

City of West Burlington

Budget for FY 11/12



Property Taxes

Taxable Valuations

	<u>2011/2012</u>	<u>2010/2011</u>	<u>2009/2010</u>	<u>2008/2009</u>	<u>2007/2008</u>
Regular	104,573,591	99,730,192	99,445,032	99,407,992	89,540,879
TIF	54,408,906	56,217,796	53,111,068	48,874,844	55,481,613
Ag Land	740,064	687,884	972,551	936,136	945,140

The City reduced the TIF taxable valuations for the following years:

<u>2011/2012</u>	<u>2010/2011</u>	<u>2009/2010</u>	<u>2008/2009</u>
15,144,444	12,011,426	13,000,000	13,920,000

The reduction allowed the regular taxable valuations to increase for the City and other tax supported entities (school, county, college).

- Releasing \$15,144,444 in TIF resulted in increasing revenues in the City's general fund by \$149,324.

Property Taxes

Property tax dollars are the City's largest source of funds for general government operations.

Since both assessed values and the rollback increased, the City will receive more in property tax dollars. \$1,027,044 budgeted to receive for FY 11/12 versus \$985,406 in FY 10/11. An increase of \$41,638.

The State limits the amount cities can levy for their general fund to \$8.10 per \$1,000 of taxable value.

Additional levies (outside the 8.10 limit) the City of West Burlington uses are:

- Liability, property & self insurance costs - .19095
- FICA & IPERS - .73017
- Other Employee Benefits - .77889

Total tax rate for 2011/12 will be \$9.80.

Property Tax Calculations

Start with assessed property values, then apply the roll back in order to get taxable valuations.

RESIDENTIAL PROPERTY EXAMPLE

(Assessed Value)	\$100,000
X (Rollback)	48.5299%
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Taxable Value	\$48,529

(Taxable Value)	\$48,529
X (Levy Rate)	9.80/1,000
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Property Tax Revenue	\$475.58

In Iowa there are 333 cities that have a lower tax rate and 610 cities higher tax rate for Fiscal Year 2010/11.

City of West Burlington

Property Taxes

Listed below are examples of what a residential house worth \$100,000 and a commercial property valued at \$1,000,000 pay in property taxes to the City of West Burlington.

Year	Residential Assessed Valuation	Rollback	Taxable Value	Tax Rate	Taxes
01/02	100,000	56.26510%	56,265	10.72000	603
02/03	100,000	51.66760%	51,668	10.22000	528
03/04	100,000	51.38740%	51,387	9.75001	501
04/05	100,000	48.45580%	48,456	9.75001	472
05/06	100,000	47.96420%	47,964	9.75000	468
06/07	100,000	45.99600%	45,996	10.00000	460
07/08	100,000	45.55960%	45,560	10.00000	456
08/09	100,000	44.08030%	44,080	9.86000	435
09/10	100,000	45.58930%	45,589	9.86000	450
10/11	100,000	46.9094%	46,909	9.86000	463
11/12	100,000	48.5299%	48,530	9.80000	478

