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City of Muscatine, Iowa

Annual Budget

Fiscal Year 2022/2023

ANNUAL BUDGET
CITY OF MUSCATINE, IOWA

FOR THE FISCAL YEAR
JULY 1, 2022 - JUNE 30, 2023

CITY OFFICIALS

Dr. Brad Bark
Mayor

City Council

Dennis Froelich **Jeff Osborne**
Peggy Gordon **Nadine Brockert**
John Jindrich **Angie Lewis**
DeWayne Hopkins

BUDGET PREPARED BY:

Carol Webb, City Administrator
Nancy A. Lueck, Finance Director
LeAnna McCullough, Accounting Supervisor

COVER:

Charles Harper Memorial Gazebo

Charlie Harper served on the City's Recreation Advisory Committee and was a longtime advocate for Muscatine's trail system. His family donated this gazebo in his memory. The gazebo is located along the West Side Trail near the entrance to the Soccer West facility, and includes a bike fix-it station and a water bottle filling station. Dedication of this facility was on June 2, 2022.

City of Muscatine

Mayor and City Council

Seated:

Councilmember Dennis Froelich, Mayor Brad Bark, and Councilmember Peggy Gordon

Standing:

Councilmembers Jeff Osborne, Nadine Brockert, John Jindrich, Angie Lewis, and DeWayne Hopkins

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Muscatine
Iowa

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morrill

Executive Director

Award for Distinguished Budget Presentation

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Muscatine, Iowa for its annual budget for the fiscal year beginning July 1, 2021. This was the 37th consecutive year the City received this award.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

City of Muscatine

Information Directory

City of Muscatine Website

muscatineiowa.gov

City Administrator and Department Directors

Director/Department	E-mail Address	Telephone
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Nancy A. Lueck, Finance Director	nlueck@muscatineiowa.gov	563-264-1550
Jerry Ewers, Fire Chief	jewers@muscatineiowa.gov	563-263-9233
Robert Fiedler Interim Library Director	rfiedler@muscatineiowa.gov	563-263-3065
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Brian Stineman, Public Works Director	bstineman@muscatineiowa.gov	563-263-8933
Jon Koch, Director of Water Pollution Control	jkoch@muscatineiowa.gov	563-263-2752

Introduction to the City of Muscatine

Pearl of the Mississippi

www. muscatineiowa.gov

Early History

Benjamin Nye is credited with having made the first settlement within the present county of Muscatine. This was in the spring of 1834. Mr. Nye laid out a town at the mouth of Pine Creek, situated about 12 miles northeast of Muscatine and named it **Montpelier**. Mr. Nye built a store and three separate mills with his last one, Pine Creek Grist Mill, still standing today in Wildcat Den State Park. Pine Creek offered perfect water power and for many years the early residents of the county brought their grain to his mill but the town itself was a failure.

Colonel George Davenport, who lived at the time in Rock Island, brought a stock of goods and established a trading post in what is now **Muscatine**, erecting a small log cabin and leaving the post in charge of an agent.

The year 1835 saw a number of new settlers in this area. **James W. Casey** started a trading post below that of Colonel Davenport, known as *"Casey's Wood Yard"* of Newburg. **Colonel John Vanater** who had been here several years before, returned and bought Colonel Davenport's post. The town of Bloomington was laid out in 1836 by Colonel Vanater who named the town for his hometown Bloomington, Indiana. This was the first survey by an act of the Wisconsin Territorial Legislature. Approved in January 8, 1837, Bloomington was made the county seat.

Bloomington was incorporated as a town of the second class on January 23, 1839 and on May 6th, its first president, **Joseph Williams** was elected. The population of Bloomington in January 1839 was 71 and there were 33 buildings in the town. In November, there were 84 houses in the city.

How Muscatine got its name

Historians differ in their ideas of how Muscatine got its name. Some claim it was taken from the Mascoutin Indians who lived in this area in the 18th century. The name *"Mascoutin"* means *"Fiery Nation"*. Other historians claim the name came from the Indian name for what is now known as Muscatine Island. Because of the great difficulty in getting mail, (it was often sent to Bloomington, Illinois or Bloomington, Indiana and sometimes Burlington, Iowa), in 1850 the new name of **Muscatine** was adopted for both the town and county.

The name Muscatine is unique in that it is not used by any other city in the United States or the world.

