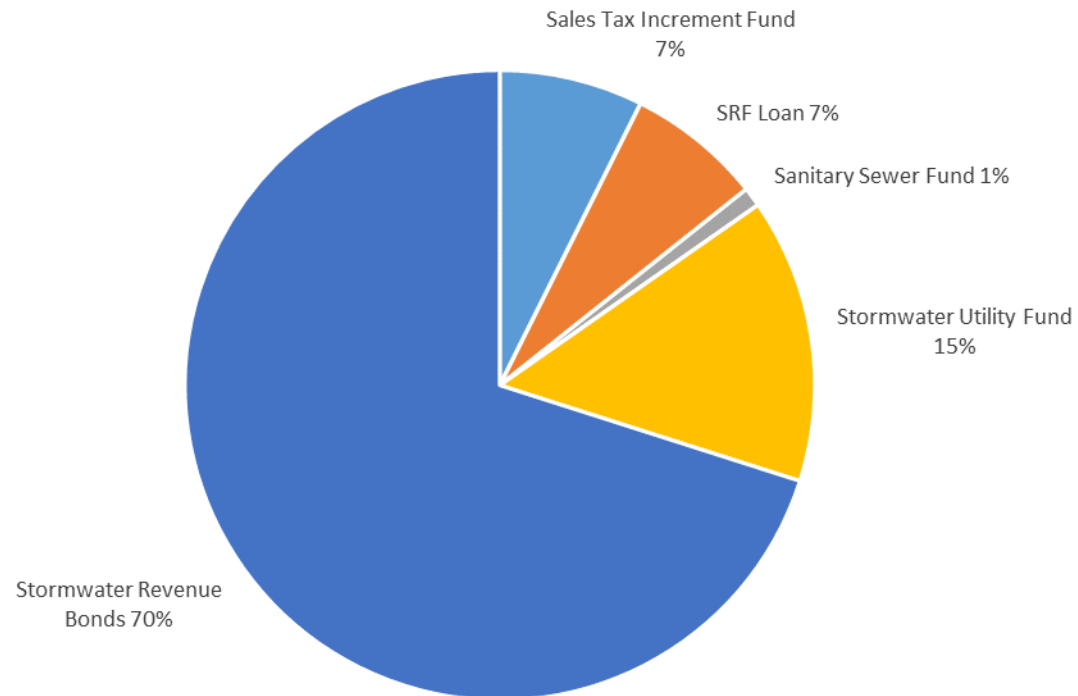
FY 2023 Recommended Budget



Operating Budget



FY 2023 CIP Funding Sources



Stormwater CIP Projects

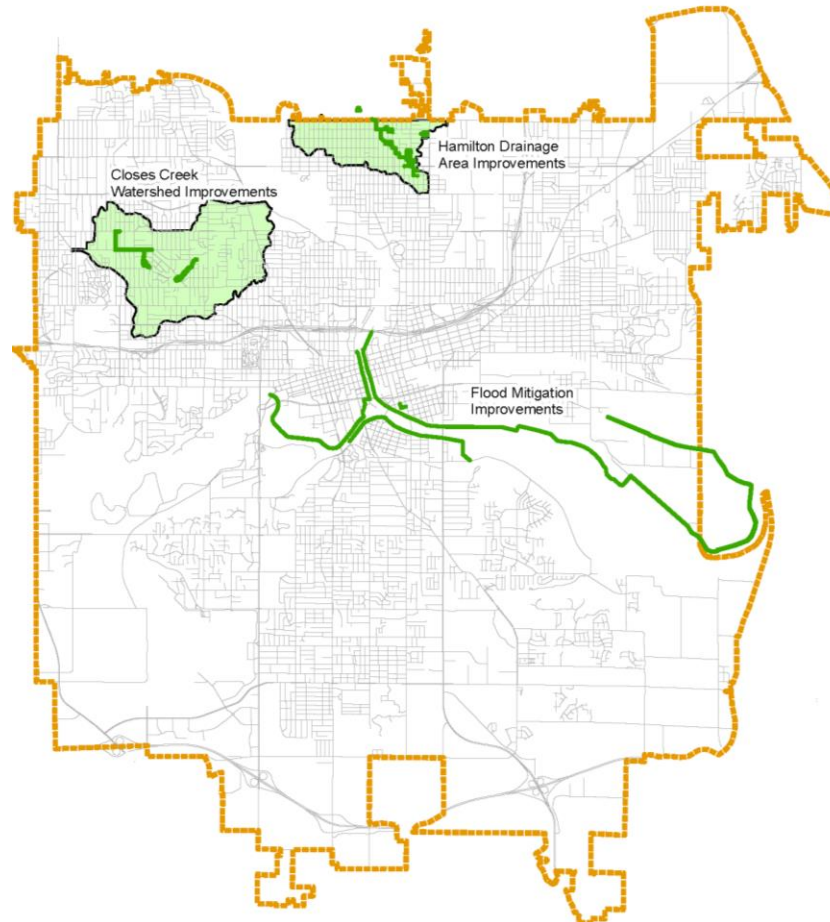
Projects	FY 22-26	Completion Estimate
City-wide Storm Water Utility Projects	13,322,948	On-going
Flood Mitigation Improvements	49,611,203	On-going
Easter Lake Watershed Improvements	1,196,732	Completed
Gray's Station Detention Basins	202,460	Completed
Leetown Creekway – Outlet Improvements	261,868	Completed
George Flagg Parkway Levee Replacement	100,000	FY2022
Storm Water Pump Station Rehabilitation	6,491,835	FY2023
Levee Maintenance and Improvements	2,511,186	FY2024
Crawford Creek Improvements	959,880	FY2024
Closes Creek Watershed Improvements	14,162,997	FY2025
Hamilton Drainage Area Improvements	20,470,000	FY2025
Total	\$ 109,291,109	

FY 22-26 column is the budgeted CIP expenditures. Past Actuals are not included.

Stormwater CIP Projects by Year

Projects	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
City-wide Storm Water Utility Projects	5,972,948	2,850,000	1,500,000	1,500,000	1,500,000	13,322,948
Easter Lake Watershed Improvements	602,249	594,483	-	-	-	1,196,732
Closes Creek Watershed Improvements	5,162,997	4,000,000	2,500,000	2,500,000	-	14,162,997
Storm Water Pump Station Rehabilitation	6,491,835	-	-	-	-	6,491,835
Crawford Creek Improvements	359,880	200,000	200,000	200,000	-	959,880
Leetown Creekway – Outlet Improvements	130,934	130,934	-	-	-	261,868
Flood Mitigation Improvements	18,186,203	11,625,000	7,100,000	7,100,000	5,600,000	49,611,203
Hamilton Drainage Area Improvements	6,100,000	4,930,000	4,400,000	5,040,000	-	20,470,000
Levee Maintenance and Improvements	2,511,186	-	-	-	-	2,511,186
Gray's Station Detention Basins	101,784	100,676	-	-	-	202,460
George Flagg Parkway Levee Replacement	100,000	-	-	-	-	100,000
Total	45,720,016	24,431,093	15,700,000	16,340,000	7,100,000	109,291,109

Stormwater CIP Projects



Flood Mitigation / DSM Levee Alterations



LEGEND

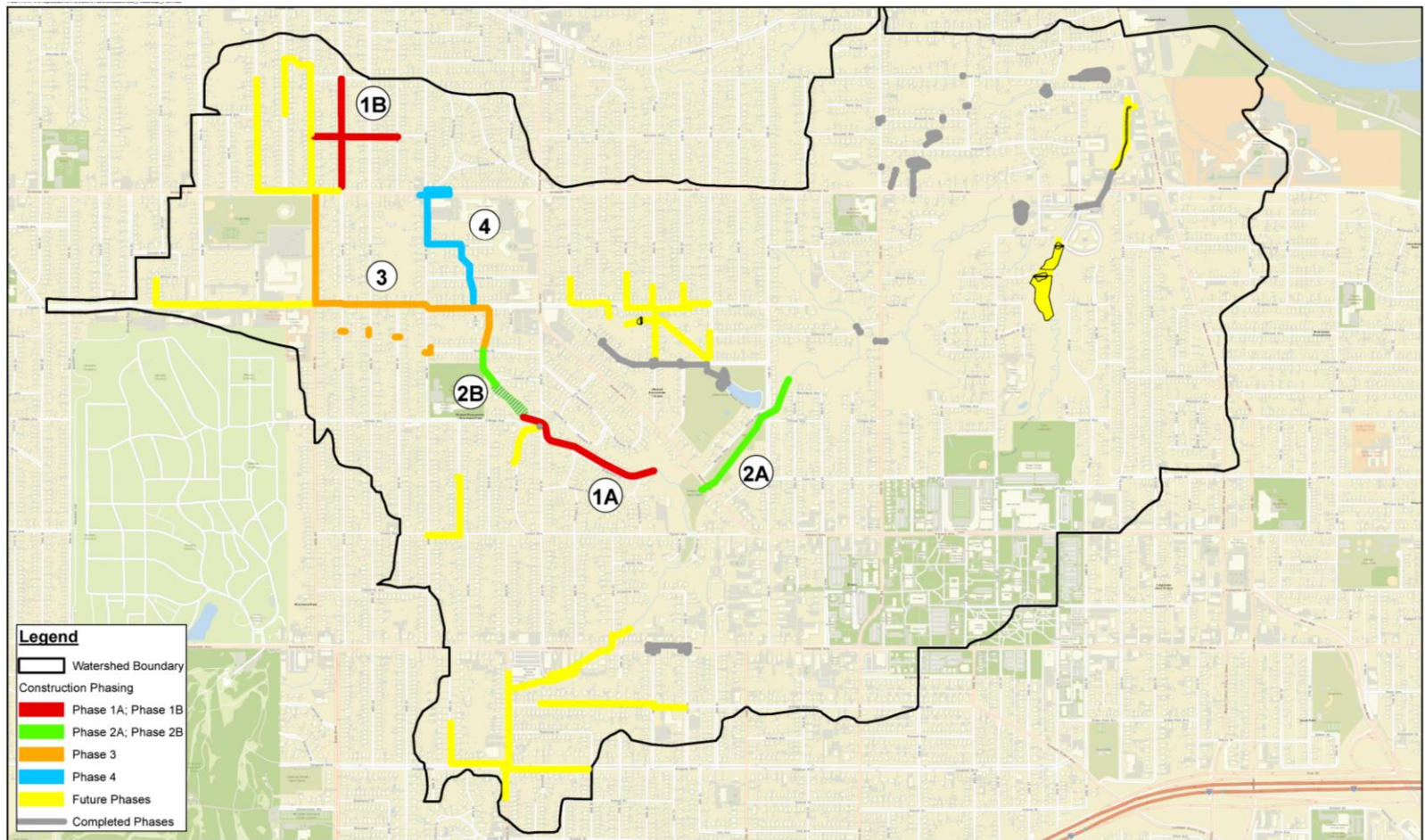
(TARGETED CONSTRUCTION YEAR
SUBJECT TO CORPS OF
ENGINEER'S APPROVAL)

LEVEE ALTERATIONS

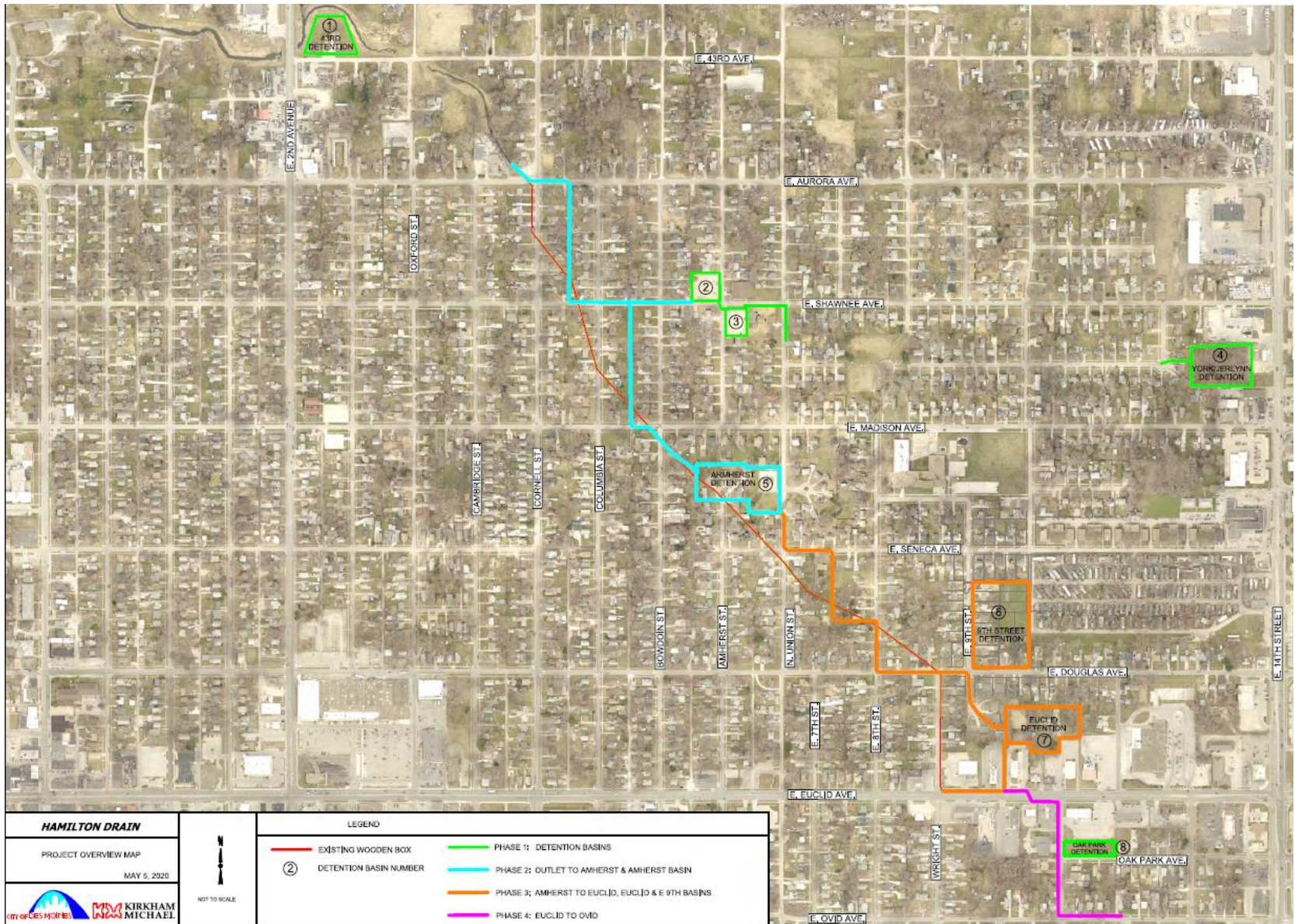
PROPOSED PHASING

- A (2019)
- B (FALL 2019-2020)
- C (2021-EARLY 2022)
- D (2022)
- E (2023)
- F (2024-EARLY 2025)
- G (2022-2023)
- H (2024-2025)

Closes Creek Watershed



Hamilton Drain East Watershed



Summary

- Requirements for flood protection and Long-Term Control Plan (separation projects) are significant drivers on system rates
- Stormwater Master Plan will be completed in FY 2023
- Rate is set for FY 2023. Finance will present to Council during the next budget cycle with rates beginning in FY 2024.