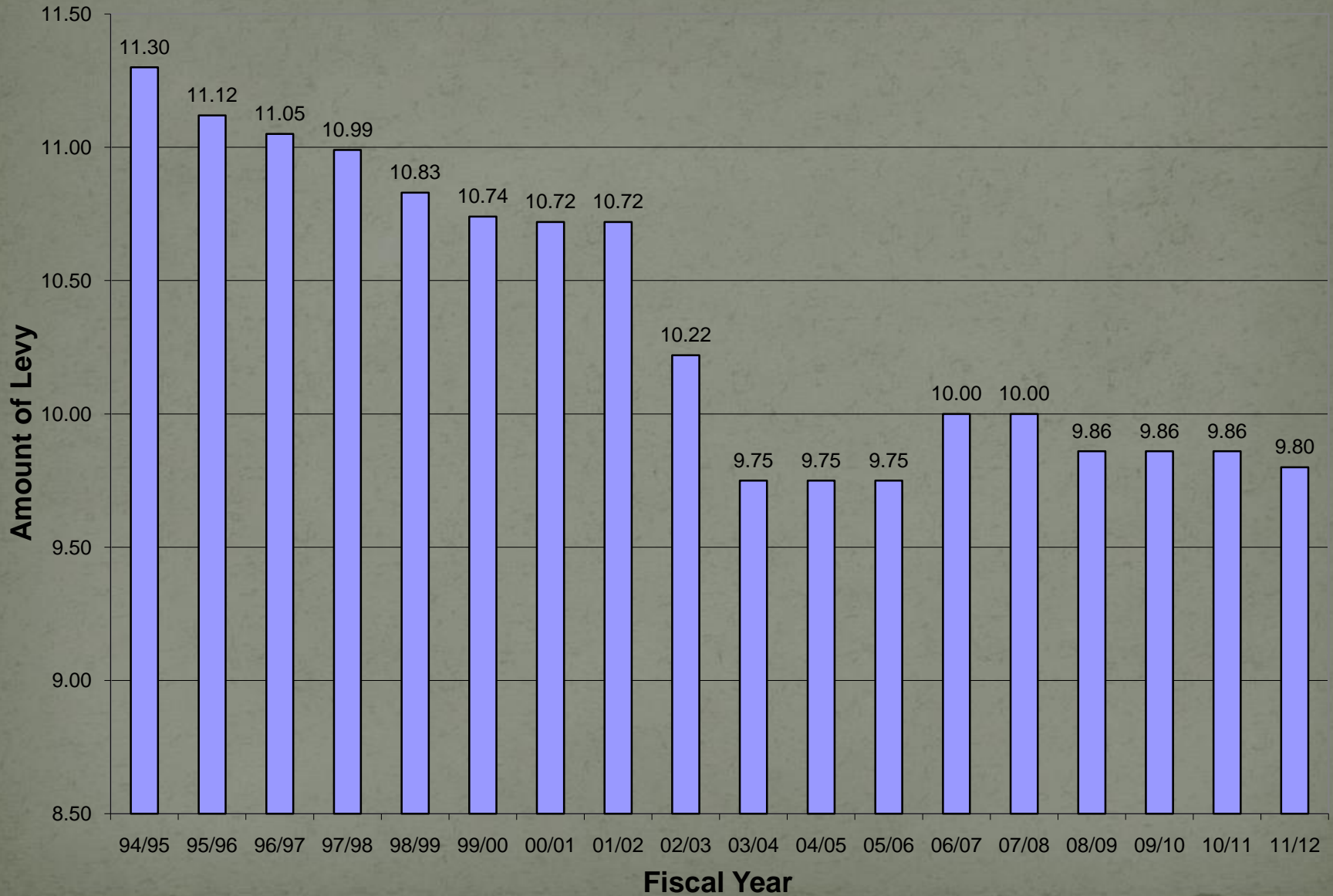
Year	Commercial Assessed Valuation	Rollback	Taxable Value	Tax Rate	Taxes
01/02	1,000,000	100.00000%	1,000,000	10.72000	10,720
02/03	1,000,000	97.77000%	977,700	10.22000	9,992
03/04	1,000,000	100.00000%	1,000,000	9.75001	9,750
04/05	1,000,000	99.25740%	992,574	9.75001	9,678
05/06	1,000,000	100.00000%	1,000,000	9.75000	9,750
06/07	1,000,000	99.15090%	991,509	10.00000	9,915
07/08	1,000,000	100.00000%	1,000,000	10.00000	10,000
08/09	1,000,000	99.73120%	997,312	9.86000	9,833
09/10	1,000,000	100.00000%	1,000,000	9.86000	9,860
10/11	1,000,000	100.00000%	1,000,000	9.86000	9,860
11/12	1,000,000	100.00000%	1,000,000	9.80000	9,800