Railroad Development

The period from 1854 to 1875 was marked by the coming of the railroads and the rapid settlement and development of the State of Iowa. The Chicago, Rock Island and Pacific Railroads were the first railroads to be built in Iowa reaching Rock Island, Illinois, in August 1854 and connecting with Iowa by ferry crossing the Mississippi River. On November 20, 1855, the Mississippi and Missouri Railroad, which later became part of the Rock Island System, operated the first passenger train between Davenport and Muscatine. This was also the first passenger train operated in the State of Iowa.

Early Muscatine Industry

Lumbering, saw and planing mills, sash and door factories and other forms of woodworking were a major industry in Muscatine. When the nearby forests were cut off, lumber operators moved up the Mississippi River and brought the logs downstream by water. With the coming of the railroad, lumber was shipped in, but through all these changes various types of woodworking continued to be Muscatine's major industry. Muscatine businessmen acquired forest lands and continued to operate saw mills in various parts of the county.

Pearl Button Industry

John Fred Boepple, a German immigrant with a flair for making buttons, came to Muscatine in 1887. By mistake, Boepple found that fresh water mussel shells, instead of animal horns, made a stronger button that more closely resembled the fashionable buttons made of expensive import marine shells. Nicholas Barry and his sons invented a machine

which turned out better buttons with less labor. Muscatine soon became the world's largest pearl button manufacturer, its factories employing half of the Muscatine workforce during the turn of the century, earning it the name of ***"Pearl Button Capital of the World."*** In 1905 over 1.5 billion pearl buttons were made in Muscatine. Today nearly all buttons are made from plastic.

Other Industrial Development

In 1892, after a nationwide investigation, **H.J. Heinz Company** decided to locate one of their principal canning plants in Muscatine, being the first expansion outside of Pittsburgh. Numerous additions have been made to this plant. This plant is now part of the Kraft Heinz Company which was formed by the merger of Kraft Foods and Heinz.

The fertile soils of Muscatine make the area well known for producing some the highest quality agricultural products in the world with the famous Muscatine Melon being perhaps the most recognized.

Muscatine is home to the world headquarters of HNI (HON Corporation) that began here as a small businesses. Other companies have major facilities in Muscatine and a number of small and medium sized companies have become known nationally and internationally for their products.

Incorporation and Government

Muscatine acquired its present name in 1850. On February 21, 1851 Muscatine was incorporated by a special act of the Iowa State Legislature and is one of four lowa cities that continues to operate under such special authority.

The city is the county seat of Muscatine County and has a mayor-council form of government. Day-to-day operations of the city are carried out under the supervision of a City Administrator.

We remain proud of our heritage and the strong industrial base present today. **Mark Twain,** who lived in Muscatine in 1854, once wrote *"I remember Muscatine for its summer sunsets. I have never seen any on either side of the ocean that equaled them."* Our noted sunsets, joined together with the rolling terrain, quiet neighborhoods and strong sense of family values gives Muscatine a special personality all its own.

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INTRODUCTORY

SECTION

MUSCATINE

Carol Webb
City Administrator
City Hall, 215 Sycamore St.
Muscatine, IA 52761-3840
Cwebb@muscatineiowa.gov
(563) 264-1550 Voice

TO: Mayor Brad Bark and Members of City Council

SUBJECT: Budget Message - FY 2022/2023

DATE: March 31, 2022

The budget for fiscal year 2022/2023 is hereby presented as adopted by City Council subsequent to the informational review process and required public hearings. The emphasis of the budget process is on planning for anticipated operating expenditures, city services, personnel costs, capital expenditures, and other related programs. It is during the City Council's review process that choices are made among competing demands for the city's fiscal resources. The City of Muscatine's established budgetary process has resulted in a management-oriented budget document with the fourfold theme of providing financial control, management information, planning, and policy information. This budgetary process has been recognized by the Government Finance Officers Association in their conferral of the 37th consecutive Distinguished Budget Presentation Award for the fiscal year 2021/2022 City Budget. The budget for fiscal year 2022/2023 will also be submitted for consideration for this award.

GOALS AND OBJECTIVES

The budget for 2022/2023 includes comprehensive goals and objectives for each department and activity in the operating budget. The process of developing a comprehensive management by objectives program for the community is a continual process as the needs of the community change. As a result, the city must continue to redefine its goals and set objectives as to how they can be achieved in both the short and long term. The evaluation of progress in accomplishing the prior year's objectives is an important part of the budget process between the City Council, City Administrator, and department directors.