<u>2022</u>	<u>2023</u>
5%	3%
\$15.87	\$16.35



Questions

Let's take
a **Break**
(if needed)



Parking Enterprise

February 9, 2022

City of Des Moines



City of Des Moines Parking Garages



4th and Grand (1981)



E 2nd and Grand (2017)



9th and Locust (1991)



3rd and Court (1994)



5th and Keo (1985)



7th and Center (1999)

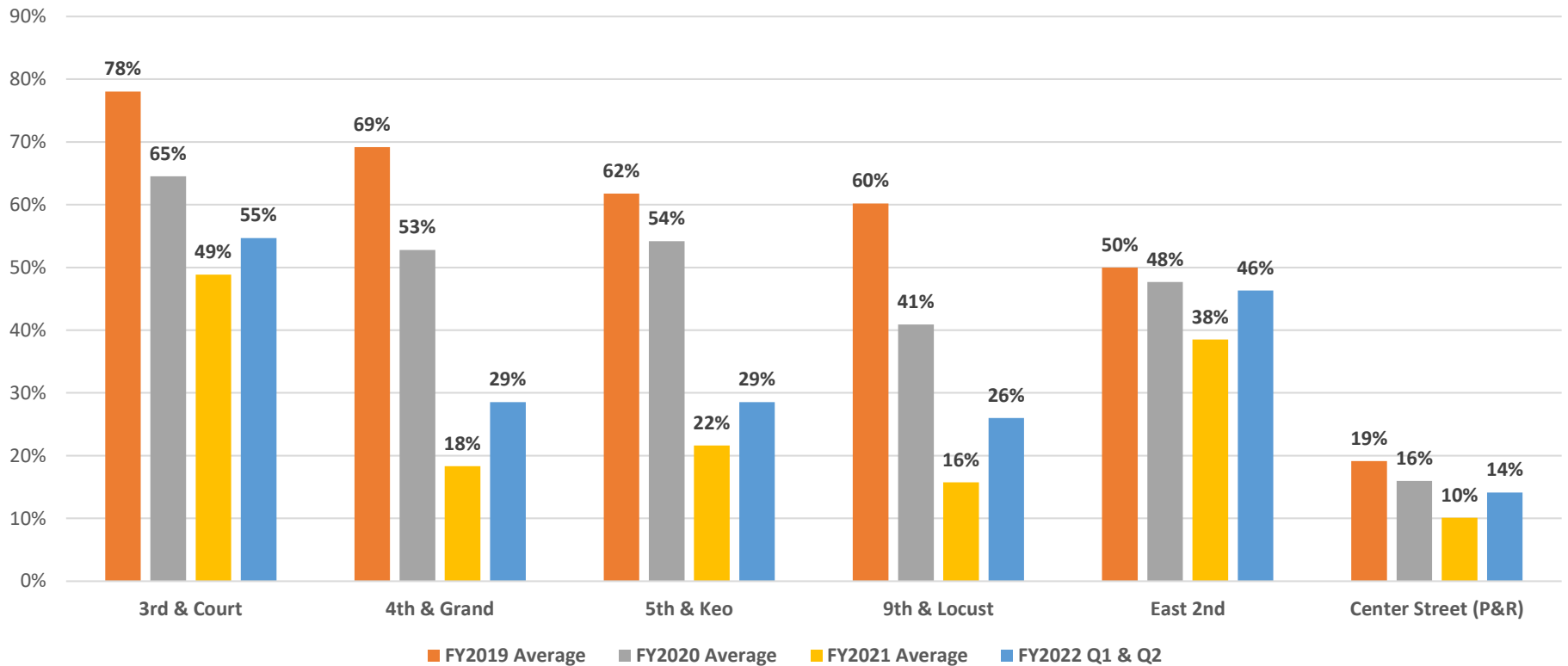


5th and Walnut (2021)

Parking System Inventory

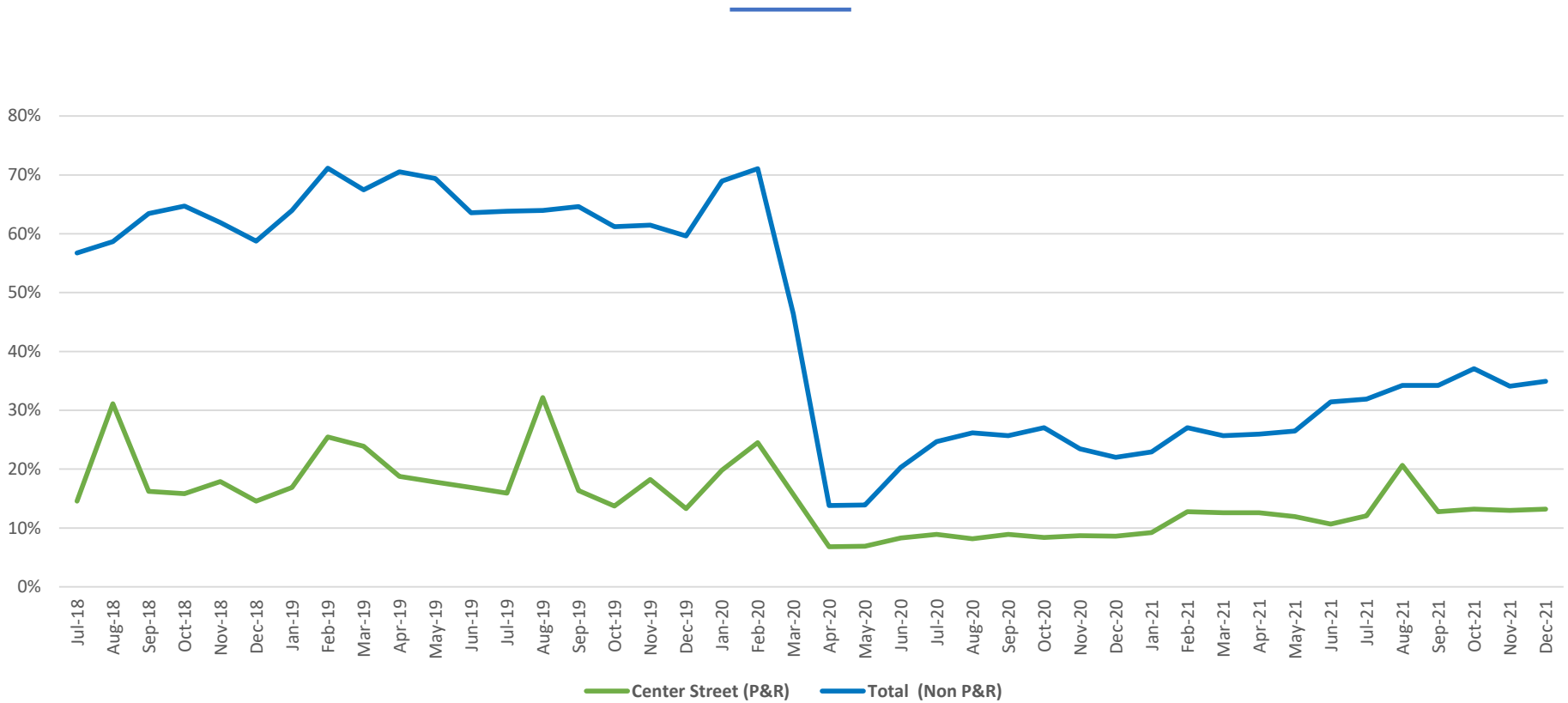
Garage	Year Built	Estimated Year of Replacement	2022 Insured Value	# of Spaces
7th & Center Park & Ride	1999	2059	\$ 25,655,367	1,820
3rd & Court	1994	2049	10,261,640	750
9th & Locust	1991	2045	19,677,472	1,102
5th & Keo	1985	2035	10,714,371	600
4th & Grand	1981	2030	13,883,736	1,061
E 2nd & Grand	2017	2067	20,563,667	535
5th & Walnut	2021	2071	41,958,229	625
			<u>\$ 142,714,482</u>	<u>6,493</u>
Metered Spaces				3,426