Property Tax History

City of West Burlington Property Tax Rate History Per \$1,000 Assessed Valuation

Fiscal Year	West Burlington School District Levy	City of West Burlington Levy	Des Moines County Levies	Southeastern Community College Levy	Total Levy	Percentage of Levy that is School's Portion	Percentage of Levy that is City's Portion
2002/2003	16.52600	10.22	7.81610	1.08184	35.64394	46.36%	28.67%
2003/2004	17.28632	9.75001	7.82064	0.99765	35.85462	48.21%	27.19%
2004/2005	19.47883	9.75001	9.20725	0.98283	39.41892	49.41%	24.73%
2005/2006	19.47604	9.75	9.28549	0.98258	39.49411	49.31%	24.69%
2006/2007	21.10026	10.00	8.76076	0.98827	40.84929	51.65%	24.48%
2007/2008	21.14420	10.00	8.76653	0.98858	40.89931	51.70%	24.45%
2008/2009	20.27602	9.86	8.45350	0.97944	39.56896	51.24%	24.92%
2009/2010	20.92982	9.86	8.56864	0.99868	40.35714	51.86%	24.43%
2010/2011	22.23036	9.86	9.37158	1.01355	42.47549	52.34%	23.21%

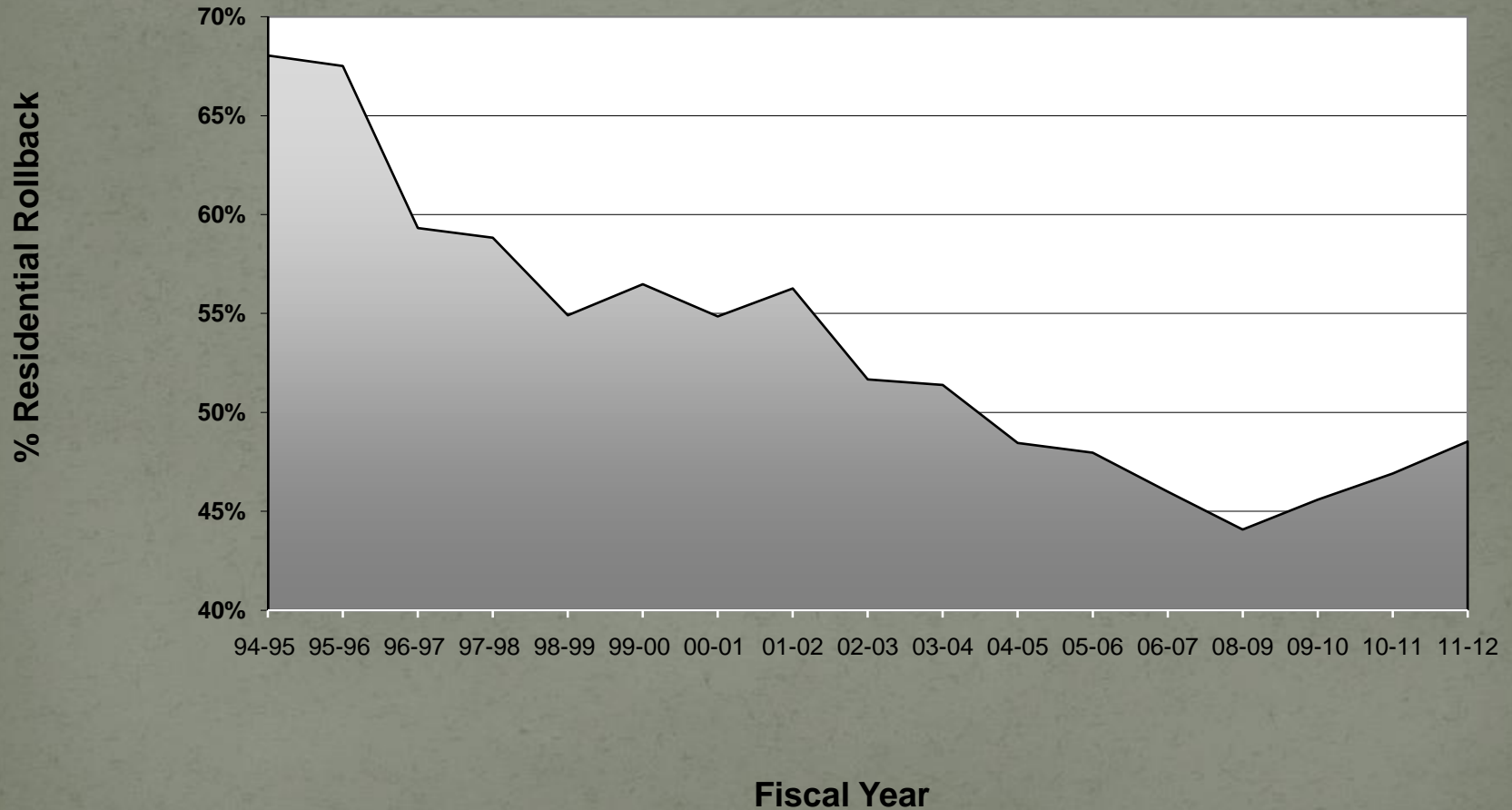
Levy Rates



Rollback

Fiscal Year	Residential	Agricultural	Commercial	Industrial
94-95	68.0400%	100.0000%	100.0000%	100.00%
95-96	67.5074%	100.0000%	100.0000%	100.00%
96-97	59.3180%	100.0000%	97.2824%	100.00%
97-98	58.8284%	100.0000%	100.0000%	100.00%
98-99	54.9090%	96.4206%	97.3606%	100.00%
99-00	56.4789%	100.0000%	100.0000%	100.00%
00-01	54.8525%	96.3380%	98.7732%	100.00%
01-02	56.2651%	100.0000%	100.0000%	100.00%
02-03	51.6676%	100.0000%	97.7701%	100.00%
03-04	51.3874%	100.0000%	100.0000%	100.00%
04-05	48.4558%	100.0000%	99.2574%	100.00%
05-06	47.9642%	100.0000%	100.0000%	100.00%
06-07	45.9960%	100.0000%	99.1509%	100.00%
07-08	45.5596%	100.0000%	100.0000%	100.00%
08-09	44.0803%	90.1023%	99.7312%	100.00%
09-10	45.5893%	93.8568%	100.000%	100.00%
10-11	46.9094%	66.2715%	100.000%	100.00%
11-12	48.5299%	69.0152%	100.000%	100.00%