The City Council held a goal setting session on December 7, 2021 to discuss and establish goals and objectives for 2022/2023. The Core Values, Vision Statement, Mission Statement, and strategic goals for 2022/2023 and future years as adopted and prioritized by City Council are as follows:

Core Values

- Integrity
- Respect
- Innovation
- Excellence
- Professionalism
- Customer Service
- Fiscal Responsibility

Vision

Muscatine is a vibrant river community where a rich tradition of community pride and entrepreneurial spirit has created an outstanding environment to live and work. Muscatine values its history, has a strong sense of community, is rich in cultural and economic diversity, and has strong global connections. Muscatine residents, businesses, and its local government are engaged and achieve goals through valued partnerships.

Mission

Provide effective municipal services, excellent customer service, and sound fiscal management that improves quality of life and ensures a sustainable economy.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023 AND FUTURE YEARS

City Council adopted a Strategic Plan in December 2020 that outlines strategic goals for the City in the next two (2) to five (5) years. This Strategic Plan was re-affirmed by City Council as part of their annual goal-setting process for the 2022/2023 budget. The Strategic Plan includes five general areas as shown below. The City Council also identified potential initiatives, policies, and programs for 2022/2023 and future years that align with the City's strategic plan adopted in 2020. These immediately follow the Strategic Plan.

STRATEGIC PLAN

EXCELLENT CUSTOMER SERVICE

Provide excellent customer service to our residents, businesses, and visitors through effective citizen outreach and engagement, employee training, and improved organizational processes.

1. Conduct proactive outreach to citizens by providing timely and accurate information to the public through a variety of communication channels (e.g., website, social media, print newspaper, etc.).
2. Evaluate and modernize the City's tools and systems that customers use to interact with the City.
3. Empower employees with the tools needed to address customer needs at the lowest organizational level.
4. Provide customer service training to employees and ensure that customer service principles are integrated into employee performance goals and evaluations.
5. Develop and support a culture of process improvement within the City organization with a focus on LEAN principles.
6. Implement and capitalize on advanced technology to improve customer service.
7. Solicit input from the community to determine needs and desired services and facilities.

VIBRANT COMMUNITY

Enhance and improve the vitality of our community core and gateways including the Grandview Avenue Corridor, Park Avenue Corridor, Riverfront, and Downtown areas to support a thriving economy, vibrant neighborhoods, and a high quality of life and place.

1. Develop and implement subarea community plans for the Grandview Avenue Corridor, the Park Avenue Corridor, and the downtown in collaboration with key stakeholders, including residents, businesses, and industries, with a focus on revitalization and place making.
2. Complete planned roadway improvements, including the Grandview Avenue Corridor Revitalization Project and the 2nd Street Streetscape Project.
3. Initiate planning for the Park Avenue Corridor Revitalization Project.
4. Continue to implement components of the Riverfront Master Plan.
5. Support multi-jurisdictional cooperation for improvements to the Muscatine-Louisa County Levee projects.
6. Evaluate opportunities to leverage the Muscatine Municipal Airport and its location in the community.
7. Serve as a catalyst for a thriving downtown economy by partnering with downtown businesses and the Greater Muscatine Chamber of Commerce and Industry (GMCCI).
8. Develop wayfinding throughout the community to enable residents and visitors to locate assets and businesses throughout the community.
9. Create quality places that people want to work, live, and play in and that contribute to community health, happiness, and well-being.

HEALTHY COMMUNITY

Support a healthy community through the availability of quality affordable housing, outstanding recreational and cultural amenities, collaboration with community and healthcare partners, and opportunities for lifelong learning.

1. Complete and implement the Housing Plan in collaboration with a broad group of stakeholders and partners (including the Housing Collaborative and based on the Housing Demand Study), the HUD-approved Public Housing Plan, and other available documents and data.
2. Support the provision of a full range of housing types to meet the needs of a demographically diverse population.
3. Address vacant and nuisance properties to create new opportunities for housing and to support a vibrant community.
4. Support housing projects that increase the availability of quality housing that is affordable to a broad range of income levels by leveraging Tax Increment Financing and other incentives.
5. Leverage City-owned land to support affordable housing goals.
6. Explore innovative approaches to affordable housing development including land banking, revolving loan funds, and other tools.
7. Collaborate with community and healthcare partners to enhance services and improve the health and well-being of the community.
8. Continue to invest in and develop community recreational amenities that contribute to a healthy community and attract visitors.
9. Create and implement strategies to increase access to healthy food in the Grandview Avenue Corridor.