Average Garage Occupancy



Average Garage Occupancy

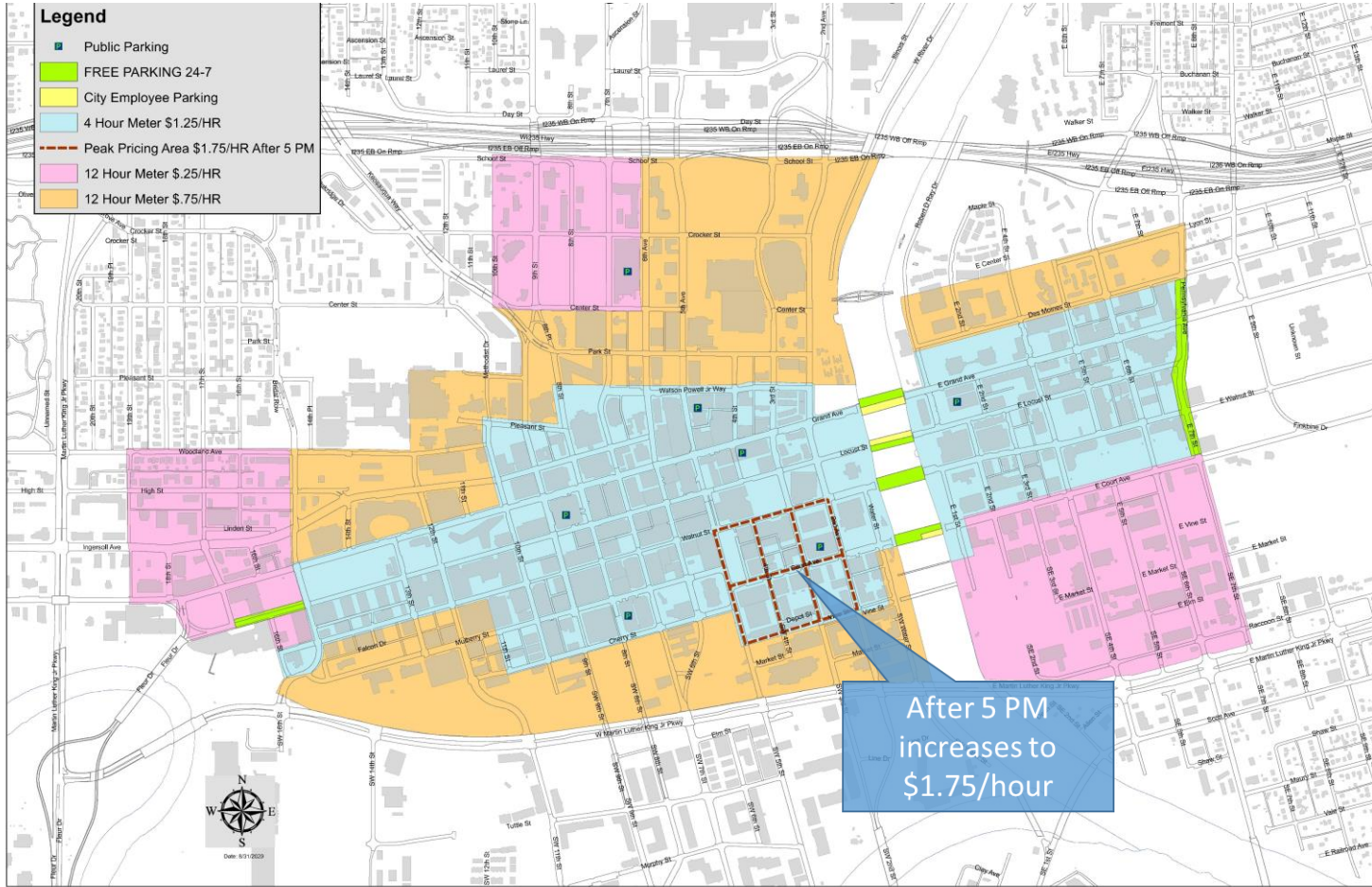
Monthly – FY2019 to Present



Garage Revenue - Influences

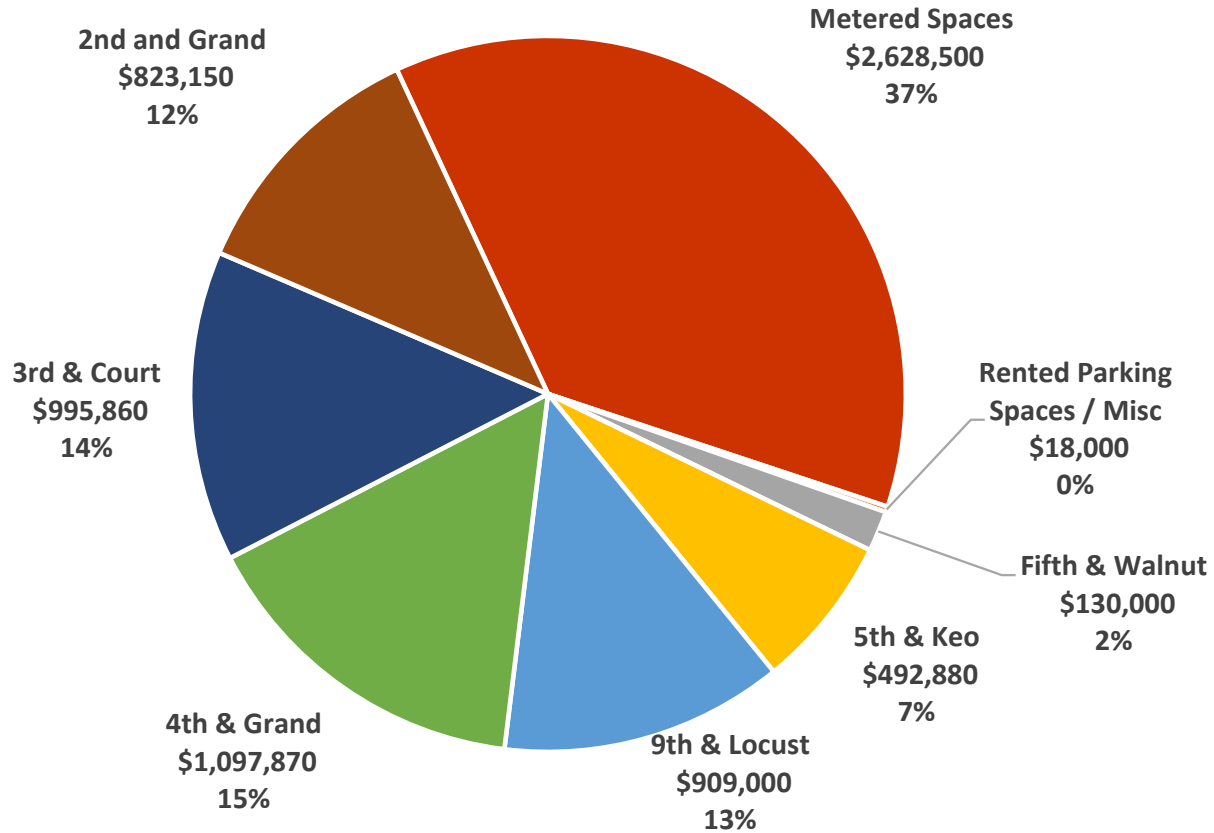
- Flat \$1/hour rate
- Garage rates are \$1/hour (\$10 daily maximum)
- Meters charge Monday – Saturday 9:00 AM to 9:00 PM
- Rates at meters and parking ramps set to encourage long-term parking in the ramps
- Daily Rates in meters range from \$0.25/hour to \$1.25/hour
- Prime areas charge more after 5pm - up to \$1.75/hour
- COVID impact has been extreme

Parking Meter Hourly Zones

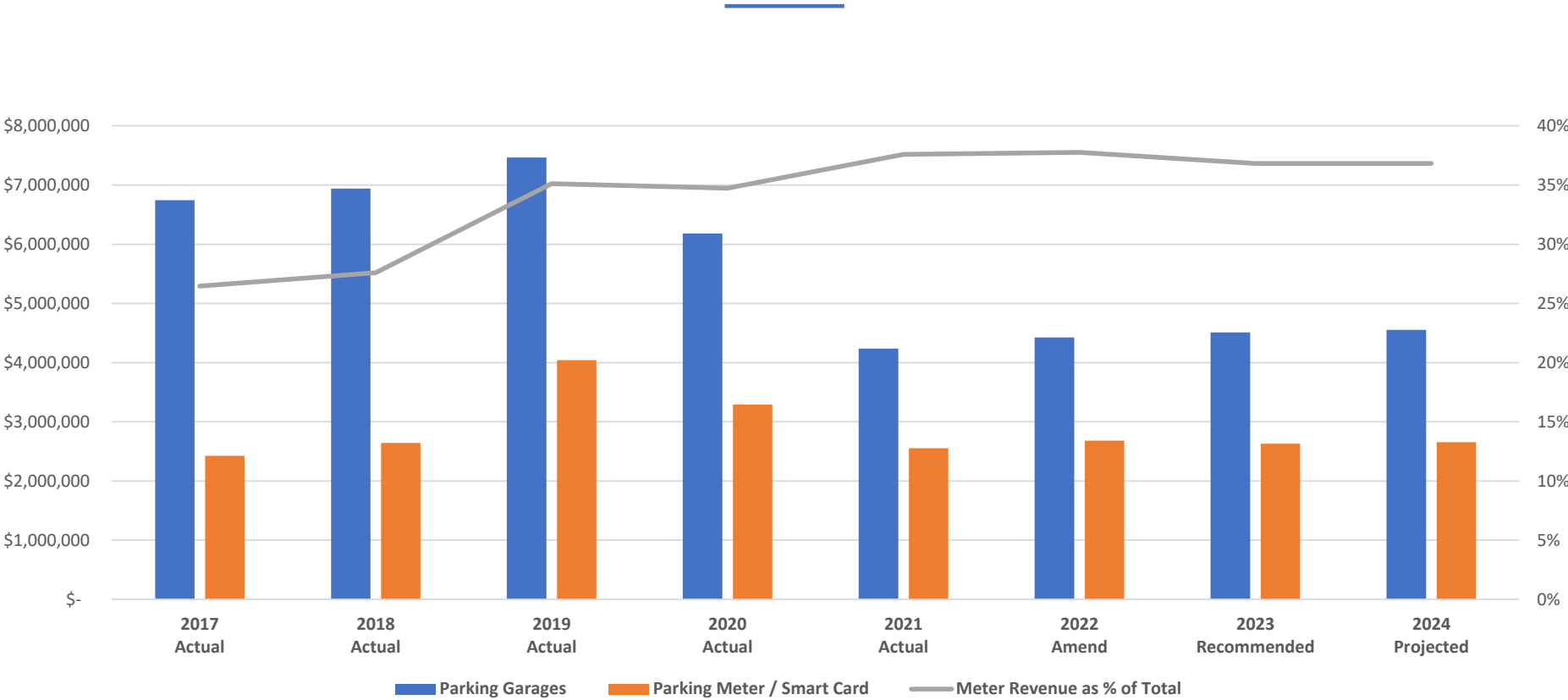


Parking Enterprise Revenues

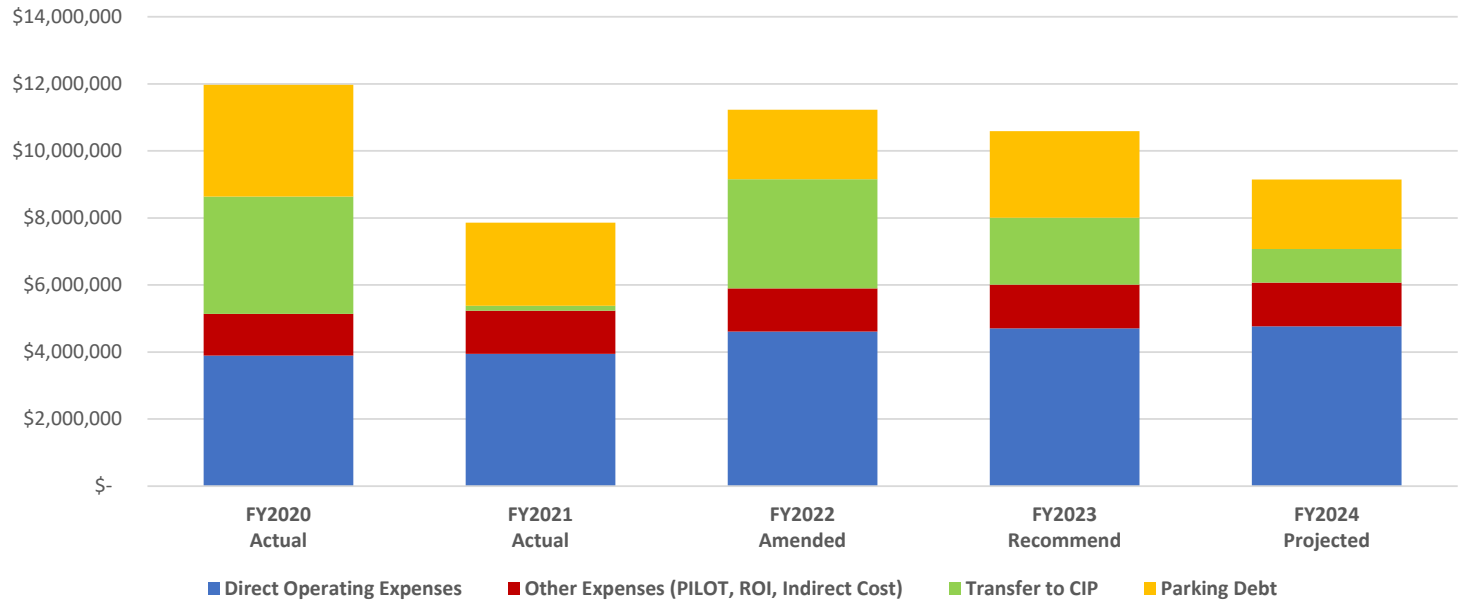
FY2023 Recommended



Parking Garage & Meter Revenue



Parking Fund Expenditures



	FY2020 Actual	FY2021 Actual	FY2022 Amended	FY2023 Recommend	FY2024 Projected
Des Moines Parking Budget					
Direct Operating Expenses	\$ 3,895,106	\$ 3,949,609	\$ 4,614,682	\$ 4,710,978	\$ 4,768,525
Other Expenses (PILOT, ROI, Indirect Cost)	1,240,148	1,282,928	1,288,617	1,297,724	1,305,585
Transfer to CIP	3,500,000	150,000	3,250,000	2,000,000	1,000,000
Parking Debt	3,336,226	2,476,240	2,074,697	2,584,698	2,074,696
TOTAL	\$ 11,971,480	\$ 7,858,777	\$ 11,227,996	\$ 10,593,400	\$ 9,148,806

Parking System Budget

	FY2020 Actual	FY2021 Actual	FY2022 Amended	FY2023 Recommend	FY2024 Projection
Parking Garage Revenue	6,180,792	4,237,629	4,423,330	4,509,390	4,554,485
Parking Meter Revenue	3,289,470	2,552,551	2,682,500	2,628,500	2,654,785
Other	36,845	18,613	29,820	26,940	27,209
Total Operating Revenue	\$ 9,507,106	\$ 6,808,792	\$ 7,135,650	\$ 7,164,830	7,236,479
Personal Services	1,152,382	1,192,098	1,302,473	1,345,536	1,379,481
Contractual Services (AMPCO)	1,878,262	1,745,852	1,950,000	1,950,000	1,959,750
Contractual Services	671,428	712,287	913,053	1,007,286	1,019,095
Other Charges	-	94,257	50,000	50,000	50,250
Commodities	193,034	205,116	299,156	258,156	259,449
Capital Outlay (Meters)	-	-	100,000	100,000	100,500
Direct Operating Expenses	3,895,106	3,949,609	4,614,682	4,710,978	4,768,525
Indirect Cost Allocation	117,909	118,689	135,188	137,216	139,274
PILOT	672,239	714,239	707,929	715,008	718,583
ROI	450,000	450,000	445,500	445,500	447,728
Other Expenses	1,240,148	1,282,928	1,288,617	1,297,724	1,305,585
G.O. Bonds	2,004,300	-	-	-	-
LPA	1,331,926	2,476,240	2,074,697	2,074,698	2,074,696
Total Parking Debt	3,336,226	2,476,240	2,074,697	2,074,698	2,074,696
Transfer to CIP	3,500,000	150,000	3,250,000	2,000,000	1,000,000
Total Transfer to CIP	3,500,000	150,000	3,250,000	2,000,000	1,000,000
Total Expenditures / Transfers	\$ 11,971,480	\$ 7,858,777	\$ 11,227,996	\$ 10,083,400	9,148,806
TIF Infusion	1,440,000	1,250,000	800,000	800,000	2,050,000
Total Other Activity	1,440,000	1,250,000	800,000	800,000	2,050,000
NET	\$ (1,024,374)	\$ 200,015	\$ (3,292,346)	\$ (2,118,570)	137,673
Beginning Fund Balance	\$ 1,636,647	\$ 612,273	\$ 812,288	\$ (2,480,058)	(4,598,628)
Ending Fund Balance	\$ 612,273	\$ 812,288	\$ (2,480,058)	\$ (4,598,628)	(4,460,955)

Parking Initiatives

- On-Street Parking: Overhaul of existing on-street parking system with multi-space pay stations and pay-by-phone payment app is underway
 - Installation of multi-space meters – started December 9, 2021
 - ParkDSM mobile app is available for download
- Off-Street Parking: FY2021-2022 and FY 2022-2023 Rehabilitation Programs continue in accordance with Facility Condition Report, with routine maintenance planned after FY2023; additional electric vehicle charging stations are being installed in the 4th & Grand and 9th & Locust garages

 **ParkDSM**

**Contactless Parking
now available in Des
Moines with ParkDSM**



CITY OF **DES MOINES**

Powered By
 **ParkMobile**



Improvements & Maintenance

- Capital Improvement Program provides funding for periodic facilities conditions review
- Operating maintenance expenses will continue to rise as facilities age
- Moving towards fully automated parking ramps resulting in lower overall operating costs
- Installation on new on-street parking technology projected for completion in FY2023

Parking Improvements	FY2022	FY2023	FY2024	FY2025	FY2026
Capital Improvements Program	Amended	Recommend	Projection	Projection	Projection
Parking Facility Rehab/Repair Program	1,210,092	1,000,000	1,000,000	1,000,000	1,000,000
Parking - On-Street Parking Technology	3,340,367	659,633	-	-	-
Park & Ride Facility Improvements	262,725	100,000	100,000	100,000	100,000
Total Parking Expenditures	\$ 4,813,184	\$ 1,759,633	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000

Park & Ride Operating Budget

	FY2021 Actual	FY2022 Amended	FY2023 Recommend	FY2024 Projection
Invested Operating Funds	(596)	3,000	3,000	3,030
Lease or License Payment	33,657	33,650	33,990	34,330
Principal Financial Group	1,118,396	1,118,400	1,118,400	1,129,584
Park and Ride All Other	84,561	90,000	90,000	90,900
InterFund Receipts	-	-	-	-
Total Park & Ride Revenues	\$ 1,236,018.18	\$ 1,245,050.00	\$ 1,245,390.00	\$ 1,257,844.00
ABM - Contracted Management	236,129	420,000	420,000	422,100
Transit System - DART	488,921	515,000	515,000	517,575
Contributions - DART	317,665	10,000	790,788	970,050
PILOT	243,752	241,601	244,017	245,237
Indirect Cost Allocation	4,112	4,980	5,055	5,131
Other	35,297	44,642	45,374	45,912
Total Park & Ride Expenses	\$ 1,325,876	\$ 1,236,223	\$ 2,020,234	\$ 2,206,005
NET	\$ (89,858)	\$ 8,827	\$ (774,844)	\$ (948,161)
Ending Cash Balance	\$ 2,222,872	\$ 2,231,699	\$ 1,456,855	\$ 508,694



Questions

Let's take
a **Break**
(if needed)



Capital Improvement Plan

February 9, 2022

City of Des Moines





CIP OVERVIEW

This presentation is a summary of the Capital Improvement Plan distributed to City Council on 2/1/22.