Residential Rollback Graph



Road Use Tax Fund

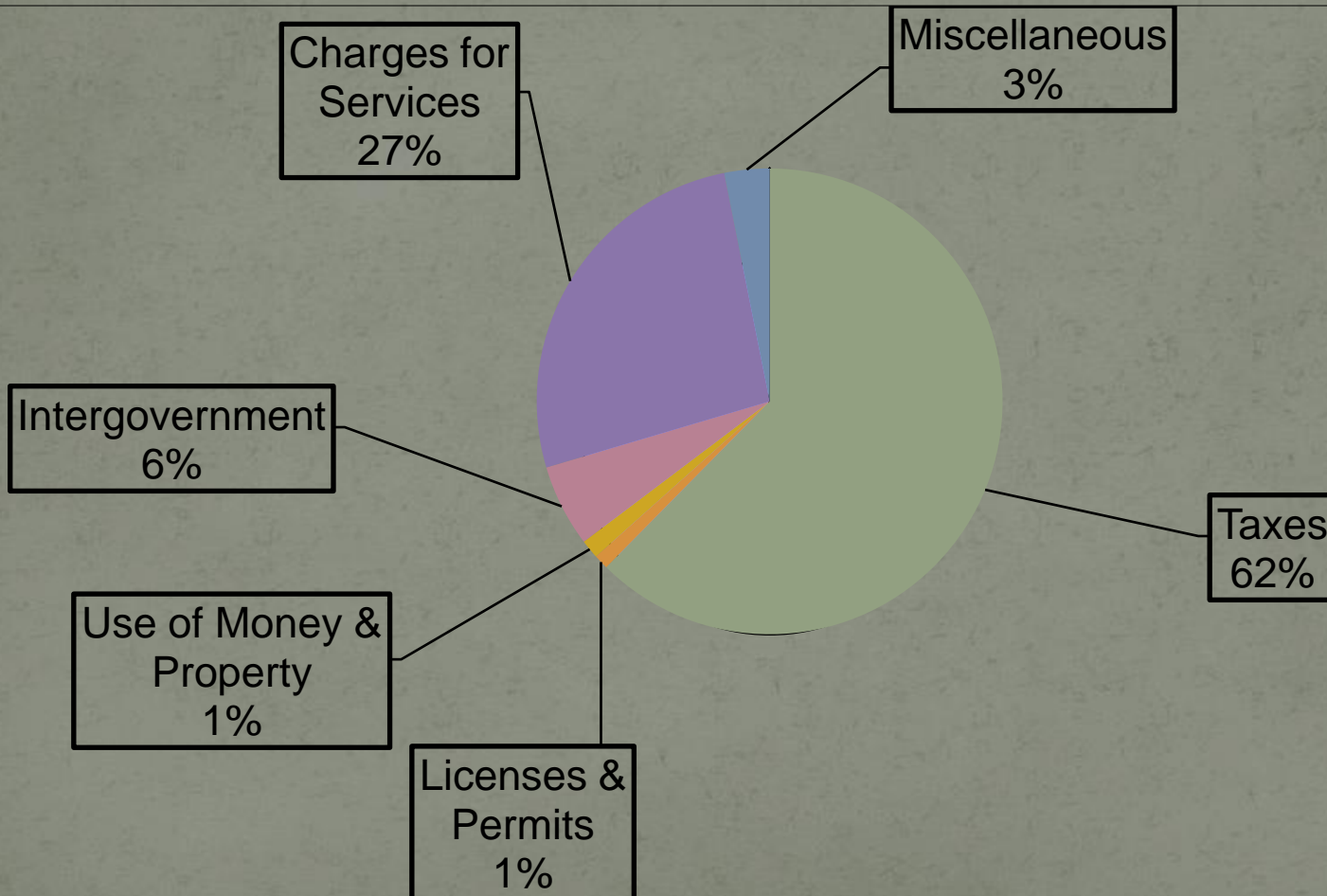
The Road Use Tax Fund comes from vehicle registration fees, motor vehicle fuel taxes, an excise tax imposed on rental of automobiles and a use tax on trailers. Economic instability and fluctuating fuel costs can result in changes in the fund. Distribution is based upon population.

The amount originally estimated by the state for FY 11/12 was a distribution rate of \$94.00 per capita. When doing the budget a conservative estimate of \$92.00 was used. Since publication of the budget the state has revised their estimate to \$91.25 per capita.

Also the new census numbers have come out which resulted in a reduction of 193 residents for the City of West Burlington.