SAFE COMMUNITY

Provide exceptional public safety and community services to ensure a safe community in which residents may live, work, and play.

1. Meet or exceed community expectations regarding the quality of level of police, fire, and emergency services.

2. Invest in critical public safety infrastructure and equipment to maintain the expected level of service while managing capital costs.
3. Develop and implement master plans for public safety based on facility needs, call volume, population, and increasing demands for service.
4. Implement effective recruitment, training, and succession planning programs to ensure staff remain current in their fields and service levels are maintained or improved.
5. Implement technology tools, data collection, and assessment to streamline activities and improve efficiency and effectiveness of routine and emerging activities.
6. Continue to implement community policing principles and programs to build positive police-community relations
7. Continue to invest in active fire and injury prevention public education and code enforcement programs.
8. Continue active participation in state-level EMS and Fire organizations and partner with training institutions to further the quality of EMS practitioners and future employees.

RELIABLE PUBLIC INFRASTRUCTURE

The City will continue to update and implement its Capital Improvement Plan to ensure reliable, safe public infrastructure that meets community needs.

1. Continue to evaluate and prioritize capital investments utilizing multiple criteria such as fiscal wellbeing, desired service levels, state and federal mandates or legal requirements, and asset condition and operation.
2. Invest in master plans when appropriate and implement those plans as funding becomes available and is approved by City Council.
3. Implement asset management practices to maintain and replace aging assets while maintaining service levels.
4. Integrate placemaking into capital projects when feasible to create quality community spaces that are safe, attractive, and support community connectivity.
5. Implement capital projects and programs as identified in the Capital Improvement Plan.

Other Mayor and Council objectives include:

- Meet jointly with the County Board of Supervisors to discuss issues of shared interest.
- Conduct an annual planning meeting.
- Develop and implement an annual State of the City address.
- Continue to address policy issues of Council and community interest.

<u>INITIATIVES, POLICIES, AND PROGRAMS FOR 2022/2023 AND FUTURE YEARS</u>

- To continue providing forgivable loans for small businesses (Vibrant Community)

- To update ordinances related to pets, exotic animals, dangerous animals, licensing, tethering, and cruelty so they are understandable and easy to enforce, and related changes to the animal services/animal control program (Safe Community)

- To review city services for best practices and to ensure service is being provided as efficiently and cost effectively as possible (Excellent Customer Service)

- To complete installation of new recreational amenities at Taylor, Musser, and Kent Stein parks (Healthy Community)
- To continue responding to requests for TIF (Tax Increment Financing) assistance for housing- related and other economic development projects (Vibrant Community)
- To update the snow emergency policy, plan, and ordinance (Safe Community)
- To continue to assist the County as needed with Levee improvements (Safe Community)
- To continue work on the West Hill Sewer Separation Project (Reliable Public Infrastructure)
- To determine the uses of the ARPA (American Rescue Plan Act) funds (Vibrant Community)
- To complete the Grandview Avenue Reconstruction project (Reliable Public Infrastructure)
- To continue to progress on the Fire Station No. 3 and Riverfront Amphitheater projects (Safe and Vibrant Community)
- To evaluate the redevelopment of Carver Corner (Vibrant Community)
- To develop and implement uniform enforcement of nuisance ordinances and implement a property maintenance code (Vibrant Community)
- To continue quarterly or semi-annual meetings with County Supervisors, School Board, and possibly other cities in Muscatine County (Excellent Customer Service)
- To conduct an annexation study (Vibrant Community)
- To pursue an aggressive schedule for Riverfront developments (Vibrant Community)
- To conduct a condition assessment and develop preventive maintenance plans for City buildings (Reliable Public Infrastructure)
- To aggressively pursue productive use of vacant, abandoned, and city-owned surplus properties (Vibrant Community)
- To continue to increase economic development efforts and small business support (Vibrant Community)
- To evaluate the City's pay philosophy, total compensation, and Human Resources management (Excellent Customer Service)
- To evaluate the potential use of an Appeals Board for building construction activity and/or nuisance violations (Excellent Customer Service)
- To develop and begin implementation of a Wayfinding Plan for the City (Vibrant Community)