182 projects are included in this year's plan.

Please refer to the CIP Document for detail on specific projects.

Both CIP and Operating Documents can be found here:

<https://www.dsm.city/budget>

CIP OVERVIEW

Limit General Obligation Debt Issuances:

- Use other sources such as Local Option Sales and Service Tax (LOSST) and American Rescue Plan Act (ARPA) to fund Capital expenses
- Recognize that not all projects can fit within our capital plan

Be strategic about adding significant new projects in order to limit bond issuances

- Rising rates and market uncertainty
- Maintain current rating (S&P: AA+)

Amend the FY 2022 budget to allow for spending authority for carryover balances to be expended:

- Spike in expenditures in FY 22
- Consistent practice in prior CIP plans

CIP EXPENDITURES PLAN

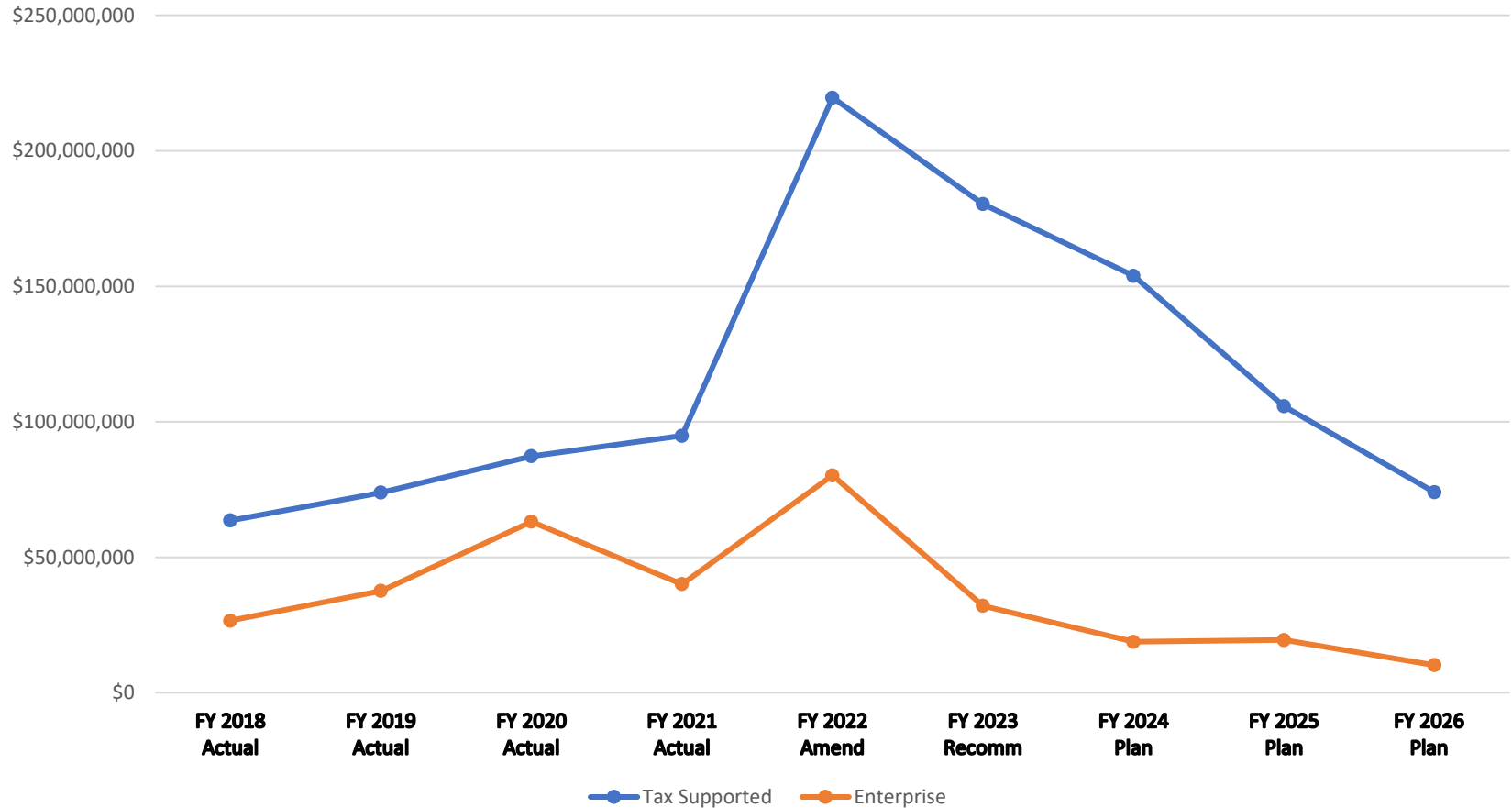
Total Expenditures by Category

TAX SUPPORTED	BUDGETED		PLAN YEARS		
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Bridge	13,696,466	21,050,000	6,500,000	4,000,000	2,000,000
Fire	7,795,216	4,000,000	3,490,000	3,750,000	4,250,000
Library	4,013,935	1,120,000	1,140,000	1,150,000	1,160,000
Miscellaneous	17,019,250	8,177,000	7,927,000	7,925,000	7,175,000
Municipal Building	55,864,316	26,415,001	41,368,731	23,605,000	3,405,000
Parks and Recreation	19,416,080	21,908,638	19,872,414	9,226,000	8,896,000
Street	101,824,580	97,712,151	73,578,166	56,054,342	47,130,000
Total	219,629,843	180,382,790	153,876,311	105,710,342	74,016,000

ENTERPRISE FUNDS	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Parking	4,813,184	1,759,633	1,100,000	1,100,000	1,100,000
Sanitary Sewer	29,699,338	5,860,622	2,000,000	2,000,000	2,000,000
Storm Water	45,720,016	24,431,093	15,700,000	16,340,000	7,100,000
Total	80,232,538	32,051,348	18,800,000	19,440,000	10,200,000
Total CIP	299,862,381	212,434,138	172,676,311	125,150,342	84,216,000

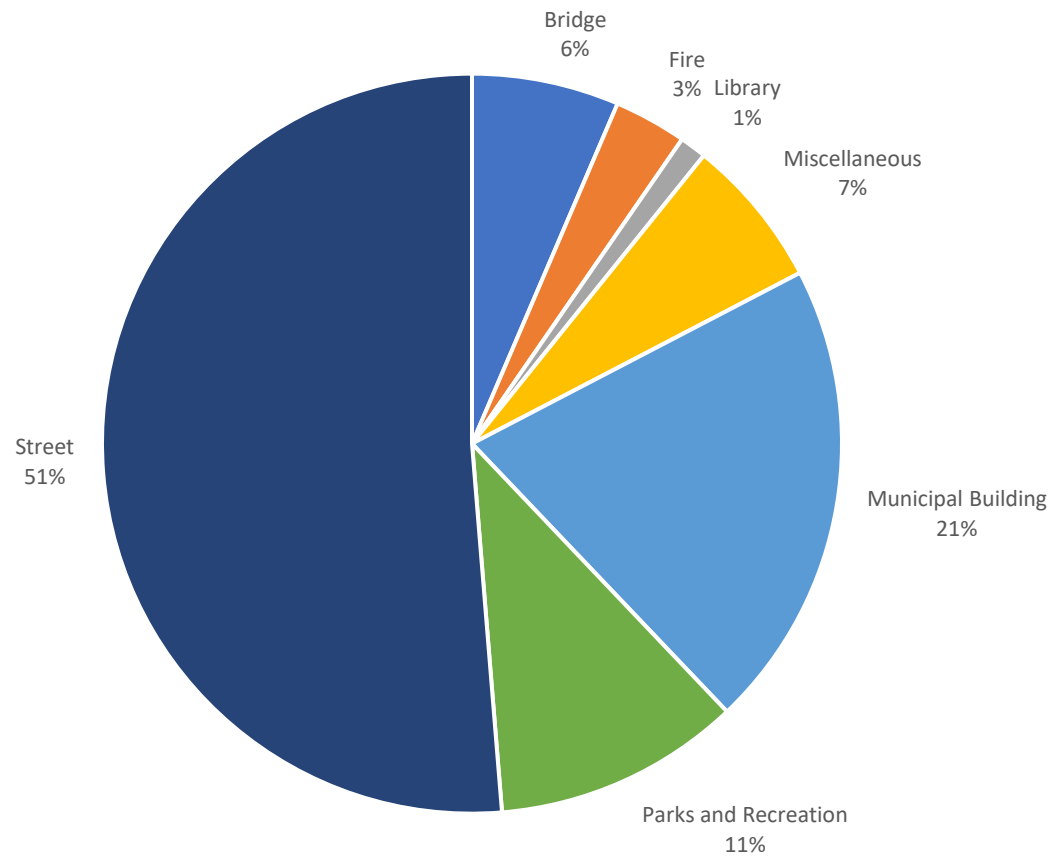
CIP EXPENDITURES HISTORICAL TRENDS

FY 2017-2021 Actuals, FY 2022-2023 Budget, FY 2024-FY 2026 Plan



TAX SUPPORTED EXPENDITURES BY CATEGORY

FY 2022 Amended through FY 2026



TAX SUPPORTED REVENUE SOURCES

Excludes Enterprise Projects

SOURCE	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
★ General Obligation Bonds	80,820,000	63,400,000	71,645,000	43,085,000	35,735,000	294,685,000
★ Tax Increment Funding Bonds	17,965,000	23,510,000	24,435,000	20,050,000	14,250,000	100,210,000
Federal	12,888,617	36,925,000	9,225,000	7,325,000	1,525,000	67,888,617
Local Option Sales and Service Tax	14,265,000	10,600,000	13,700,000	11,690,000	8,765,000	59,020,000
Transfers In	13,488,899	5,387,487	9,590,000	5,350,000	3,210,000	37,026,386
Gaming Monies	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000	23,750,000
Ground Emergency Medical	7,200,000	2,665,000	4,250,000	4,250,000	4,250,000	22,615,000
Road Use Tax Fund	3,101,358	2,450,000	1,800,000	1,800,000	1,800,000	10,951,358
State	1,690,703	1,650,000	2,040,914	520,000	150,000	6,051,617
Sale of Land	6,000,100					6,000,100
Enterprise Funds	2,250,000	2,250,000	250,000	250,000	250,000	5,250,000
Private	3,078,340	953,500	366,000	141,000	41,000	4,579,840
Tax Increment Funding Fund	750,000	1,275,000	1,125,000	1,000,000	250,000	4,400,000
Other	2,387,206	287,000	1,044,161	360,000	360,000	4,438,367
Proposed American Rescue Plan	1,100,000					1,100,000
TOTAL	171,735,223	156,102,987	144,221,075	100,571,000	75,336,000	647,966,285

- A complete list of all funding sources for all projects can found on Page 12-19 of the CIP Document

GO BONDS BY CATEGORY

Excludes Enterprise Funds

Category	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Bridge	4,325,000	3,000,000	1,000,000	-	-
Fire	2,325,000	3,750,000	2,240,000	2,500,000	3,000,000
Library	1,935,000	1,050,000	1,020,000	1,030,000	1,040,000
Miscellaneous	4,900,000	5,650,000	5,400,000	5,650,000	5,650,000
Municipal Building	26,795,000	14,060,000	22,450,000	9,725,000	1,775,000
Parks and Recreation	9,615,000	9,690,000	9,855,000	5,880,000	6,095,000
Street	30,925,000	26,200,000	29,680,000	18,300,000	18,175,000
Total	80,820,000	63,400,000	71,645,000	43,085,000	35,735,000

- A complete list of all projects funded by GO Bonds can found on Page 13-14 of the CIP Document.