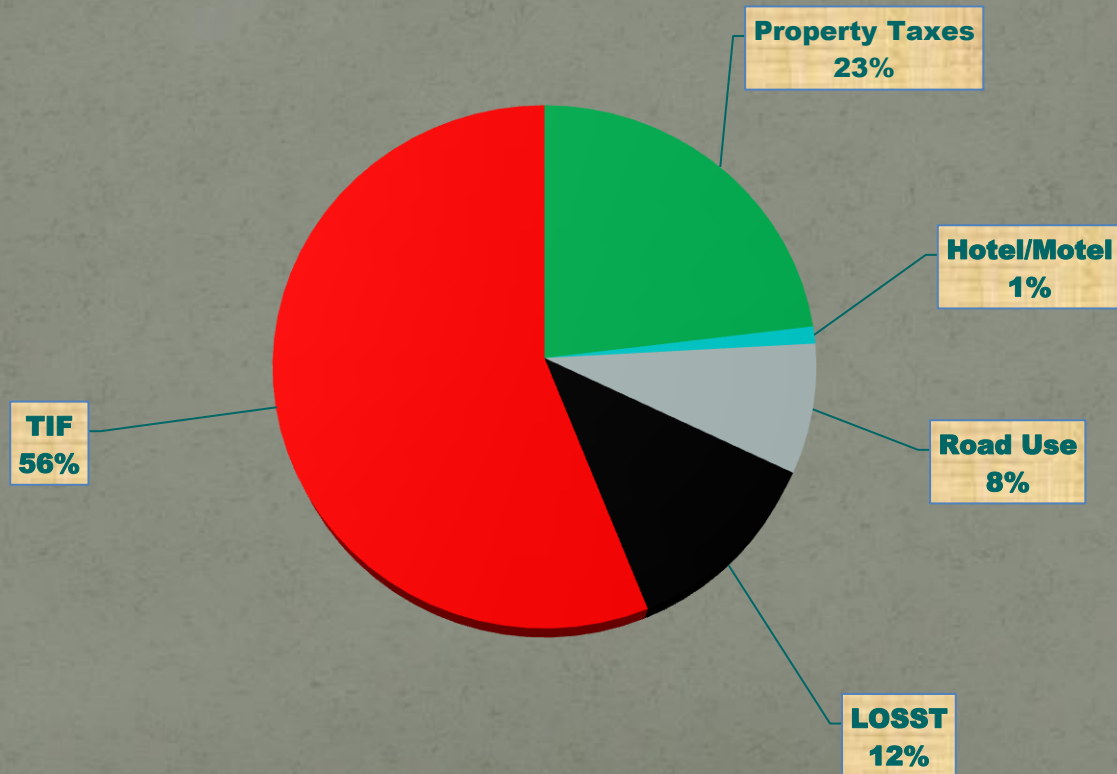
This will result in the City not receiving almost \$20,000 in road use funds that were budgeted in FY 11/12.

