

Final Review of Proposed FY23 Budget

Review of FY23 Proposed Budget

- Levy remains the same / \$17.14
- General Fund Revenues and Expenses have not changed
 - Revenues: \$8,669,137
 - Expenditures: \$9,096,457
 - Undesignated reserves are projected to be 25% of Expenditures on June 30 per financial policies
 - \$650,000 in Capital paid from General fund
- Keeps Current Staffing levels for all departments

Proposed Capital Items in General Fund:

1. City Hall Microzone & VAV Boxes	\$ 20,000
2. Parking Improvements – City Hall, Police, Fire	\$ 90,500
3. Cemetery Expansion	\$ 75,000
4. Union Cemetery GIS	\$ 45,000
5. Training Site Building Police/Fire	\$ 80,000
6. Park Sprayer	\$ 16,500
7. ADA Improvements in Parks	\$ 30,000
8. Maytag Bowl Wood Bench Replacement	\$ 33,000
9. Disc Golf Improvements	\$ 10,000
10. Maytag Pool System Upgrades	\$200,000
11. <u>Tree & Stump Removal Parks</u>	<u>\$ 50,000</u>
TOTAL:	\$650,000

Golf Fund Capital:

- | | |
|--------------------------------|----------|
| 1. Golf Cart Path Improvements | \$ 7,500 |
|--------------------------------|----------|

Landfill Fund Capital:

- | | |
|---|-----------------|
| 1. Pump Station #1 Electrical Cabin Upgrade | \$25,000 |
| 2. Portable Litter Fence | \$12,000 |
| 3. GPS Unit | \$30,000 |
| 4. Fire Hydrant Install | \$15,000 |
| 5. <u>Roll-Off Containers</u> | <u>\$30,000</u> |

TOTAL: **\$112,000**

Road Use Tax Fund Capital:

- | | |
|--|------------------|
| 1. Dura Patcher Replacement | \$110,000 |
| 2. Plow Truck Replacement | \$225,000 |
| 3. Pickup Truck | \$ 32,000 |
| 4. LED Streetscape Upgrades | \$ 30,000 |
| 5. N 4 Ave W Traffic Signal Improvements | \$115,000 |
| • \$135,000 Grant | |
| 6. <u>Concrete Patching Project</u> | <u>\$ 50,000</u> |

TOTAL: **\$562,000**

Water Pollution Control Fund Capital:

1. Sewer Main Repair	\$ 65,000
2. <u>1st St N Aerial Crossing Sewer Repair</u>	<u>\$109,998</u>
TOTAL:	\$174,998

Stormwater Utility Fund Capital:

1. W 4 St S Reconstruction	\$350,000
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Landfill Post Closure Fund Capital:

1. Cap Cells B & C	\$3,210,000
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American Rescue Plan Funds:

1. Police & Fire Equipment	\$220,550
2. Arbor Estates (Water/Stormwater/Sewer)	\$1,150,000
3. <u>W 4 St S Reconstruction</u>	<u>\$550,000</u>
Total:	\$1,920,550

Changes made to the Draft FY23 Budget since the January 17th Budget Workshop

- Increased the Transfer from Landfill to the Landfill Post Closure Fund from \$10,000 to \$50,000

At this time, no other changes have been made

Discussion on General Fund Reserve Balance Percentage

	General	General	General	General	General	General
	001	001	001	001	001	001
Projected Fund Balance 6-30-22	\$ 3,275,790	\$ 3,275,790	\$ 3,275,790	\$ 3,275,790	\$3,275,790	\$ 3,275,790
22-23 Budgeted Revenues	\$ 8,669,137	\$ 8,669,137	\$ 8,669,137	\$ 8,669,137	\$8,669,137	\$ 8,669,137
22-23 Budgeted Expenditures	\$ 9,096,457	\$ 9,176,457	\$ 9,246,457	\$ 9,321,457	\$9,401,457	\$ 9,476,457
Projected Fund Balance 6-30-23	\$ 2,848,470	\$ 2,768,470	\$ 2,698,470	\$ 2,623,470	\$2,543,470	\$ 2,468,470
Projected Designated Funds	\$ 569,820	\$ 569,820	\$ 569,820	\$ 569,820	\$ 569,820	\$ 569,820
Undesignated Reserves	\$ 2,278,650	\$ 2,198,650	\$ 2,128,650	\$ 2,053,650	\$1,973,650	\$ 1,898,650
	25.0%	24.0%	23.0%	22.0%	21.0%	20.0%
		80,000	150,000	225,000	305,000	380,000