TIF BONDS BY CATEGORY

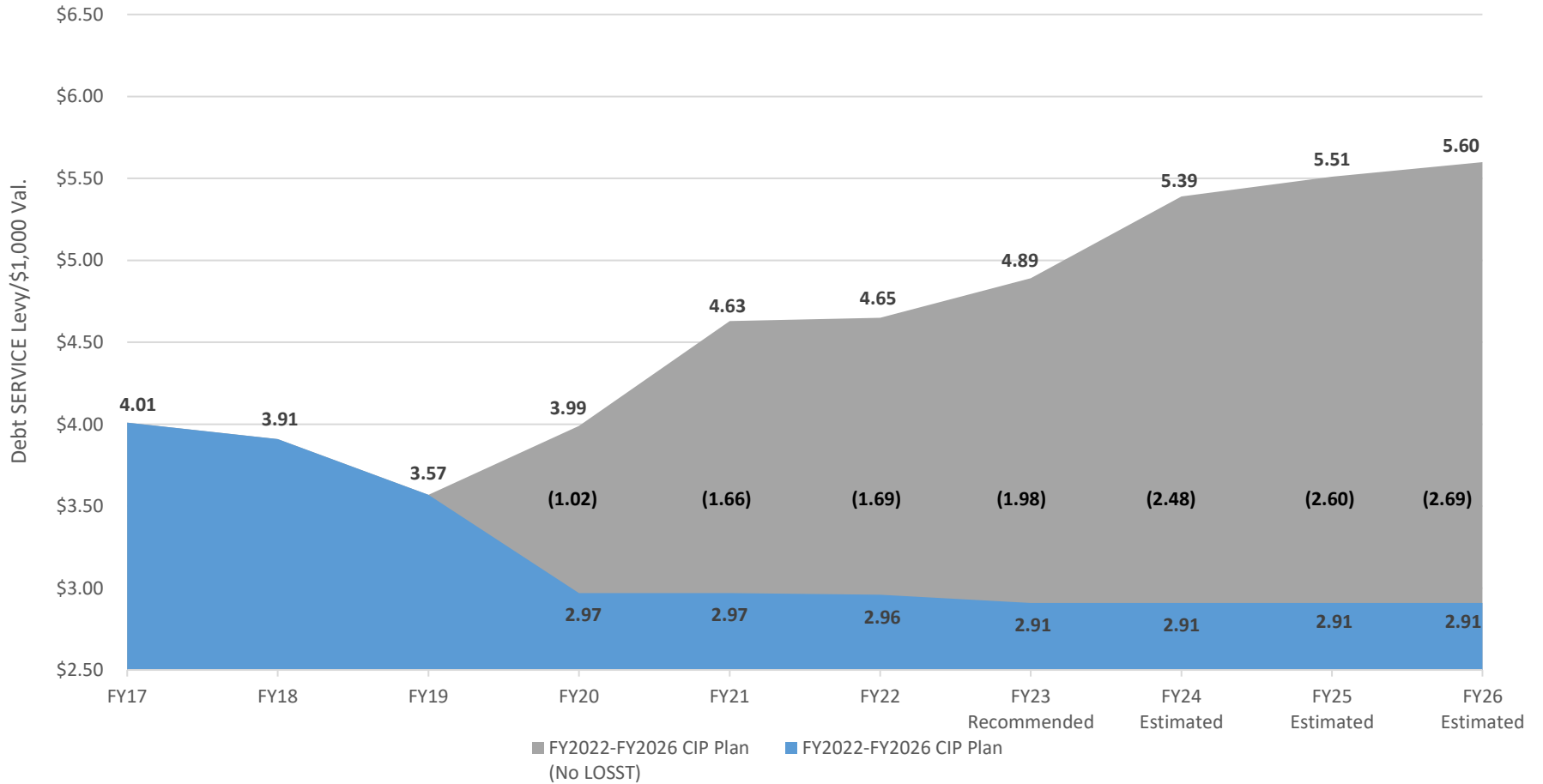
Excludes Enterprise Funds

Category	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Bridge	4,000,000	3,000,000	3,500,000	-	-	10,500,000
Parks and Recreation	320,000	5,075,000	2,635,000	100,000	100,000	8,230,000
Street	13,645,000	15,435,000	18,300,000	19,950,000	14,150,000	81,480,000
Total	17,965,000	23,510,000	24,435,000	20,050,000	14,250,000	100,210,000

- Bridge Projects include Walnut Street Bridge and 2nd Ave Bridge
- Parks Projects include Principal Park Master Plan Phase I, Western Gateway runnels improvements
- Street includes various projects with the largest driver being Market District Infrastructure and Ingersoll Streetscape
- See page 18 of the CIP Plan for a complete list of all TIF Bond Funded Projects

CITY OF DES MOINES

DEBT SERVICE LEVY - (PER \$1,000 OF TAXABLE VALUATION)



CITY OF DES MOINES

Projected Debt Capacity (at fiscal year end)

	Total Valuation	Total G.O. Debt Outstanding	Net Debt Applicable to Limit	Legal Debt Limit	Available Legal Capacity	Percent of Limit
FY2015	10,857,757,125	395,285,000	410,589,515	542,887,856	132,298,341	75.63%
FY2016	11,396,334,334	386,535,000	403,990,465	569,816,717	165,826,252	70.90%
FY2017	11,547,884,851	405,035,000	425,109,841	577,394,243	152,284,402	73.63%
FY2018	12,678,892,381	393,570,000	406,792,071	633,944,619	227,152,548	64.17%
FY2019	12,944,246,265	399,100,000	415,647,116	647,212,313	231,565,197	64.22%
FY2020	14,363,281,363	514,081,949	514,081,949	718,164,068	204,082,119	71.58%
FY2021*	14,505,147,841	535,807,200	562,668,770	725,257,392	162,588,622	77.58%
FY2022*	15,853,953,088	582,657,200	608,321,193	792,697,654	184,376,462	76.74%
FY2023*	16,012,492,619	637,997,200	667,247,313	800,624,631	133,377,318	83.34%
FY2024*	16,492,867,397	640,102,200	671,088,435	824,643,370	153,554,935	81.38%
FY2025*	16,657,796,071	640,682,200	670,574,537	832,889,804	162,315,267	80.51%
FY2026*	17,157,529,954	625,097,200	653,562,146	857,876,498	204,314,352	76.18%

*estimated

MATERIAL CHANGES TO EXISTING PROJECTS

Changes from Last Year's Plan

BRIDGES

- 2nd Ave Bridge over Des Moines River (\$3.2M)
 - Increased costs/inflation

MISCELLANEOUS

- Regional Feature Projects (\$4.0M)
 - Funded by LOSST

PARKS

- Multi-Use Trails (\$3.2M)
 - Transfers to various trail projects: Carlisle Trail, Central Place Trail Levee and funds major resurfacing program in FY 24.

MATERIAL CHANGES TO EXISTING PROJECTS

Changes from Last Year's Plan

MUNICIPAL BUILDINGS

- Animal Control Facility (\$7.9M)
 - Additional Scope/Inflation is \$3.5M of above

STREETS

- Roadway Reconstruction- Fleur Drive: (\$4.7M)
 - Carryforward funds (timing issue in FY 21)
- Roadway Reconstruction- 2nd Avenue: (\$5.1M)
 - Carryforward (FY 21- \$5M budget/spend \$200K)
- Market District Improvements: (\$4.0M)
 - Includes other infrastructure improvements
- Broadway to Hubbell (BUILD Grant): (\$2.0M)
 - Increased costs and added sidewalks

PROJECTS \$10 MILLION+

Includes only budgeted costs from FY 2022-2026. Does not include prior expenditures or on-going projects.

BRIDGES

- 2nd Ave Bridge over Des Moines River (\$10.2M)
- Walnut Street Bridge (\$14.3M)

MUNICIPAL BUILDINGS

- Municipal Services Center Phase II (\$45.8M)
- Animal Control Facility (\$12.4M)
- City Facility and Armory Replacement (\$36.5M)
- Fire Station 4 Replacement (\$10.6M)

STREETS

- McKinley Avenue Improvements (\$10.9M)
- Southeast Connector SE 30th to US 65 (\$61.4M)
- Fleur Drive Reconstruction (\$15.2M)
- Ingersoll Streetscape (\$20.7M)
- Market District Improvements -includes storm and sanitary expenses (\$31.6M)

NEW PROJECT SUMMARY:

- Downtown 2-Way Conversion - Grand & Locust (\$9M)
- Principal Park Master Plan Phase I (\$6.3M)
- Fleur Drive Bridge over Raccoon River (\$3.3M)
- SE 14th Street and Maury Street Improvements (\$2.5M)
- Easter Lake Drive Trail (\$2.2M)
- 19th Street and MLK Modifications (\$1.75M)
- MLK Pavement Replacement (\$1.25M)

ON-GOING CAPITAL COSTS

Reoccurring CIP Costs

A significant portion of the CIP plan is on-going projects. Annual cost of on-going projects is \$42.65 million for FY 2023.

On-going projects for Bridges, Fire, Library and Miscellaneous include (FY 23: \$10.6 million):

- IT Network and Security Improvements: \$2.0 million
- Fire Equipment Acquisition: \$4.0 million
- NDC, NFC Contributions, Public Art: \$2.1 million
- Library collection additions/replacements: \$920,000
- Emerald Ash Borer Response and Tree Replacement: \$750,000
- Library building improvements: \$200,000
- Land Acquisition: \$127,000
- Citywide bridge repair: \$300,000

ON-GOING CAPITAL COSTS

Reoccurring CIP Costs

On-going Municipal Building Projects (\$2.4 million):

- Municipal Building Improvements: \$2.3 million
- Building Reroofing: \$700,000
- Energy Conservation: \$90,000
- Security Improvements \$100,000

On-going Parks Projects (\$9.3 million):

- Park Infrastructure: \$1.0 million
- Park Improvements: \$3.6 million
- Playground Improvements: \$465,000
- Cemetery Improvements: \$1.1 million
- Trail Improvements: \$2 million
- Sports Complexes: \$100,000
- Sprayground Improvements: \$714,000
- Principal Riverwalk Maintenance: \$325,000

ON-GOING CAPITAL COSTS

Reoccurring CIP Costs

On-going Streets Projects: \$20.35 million

- Neighborhood street improvements funded by LOSST: \$6 million
- Sidewalks: \$2.95 million
- Traffic System Operation Improvements: \$1.5 million
- Midblock Pedestrian Signal Upgrades: \$500,000
- Traffic Signal Replacement \$1.45M
- Concrete Street and Curb Rehabilitation: \$2.1 million
- Roadway Rehabilitation: \$3.6 million
- Roadway Reconstruction: \$1.15 million
- Asphalt Improvements: \$1.1 million

IN CONCLUSION

Reoccurring CIP Costs

- Record investment in Capital Projects continues
- In order to maintain debt service tax levy and bond rating, issuances need to begin to decreasing in FY 2025
- Large unfunded projects will need to come non-debt service sources or by delaying or removing other projects in the Capital Plan. (Targeting around \$35M of General Obligation (GO) debt issuance)
- City Manager and Finance staff are available to discuss in detail



Questions

Let's take
a **Break**
(if needed)



Operating Budget

February 09, 2022

City of Des Moines





Operating Overview

This presentation is a summary of the FY2023 Recommended Operation Budget to City Council on 2/1/22.

General Fund Operations

Road Use Tax Fund Operations

Local Option Sales and Service Tax Expenses

Both CIP and Operating Documents can be found here:

<https://www.dsm.city/budget>

OVERVIEW

- Commitment to maintaining services levels expected by citizens
- Tax Rate rounded down to an even \$16.61
- City Manager's Office focus on Community Needs
- Additional service levels:
 - Additional Fire Fighters
 - Cure Violence
 - Mental Health Responses (Broadlawns Partnership)
 - Customers Service
(Communications, Fire, Human Resources, Neighborhood Services)
 - Park Maintenance Staff
 - Homeless Policy Administrator
- Administrative/Other Additions