Revenues by Source

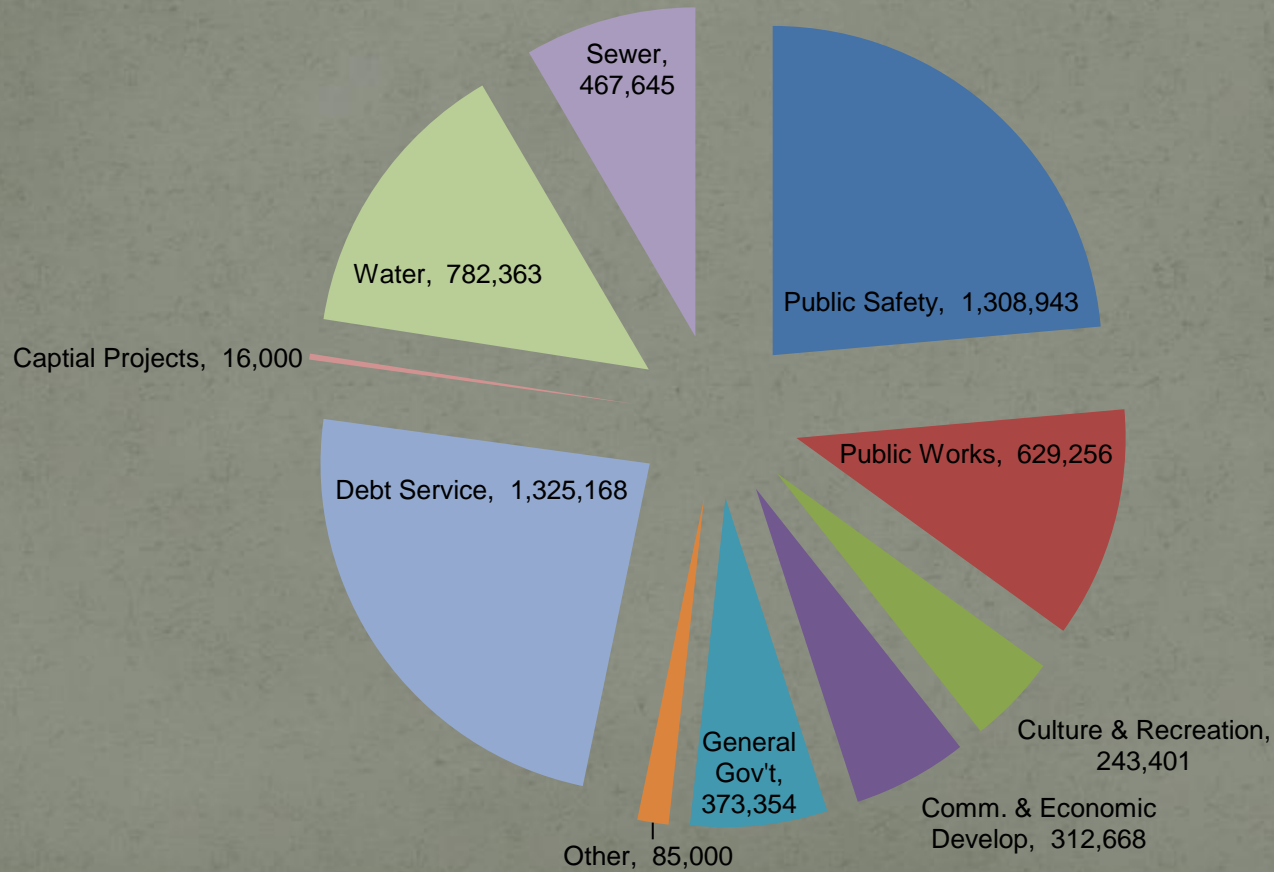


Tax Revenue Breakdown

The City receives approximately 62% of its revenue from taxes. The breakdown of where those taxes come from is shown below.



Expenditures by Function



Payroll

Health Insurance cost increased 19.16% in 2011.

Budgeted an additional 15% increase for January 2012.

Employer share of IPERS increased:

From 6.95% to 8.07% for regular employees

From 9.95% to 9.97% for Police and Fire

Budgeted a 2% wage increase for all employees. Firefighter wages were combined and to be distributed monthly according to rank for fire calls and \$3.00/hour for station time.

Utilities – Water

Water rates – budgeted to increase 5%

	Old rates:	5% increase:
Monthly distribution charge:	15.05	15.80
First 3,000 gallons	no charge with payment monthly distribution charge	
3,000 to 1,000,000 gallons	5.29/thousand	5.55/thousand
Next 500,000 gallons	3.39/thousand	3.56/thousand
All water over 1,500,001 gallons	1.75/thousand	1.84/thousand

User of 3,000 gallons of water would see increase of \$.75 per month or \$9.00 per year.

User of 5,000 gallons of water would see increase of \$1.27 per month or \$15.24 per year.

Utilities – Sewer , Garbage & Recycling

- Sewer rates budgeted to increase .30/thousand
- User of 3,000 gallons of water would see increase of \$.90/month or \$10.80 per year
- User of 5,000 gallons of water would see increase of \$1.50/month or \$18.00 per year

- Garbage rates - increase from \$9.00 to \$9.20 per month.
- Monthly increase of \$0.20 or a yearly increase of \$2.40

- Recycling fees – increase from \$2.95 to \$3.05 per month.

Debt Service

Issue	Amt. of Issue	Source of Repayment	Principal	Interest	Fees	Total Payment
Two Rivers Bank – Property Purchase Maturity 2011/2012	\$260,000	LOSST	\$65,000	\$ 1,625		\$66,625
2007 General Obligation Bonds Pool Maturity 2013/2014	\$4,200,000	TIF	\$750,000	\$93,430	\$400	\$843,830
COBO Revenue Bond Maturity 2015/2016	\$320,000	TIF	\$30,000	\$ 9,448	\$400	\$39,848
SRF GO Bond Maturity 2027/2028	\$400,000	LOSST	\$16,000	\$10,620	\$885	\$27,505
SRF Water Revenue Bond Maturity 2027/2028	\$330,000	Water	\$15,000	\$ 9,810	\$818	\$25,628
2009 Water Improvement GO Bond Maturity 2011/2012	\$850,000	TIF	\$290,000	\$ 6,960	\$400	\$297,360