Outside Agency Funding Proposal For FY23

	FY22 Budget	FY23 Proposed
Newton Development Corporation Hotel/Motel Tax and TIF's	\$ 76,000	\$110,000
Newton Housing Dev Corporation Fairmeadows N TIF	\$40,000	\$40,000
Newton Main Street North Central TIF	\$27,500	\$27,500
Heart of Iowa Regional Transport Local Option Tax	\$34,232	\$35,460
Newton YMCA Local Option Tax	\$20,000	\$20,000
Retired & Senior Volunteer Program Local Option Tax	\$15,000	\$15,000
United Way of Jasper County Local Option Tax	\$17,500	\$17,500

Any Other Changes to the FY23 Budget Proposal?

Final review of FY23 Budget Proposal

What's Next in the Budget Process?

- Earlier tonight, City Council set a public hearing on the Maximum Property Tax Dollars to be received by the City in certain levies in FY23.
- Public hearing on the Maximum Property Tax Dollars Resolution will be at the February 21st Council meeting
- At the February 21st meeting the Council sets the date of a public hearing on the FY23 Budget for March 7, 2022. Budget will be published in the Newton Daily News on Friday, February 25, 2022
- Public Hearing will be held on March 7, 2022. City Council may decrease expenditures but may not increase expenditures above the amounts published on February 25th.
- March 31, 2022 Budget must be received by the County Auditor

Final Review of CIP

General Fund Bonding Proposal

- City Hall Skylight Replacement: \$200,000
- D&D Program: \$150,000
- Parallel Taxiway Reconstruction \$165,000
 - Total Project \$3,186,000/Grant of \$3,021,000

Grand total General Fund Bonds for FY23: \$515,000

Tax Increment Financing Bonds

- Arbor Estates: Fairmeadows N TIF \$950,000
 - \$253,461 2019 bonds/\$85,743 2020 bonds/\$1,150,000 ARPA
- Traffic Signal/ADA Project: 1st Ave E TIF \$150,000
- North Central TIF:
 - Downtown Housing Grants \$ 50,000
 - Downtown Improvement Grants \$ 50,000
 - Downtown Micro Grants \$100,000
 - Gas Plant Remediation \$170,000
- TOTAL N Central TIF: \$370,000

Grand Total of all Tax Increment Financing: \$1,470,000

Also, looking at possibly refinancing the 2015A & B Bonds, as well as the 2017A & B Bonds

Council will start with the bonding process at the February 21st meeting by setting public hearings on the bonds

Other CIP Items

- General Fund Expenditures: \$ 650,000
- Golf Fund Expenditures: \$ 7,500
- American Rescue Plan: \$1,920,550
- Landfill Post Closure Fund: \$3,210,000
- Landfill Fund: \$ 112,000
- Road Use Tax Fund: \$ 562,000
- Stormwater Utility Fund: \$ 350,000
- Water Pollution Control Fund: \$ 174,998

**Questions or comments on the
proposed CIP?**

American Rescue Plan Funding Proposal

- **Total funds available:** **\$2,263,235**
- Final Rule was issued in January of 2022
 - A Standard allowance of up to 10 million dollars can be used for Revenue Replacement
 - These funds can generally be used for services traditionally provided by recipient governments

Proposed Uses of Funds FY23:

W 4 th St S Reconstruction:	\$ 550,000
Arbor Estates:	\$1,150,000
Police/Fire Equipment/Improvements:	
1. SCBA Harnesses	\$ 18,000
2. Bath/Locker/Bunk Remodel	\$ 15,000
3. SCBA Bottles	\$ 11,125
4. Turnout Gear	\$ 11,125
5. Police Misc Equipment	\$ 35,000
6. Police In Car Computers	\$ 10,000
7. Police Vehicles	\$ 120,300

American Rescue Plan Funding Proposal, cont.

FY24 Police/Fire Equipment/Improvements

1. Fire East Bay Flooring	\$	60,000
2. Turnout Gear	\$	10,429
3. SCBA Harnesses	\$	18,000
4. SCBA Bottles	\$	12,250
5. Bath/Locker/Bunk Remodel	\$	15,000

FY22 – FY25 Administration of Program

1. Financial Analyst wages/benefits/expenses (City Council goal)
2. Portion of Finance Officer's Wage

Total: \$227,006 over FY22-FY25 Budget years

Reporting is thru December of 2026

Resolution will be brought before City Council for approval of disbursements of funds on the February 17, 2022 meeting