GENERAL FUND BUDGET

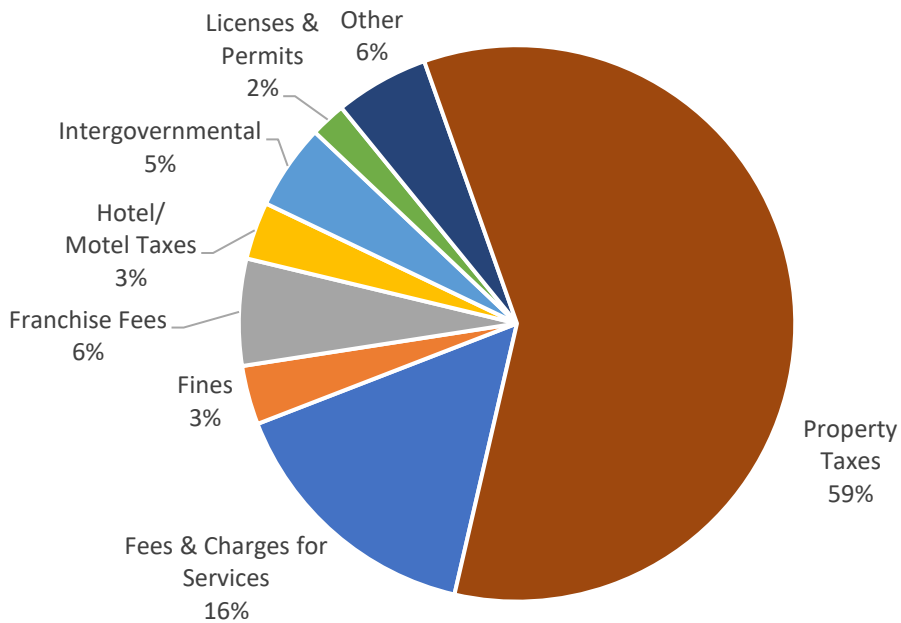
Major Service Areas



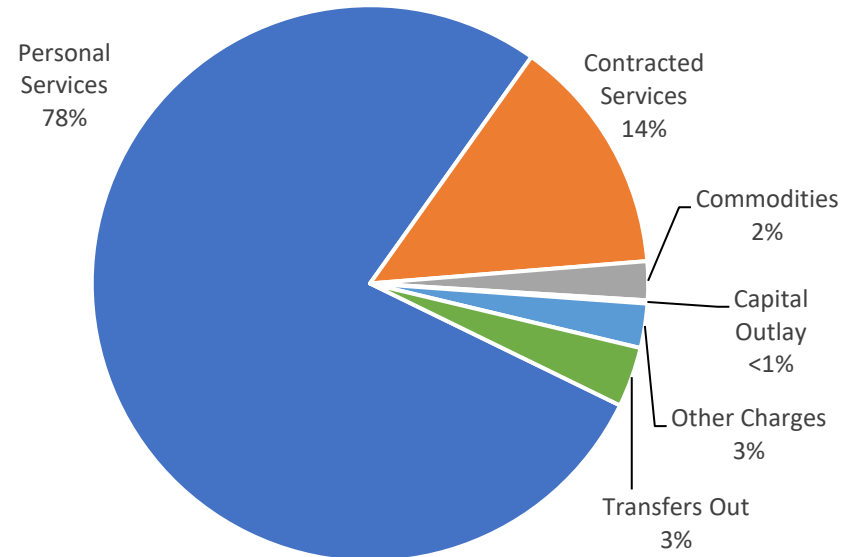
GENERAL FUND SOURCES & USES

FY 2023

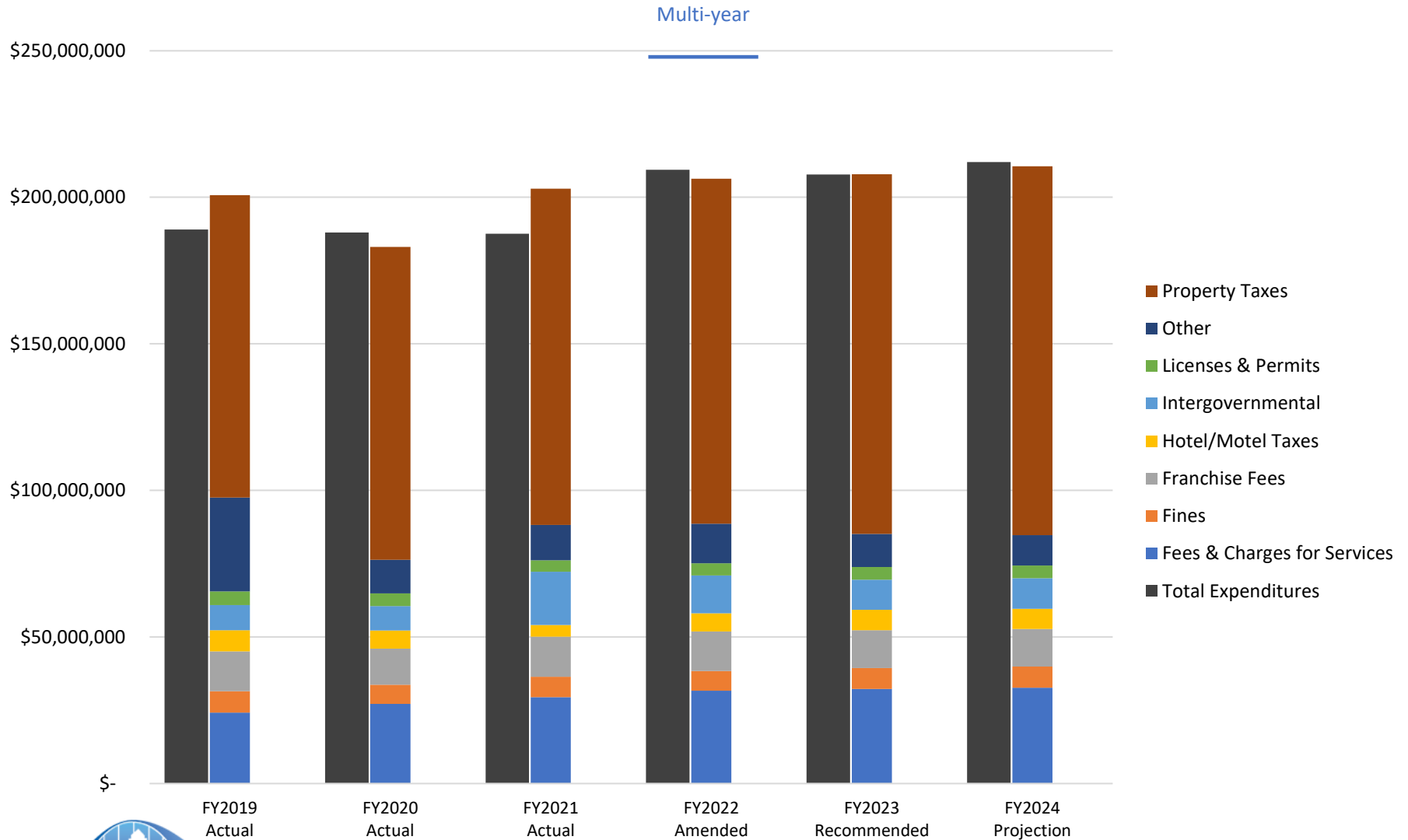
Source of Funds



Use of Funds





GENERAL FUND SOURCES & USES

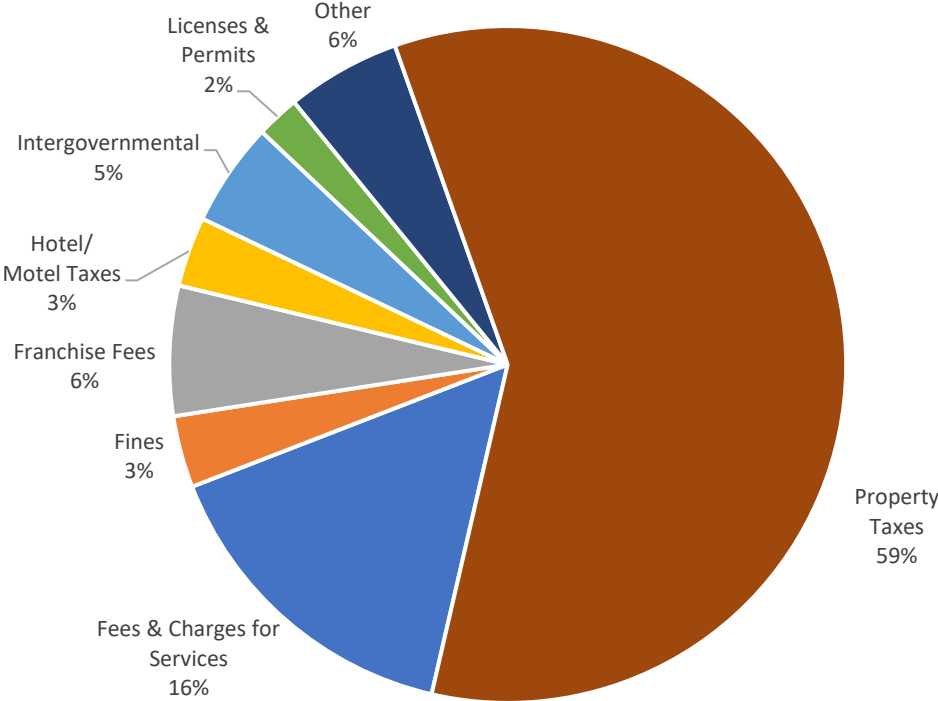


MAJOR GENERAL FUND REVENUES

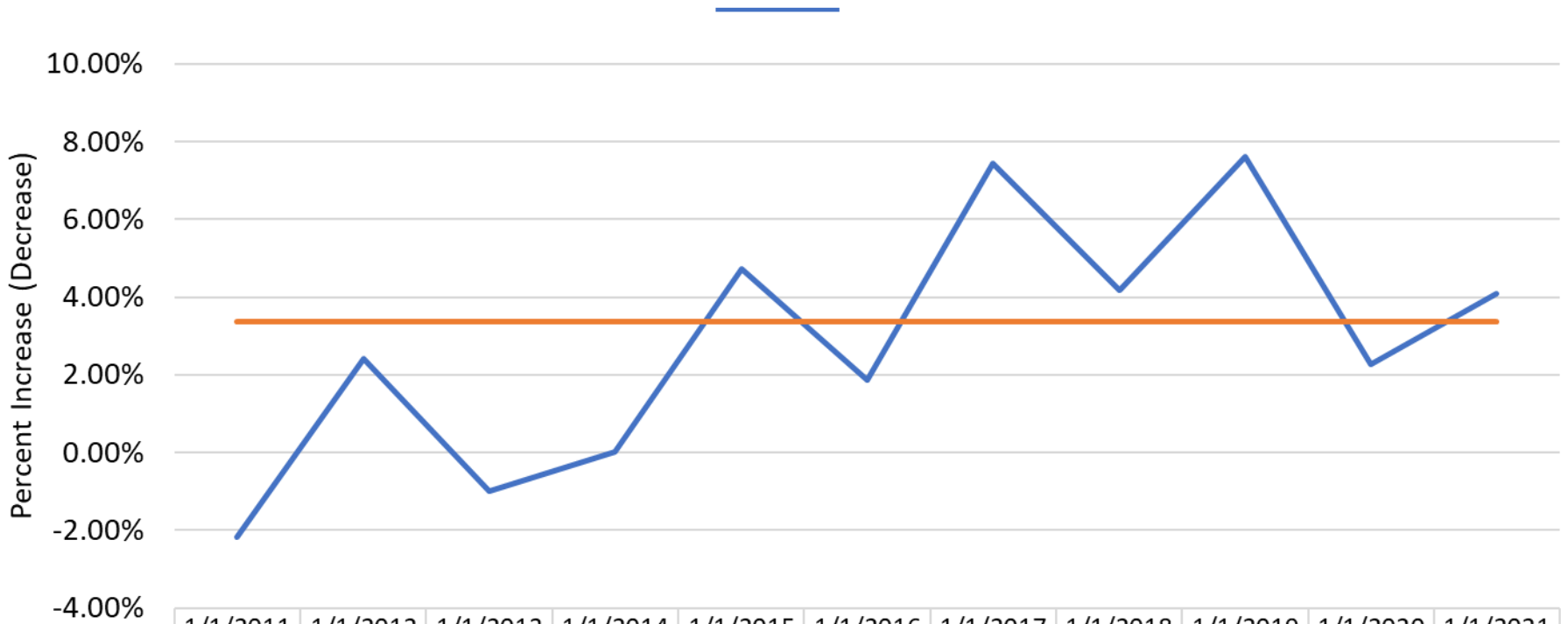
FY 2023

- Taxable Valuations - 
- Franchise Fees - 
- Hotel/Motel - 

Source of Funds



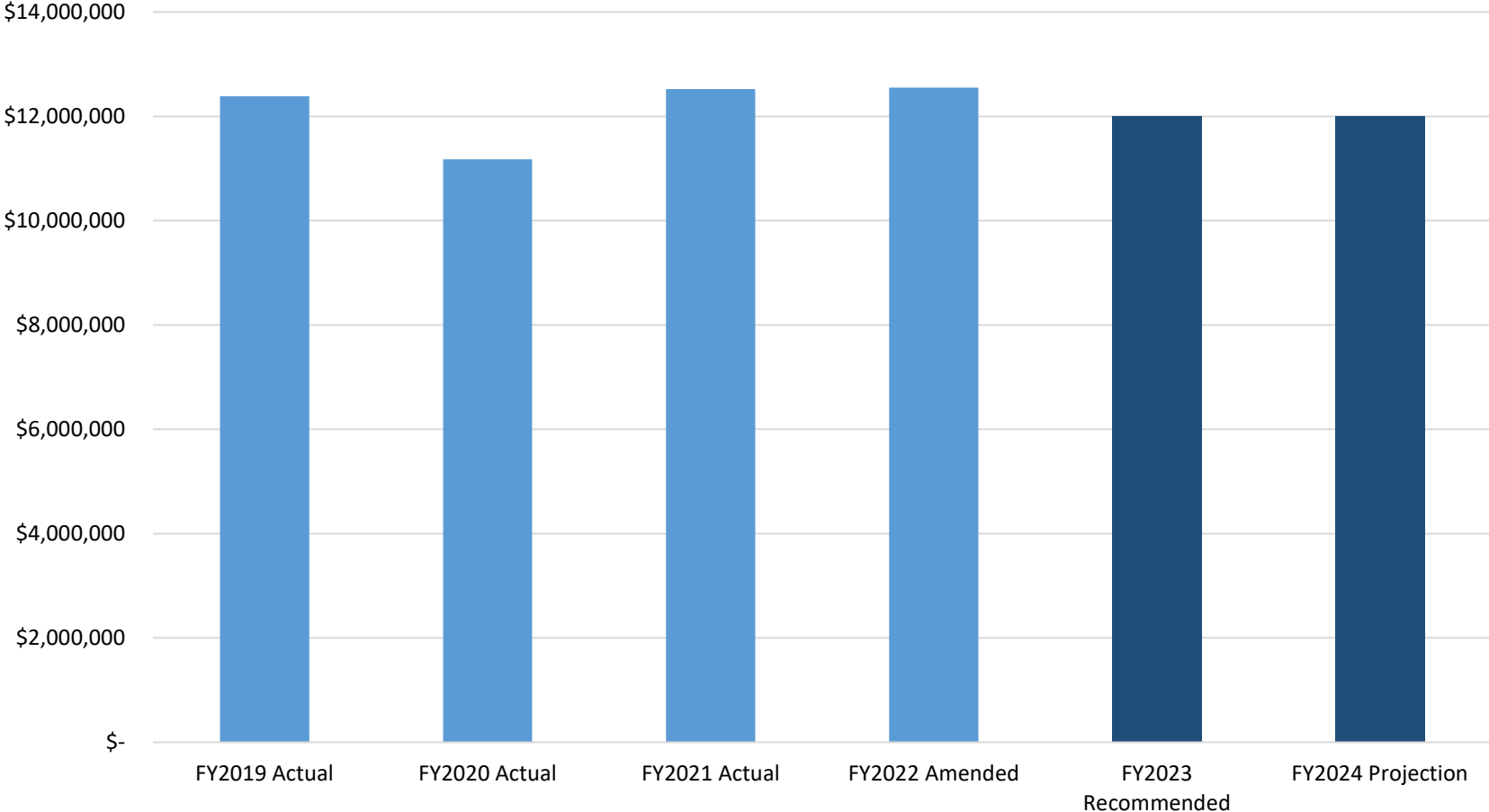
TAXABLE VALUATION CHANGES



	1/1/2011 FYE2013	1/1/2012 FYE2014	1/1/2013 FYE2015	1/1/2014 FYE2016	1/1/2015 FYE2017	1/1/2016 FYE2018	1/1/2017 FYE2019	1/1/2018 FYE2020	1/1/2019 FYE2021	1/1/2020 FYE2022	1/1/2021 FYE2023
— Non-TIF	-2.18%	2.42%	-0.99%	0.01%	4.74%	1.85%	7.45%	4.16%	7.61%	2.28%	4.10%
— Average	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%

