


COUNCIL COMMUNICATION

	Number:	21-071	Meeting:	February 8, 2021
	Agenda Item:	53	Roll Call:	[]
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Hold public hearing on the establishment of total maximum property tax dollars certified for level for fiscal year (FY) ending June 30, 2022.

SYNOPSIS:

As a new requirement of State of Iowa law, beginning in FY 2021, City Council must establish a maximum property tax levy prior to consideration of City budgets. Notice was published in the Des Moines Register on January 27, 2021. The publication indicates a rate change associated with operations only from \$13.64620 per \$1,000 assessed to \$13.65, which excludes the Debt Service Levy. When considering the Debt Service Levy, the overall rate change is decreased from \$16.61156 to a flat \$16.61.

FISCAL IMPACT:

Amount:

- FY2021-22 Recommended Budget = \$195,776,509 (\$978,563,287 across all funds)

Funding Source: The total \$978.5 million budget is the total appropriation across all City funds.

ADDITIONAL INFORMATION:

- The Recommended Operating Budget reflects slight reduction in the tax rate of \$0.00156. This change is to move the taxable levy to a flat amount of \$16.61. If approved, the City's tax rate will remain essentially the same at \$16.61 for the second year in a row.
- Changes for FY 2022 include:
 - Increased mandated retirement contribution rate for Police and Fire sworn officers. The contribution rate increases in FY 2022 from 25.31% to 26.18%. This is expected to increase City costs by over \$500,000 prior to any increase in pay rate.
- A few additional positions and programs that were added to the General Fund are listed in the table below:

<u>Operational Change</u>	<u>Department</u>
Equity Profile	City Manager
Equity and Social Justice Programming	City Manager
Air Conditioning Mechanic	City Manager (Facilities)
Agenda Management Software	City Clerk
Community Relations Officer	Civil and Human Rights
Crime Intelligence Analyst	Police
Park Maintenance Worker and 7 Month Techs	Parks and Recreation
Facility Operations Staff (Brenton Skating Plaza and Cowrie Baseball Complex)	Parks and Recreation

- Additionally, the City anticipates hold hearing on budget approval on March 8, 2021.

PREVIOUS COUNCIL ACTION(S):

Date: January 25, 2021

Roll Call Number: [21-0097](#)

Action: [To](#) adopt a resolution establishing the total maximum property tax dollars certified for levy for fiscal year ending June 30, 2022, (2-8-21). Moved by Boesen to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- February 22, 2021: Set Hearing on Budget
- March 8, 2021: Hold Hearing on Budget

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