- To extend sewer/water service to all parts of Muscatine annexed in the early 1980's (Reliable Public Infrastructure)

- To evaluate potential improvements to the Weed Park Aquatic Center (Healthy Community)

- To pursue Fulliam Avenue reconstruction (Reliable Public Infrastructure)

- To evaluate the feasibility of over/under passes at train crossings (Safe Community)

KEY BUDGET ISSUES

In developing the fiscal year 2022/2023 budget, there were several key issues which had to be addressed during the budget process and which will continue to be concerns during the implementation of the various programs and services during the year. Due to continuing financial challenges, the goals in developing the 2022/2023 budget were to:

1. Maintain service levels
2. Provide departments with the resources needed to continue to provide services to residents
3. Provide funding for continued capital improvements
4. Propose reasonable tax rates and other funding options
5. Balance department budget requests with funding that is available
6. Further the City's Strategic Plan and City Council priorities

Continuing Impacts of the COVID-19 Pandemic

Due to the team effort of the City Council and City staff, as well as the recovering economy, CARES (Coronavirus Aid, Relief, and Economic Security) Act funding, and American Rescue Plan Act (ARPA) funding, the financial impacts of COVID-19 have not been as significant as originally projected. There still are, however, revenue concerns going forward.

Several of the impacts on General Fund revenues from the COVID-19 pandemic that are expected to continue in the 2022/2023 fiscal year include:

1. Hotel/motel taxes are projected at $365,000 in the 2021/2022 revised estimate and $375,000 in the 2022/2023 budget (decreases of $135,000 and $125,000 compared to the approximately $500,000 received prior to the pandemic). Continued reduced business travel is anticipated.
2. Building permits are projected at $240,000 in the 2021/2022 revised estimate and $170,000 for the 2022/2023 budget (compared to the over $300,000 received prior to the pandemic).
3. Interest revenue – General Fund interest is projected at $1,000 for both the revised estimate and for the 2022/2023 budget due to the near zero percent interest rates (compared to over $100,000 received prior to the pandemic).

City Council and City staff plan to continue to use caution going forward in fiscal year 2022/2023 due to the uncertainty of these revenues as well as the economy.

Increased Costs of Providing City Services

The 2022/2023 budget addressed the following increased costs of providing the same level of services to our residents:

1. Contractually required increases in compensation to union groups (2.9+%); non-union employees budgeted with a 2.9% increase
2. Increase in the Seasonal Pay Plan implemented to attract workers for the numerous seasonal programs and facilities
3. Significant increases in the cost of operating supplies including fuel and parts
4. Supply chain issues – challenges in finding certain supplies, increased costs
5. Long lead-times for new vehicles and equipment

Utility Franchise Fee

A key issue for the 2010/2011 budget was the consideration of and ultimate adoption of a Utility Franchise Fee on Alliant Energy, the provider of natural gas to the community. The ordinance change adopting this fee provides that the fee may be up to 5% on natural gas sales by Alliant in the community. The initial rate was set at 2% which was effective July 1, 2010 and this fee has varied since it was implemented.

The 2019/2020 budget included an increase in the Utility Franchise Fee from the previous 2% to the maximum rate allowed of 5%. This increase was recommended in order for the City to maintain its current level of services and provide the necessary capital equipment to departments. The 5% rate continued in 2020/2021 and in the original budget for 2021/2022. This assisted in maintaining the current service levels to residents while revenue reductions due to the COVID-19 pandemic continued.

Beginning in the fall of 2021, there were multiple news articles and news releases concerning projected increased prices for major home heating fuels for the coming winter. An Alliant Energy News Center report referenced a U.S. Energy Information Administration report which "projects natural gas expenditures in the Midwest will rise by nearly 50% compared to last winter" and notes "we expect natural gas prices to remain volatile over the coming months, with winter temperatures being a key driver of demand and prices".

The Alliant Energy's News Center report further stated that "it is extremely difficult to accurately predict a realistic impact for customers" which directly correlates to the Utility Franchise Fees collected by the City. Projecting customer heating bills is further impacted since "customer heating bills are based on two elements: Cost of energy itself and the amount of energy customers use".

City Council members indicated a desire to reduce the City's Utility Franchise Fee rate to lessen the impact to residents from the projected increase in natural gas prices and in December began the process to reduce the Utility Franchise Fee from 5% to 3%. After a required public hearing and consideration of the ordinance, this reduction was effective February 1, 2022.