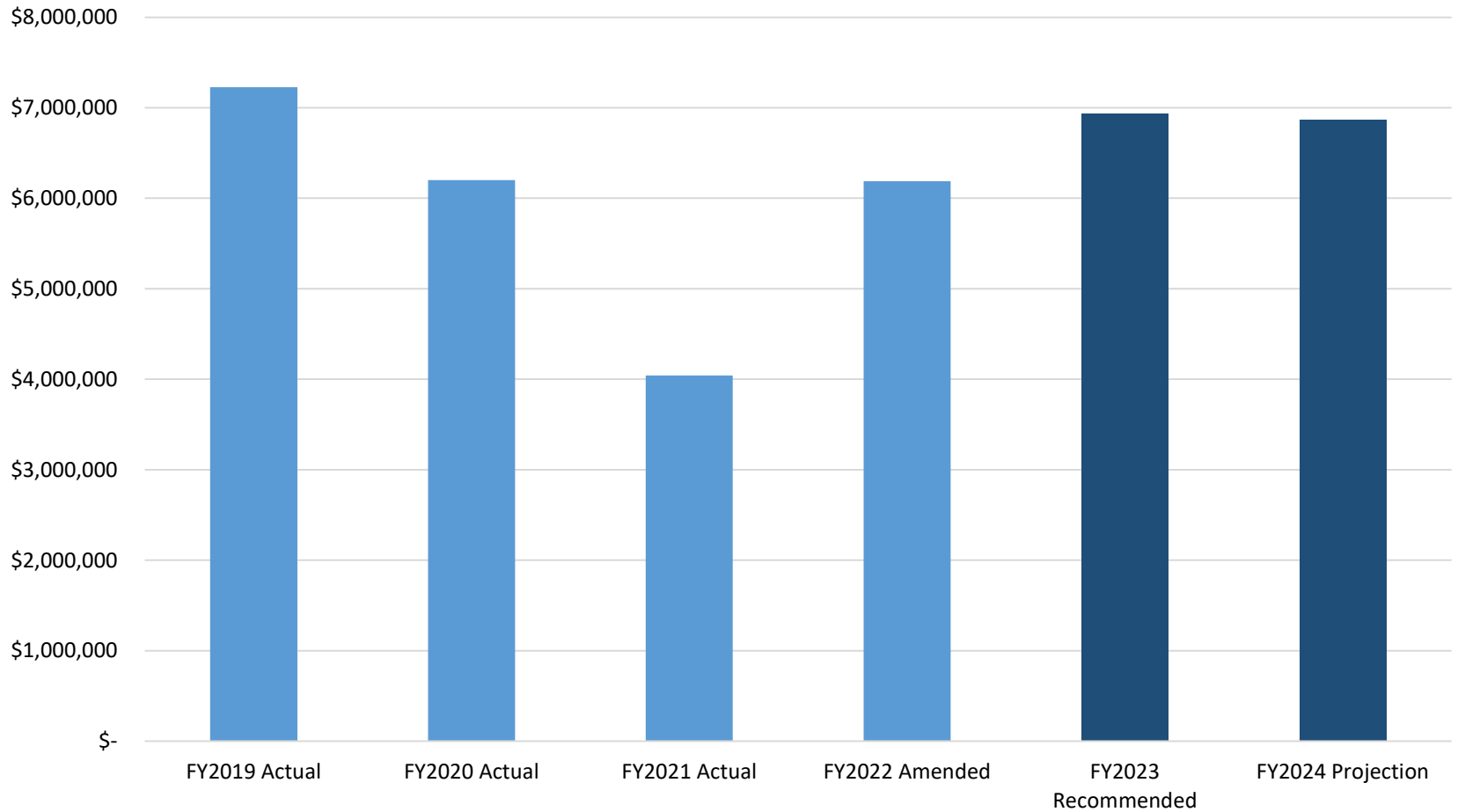
FRANCHISE FEES

(Gas & Electric 5%)



HOTEL MOTEL TAX

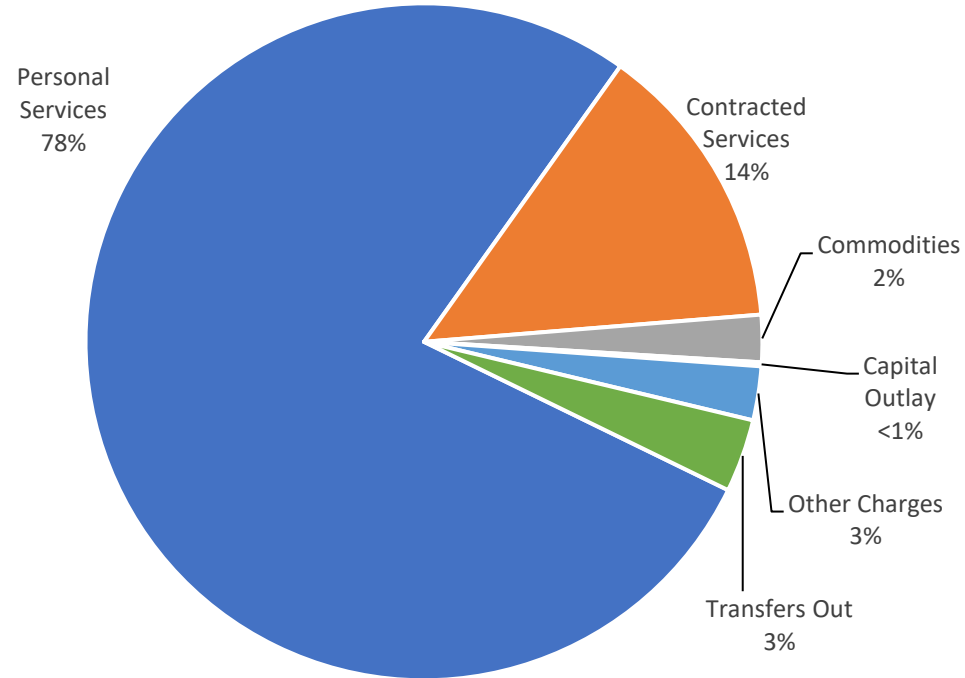
(7%)



MAJOR GENERAL FUND EXPENSES

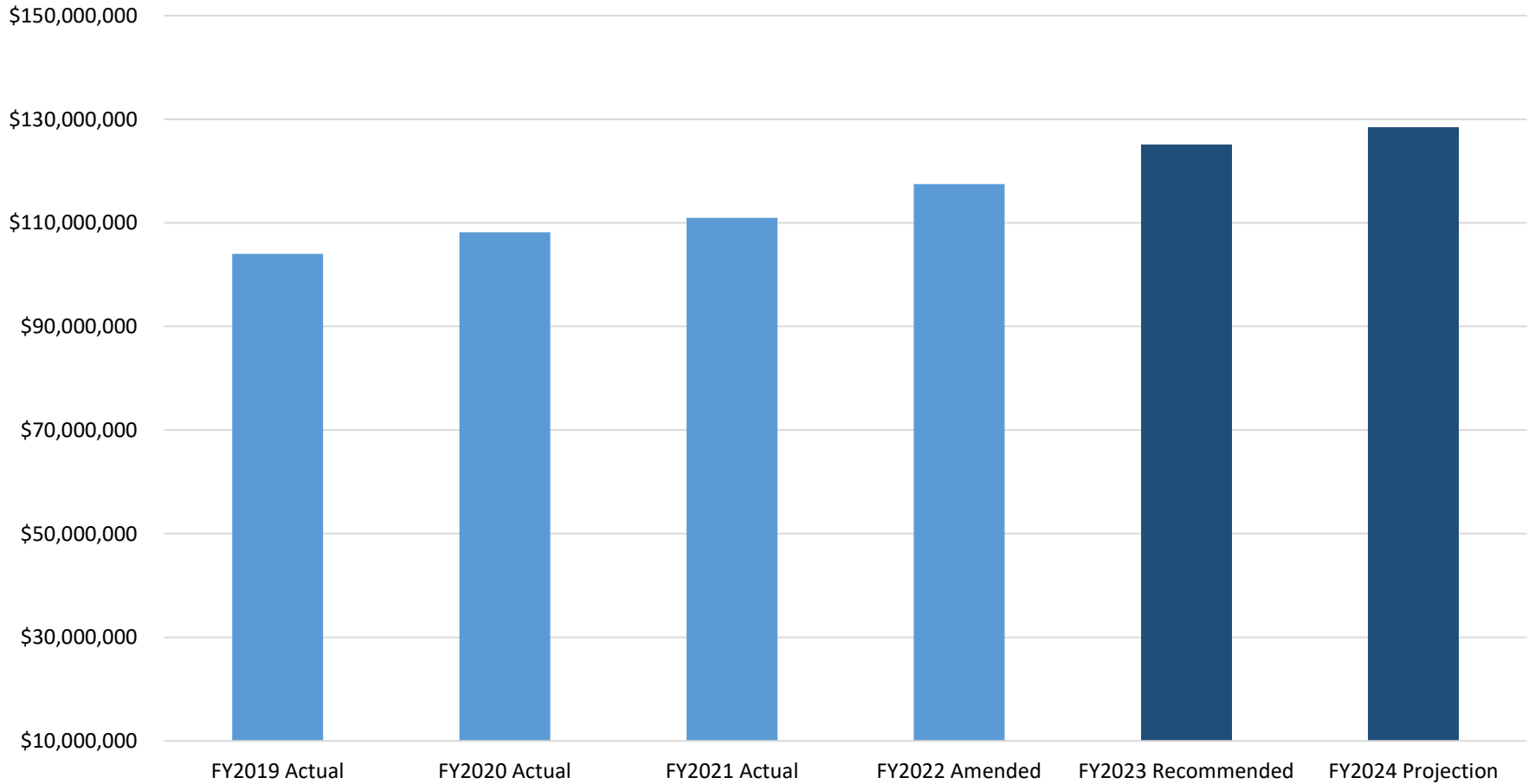
FY 2023

Use of Funds



PERSONAL SERVICES

Salary and Benefits

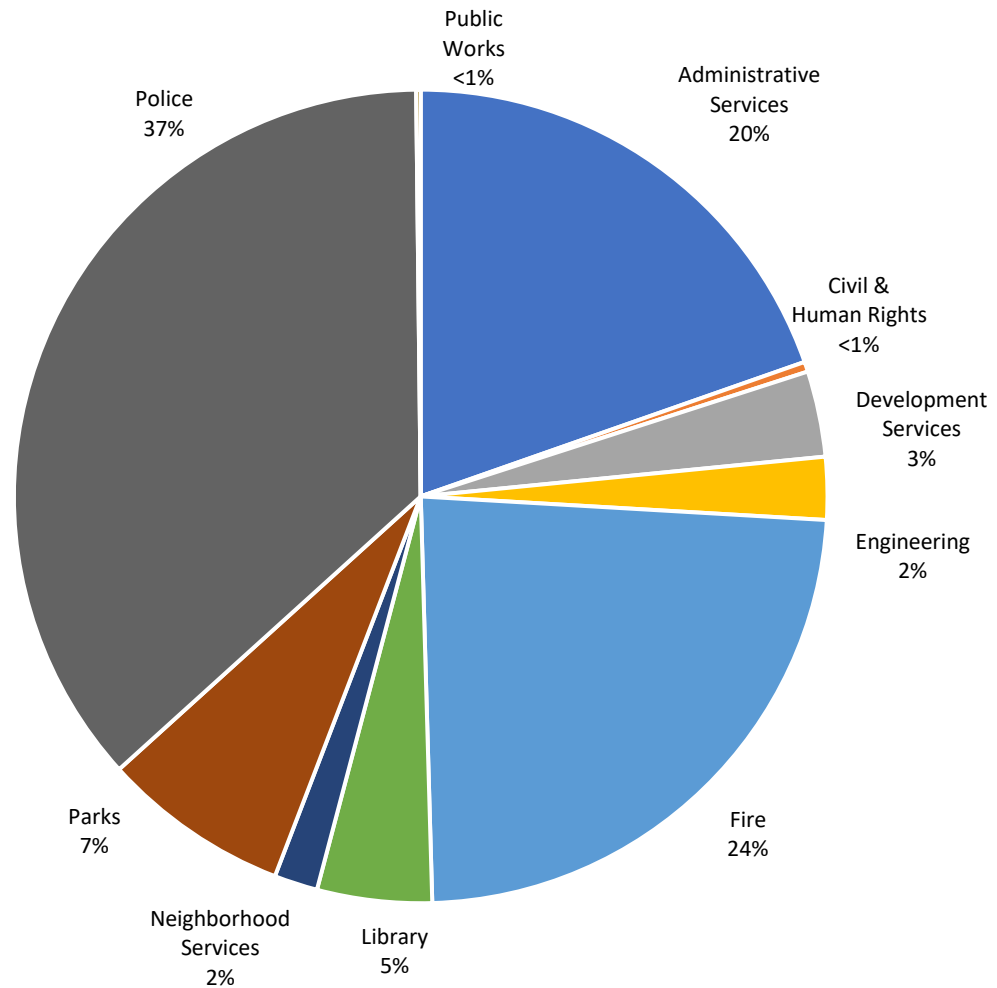


GENERAL FUND BY DEPARTMENT

FY 2023

Public Safety represents 61% of the general fund budget.

Administrative Services includes City Clerk, City Manager, Finance, Human Resources, Information Technology, Legal, and Mayor & Council.



GENERAL FUND BY DEPARTMENT

Adopted FY 2022 vs Recommended FY 2023

<u>Department</u>	<u>FY22 Adopted</u>	<u>FY23 Recommended</u>
Administrative Services	34,604,930	42,602,528
Civil & Human Rights	821,536	823,182
Development Services	7,217,737	7,075,187
Engineering	4,700,570	5,040,810
Fire	47,529,869	49,079,460
Library	9,043,405	9,473,101
Neighborhood Services	2,897,864	3,588,842
Parks	14,567,700	15,500,432
Police	74,216,221	75,356,736
Public Works	371,321	371,049

BUDGET PROJECTION

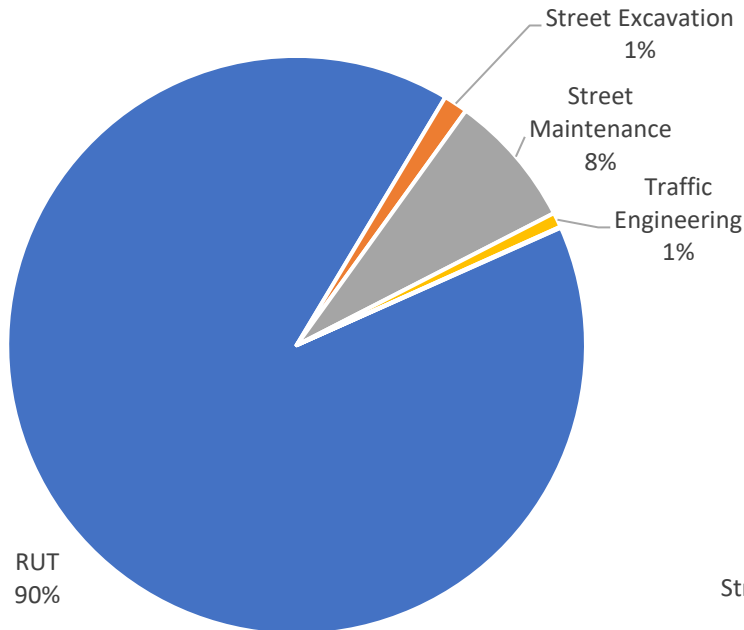
General Fund

	FY2022	FY2023
	Amended	Recommended
Revenue	\$ 206,354,777	\$ 207,868,906
Expense	209,352,455	207,767,616
	<u>\$ (2,997,678)</u>	<u>\$ 101,290</u>

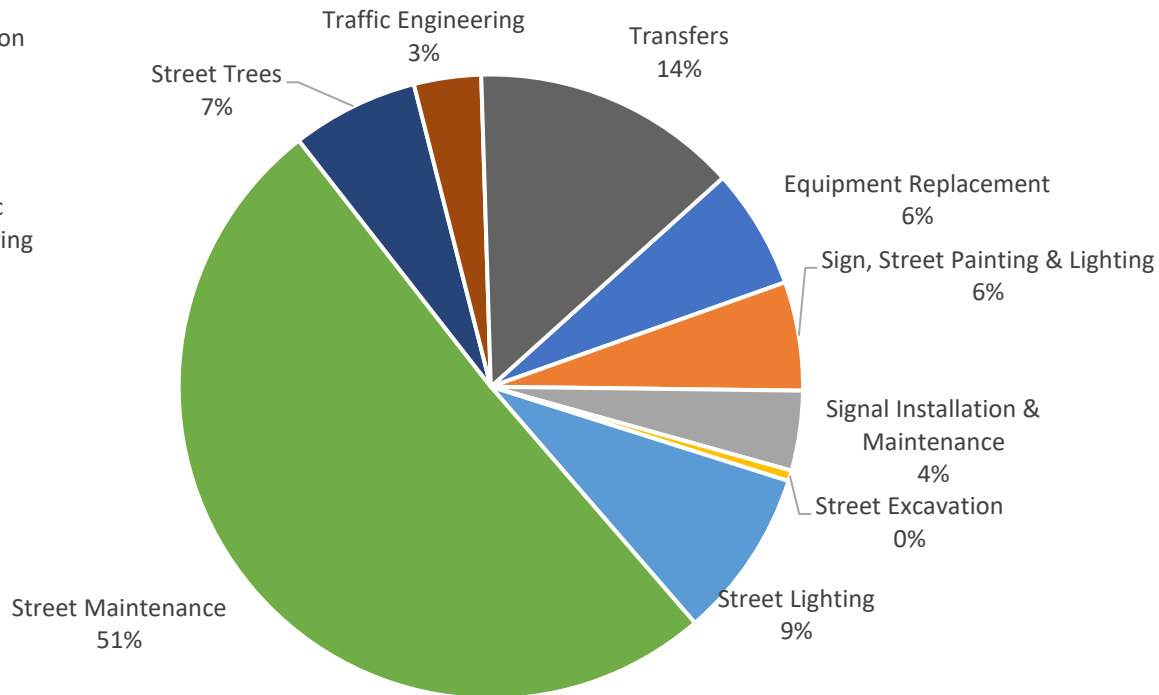
ROAD USE TAX FUND SOURCES & USES

FY 2023

Source of Funds

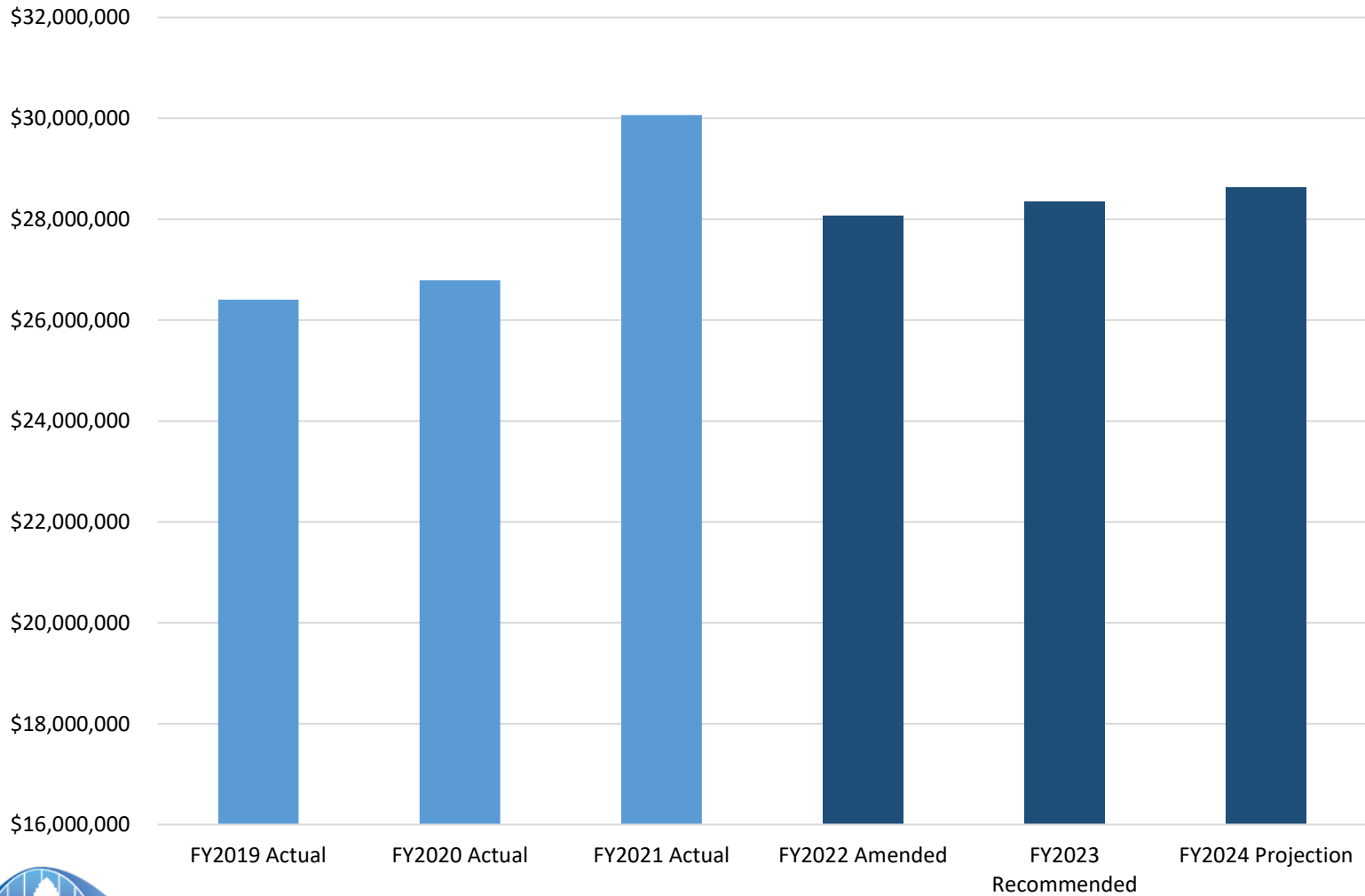


Use of Funds



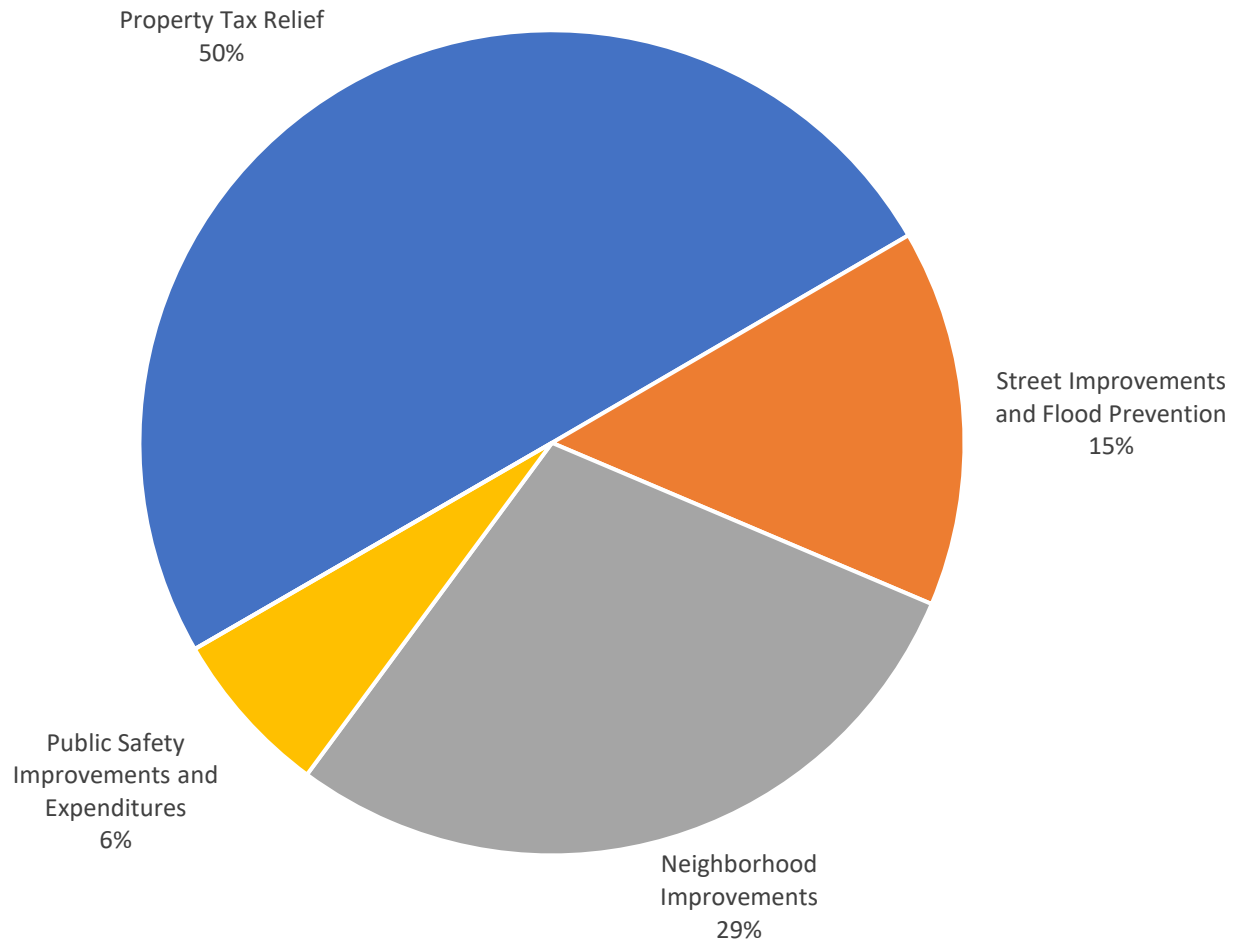
ROAD USE TAX

Multi-year



LOCAL OPTION SALES AND SERVICE TAX

Use of Funds (FY 2023)



LOCAL OPTION SALES AND SERVICE TAX

	FY2022 Amended	FY2023 Recommend
Property Tax Relief		
Debt Service Fund	32,734,468	25,000,000
Street Improvements and Flood Prevention		
Street Improvements	5,000,000	6,000,000
Stormwater Projects	1,000,000	1,000,000
Flood Prevention Property Buyouts	1,200,000	400,000

LOCAL OPTION SALES AND SERVICE TAX

	FY2022 Amended	FY2023 Recommend
Neighborhood Improvements		
Blitz on Blight	500,000	500,000
Special Investment Districts	5,000,000	5,000,000
Property Improvement	1,677,000	2,156,000
Neighborhood Matching Grant	200,000	200,000
Rental Housing enhancement	500,000	500,000
#LADDERUP Grant Program	100,000	100,000
Grubb YMCA Replacement	5,000,000	3,000,000
Expanded Library Hours	395,000	405,000
Enhanced Tree Care	350,000	-
Broadband Permitting Costs	500,000	515,000
Additional Park Enhancements	3,265,000	600,000
Equitable Service Neighborhood Park Program	296,410	408,000
Regional Feature Projects	1,000,000	1,000,000

LOCAL OPTION SALES AND SERVICE TAX

	FY2022 Amended	FY2023 Recommend
Public Safety Improvements and Expenditures		
Firefighters Positions	1,581,000	2,031,000
Public Safety Dispatcher Positions	86,000	444,000
Police Cameras	600,000	350,000
Mobile Crisis Services	400,000	450,000

CONCERNS AND CHALLENGES OUTSIDE FACTORS

- State Funding Backfill
 - Payment from the State in lieu of property taxes collected
 - 90% Commercial rollback annual impact \$5 million phased over 8 years
- Apartment Rollback
 - Reducing from 100% to approximately 55% over 8 years
 - FY2023 impact > \$4.6 million and growing
- Rising cost of services – pension, healthcare, construction
- Automated Traffic Enforcement (ATE)
 - ATE revenue is used to pay the annual \$1.5 million debt payment for the recently competed public safety radio system
 - Should ATEs be prohibited by the State, the City would assume a higher annual debt burden
- State Legislative Actions

CONCERNS AND CHALLENGES OUTSIDE FACTORS

Multi-Residential Class -- Effects of Legislation February 2022

	Year	Multi-Residential Rollback**	Pre-Legislation Revenue***	Proposed Revenue	Estimated Annual Loss	Annual Loss Change
FY 2017	1	0.862500	7,288,328	6,286,183	1,002,145	-
FY 2018	2	0.825000	7,411,524	6,114,507	1,297,017	294,872
FY 2019	3	0.787500	8,577,167	6,754,519	1,822,648	525,631
FY 2020	4	0.750000	8,766,530	6,574,897	2,191,632	368,984
FY 2021	5	0.712500	10,591,380	7,546,358	3,045,022	853,389
FY 2022	6	0.675000	10,642,521	7,183,702	3,458,819	413,798
*FY 2023	7	0.637500	12,690,011	8,089,882	4,600,129	1,141,310
FY 2024	8	0.541302	12,690,011	6,869,128	5,820,883	1,220,754
8 Year Loss					\$ 23,238,295	

* - Assumes preliminary estimates for FY 2023

** - Assumes residential rollback in FY 2024 is at the FY 2023 amount of 0.541302

*** - Assumes no change in Assessed value or tax rate beyond FY 2023



Questions

THANK YOU