Since natural gas prices are dependent on both the cost of natural gas and the amount of energy used, it is difficult to project the financial impact of a rate reduction to the City's Utility Franchise Fee revenues. The duration of the increased natural gas prices is also unknown. The franchise fee totaled $456,312 in 2020/2021 at the 5% rate. The 2021/2022 revised estimate included an estimated $350,000 in utility franchise fees from a partial year of the fees at 3% rate and the 2022/2023 budget includes $270,000 for a full year at the 3% rate. These are likely to be conservative estimates if the higher gas prices continue.

State Legislation

In 2013 the State Legislature adopted Senate File 295 for Property Tax Reform. This legislation implemented the following:

1. Taxable valuations for commercial property and industrial property, which historically had been valued at 100% of actual value, were rolled back to 95% for 2014/2015 and to 90% for 2015/2016. Per this legislation the State was to provide a reimbursement to cities for the commercial and industrial rollback which was expected to offset a portion of the property taxes which would have been received if not for these rollbacks. This reimbursement, however, was capped at the 2016/2017 funding level.
2. Beginning in 2022/2023, however, the State will begin phasing out the reimbursement (the backfill) for the commercial and industrial rollback. This reduced the State reimbursement (in total across all funds) by $76,970 in 2022/2023. The reimbursement will continue to be phased out over the next seven years until it is fully eliminated in fiscal year 2029/2030.
3. A taxable valuation growth reduction for agricultural and residential property from the previous 4% to 3%. This will limit the annual increase in taxable valuations for those properties.
4. While the rollback factor for residential property was originally projected to incrementally increase in upcoming years from the 56.4094% in 2021/2022, it cannot increase above 60% per this legislation.
5. For 2022/2023, however, there was no significant change in taxable valuations due to the residential rollback decreasing from 56.4094% to 54.1302%. In effect, the General Fund maximum levy of $8.10 per $1,000 of valuation will yield the same approximate tax dollars as the prior year.
6. Created a new "multi-residential" property class which will be rolled back to residential levels by January 1, 2022 (valuations for the 2023/2024 budget), without backfill to local governments. This is being phased in beginning in the 2016/2017 fiscal year. The rollback factor for these properties was 86.25% in 2016/2017, 82.50% in 2017/2018, 78.75% in 2018/2019, 75.00% in 2019/2020, 71.25% in 2020/2021, 67.50% in 2021/2022, and it will decrease to 63.75% in 2022/2023. The rollback factor will again decrease in 2023/2024 and will then equal the residential rollback in place at that time.

This legislation has impacted the City's taxable property valuations since fiscal year 2014/2015 and will continue to impact taxable valuations in future years. The City's 2022/2023 budget was developed based on positioning the City for the impacts from the legislative changes previously enacted or that may be enacted this legislative session.

State COVID-19 Relief Funding

In October of 2020, the City received $561,628 in COVID-19 Local Government Relief funds from the State. These funds were credited to the Emergency Tax Levy/ Emergency Fund, which had a balance of $85,934. This brought the total in this fund to $647,562. Due to continuing concerns with revenue reductions in hotel/motel taxes, construction permits, interest, and other sources, the 2021/2022 revised estimate is based on transferring $300,000 of the State COVID Relief funds to the General Fund in the current fiscal year and $261,600 in the 2022/2023 fiscal year. The prior year Emergency Fund balance of approximately $86,000 will also be transferred to the General Fund in 2022/2023.

American Rescue Plan Act (ARPA) Funding

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. This Act provided $1.9 trillion dollars of funding for families, governments, businesses, schools, non-profits, and others impacted by the COVID-19 public health crisis. The allocation for State and local governments totaled $350 billion. The allocation for cities with populations less than 50,000 totaled $19.5 billion. The City of Muscatine's allocation is estimated at $3,533,377 with half of these funds ($1,766,688) received in the 2021/2022 fiscal year with the balance to be received in 2022/2023.

The initial guidance on the uses of the American Rescue Plan funds to local governments was completed and available to local governments on May 10, 2021. Initial information on the eligible uses of the funding included**:**

1. Revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency
2. Premium pay for essential workers
3. Assistance to small businesses, households, and hard-hit industries, and economic recovery
4. Investments in water, sewer, and broadband infrastructure

The initial guidance provided that a calculation be done in order to use funds for revenue replacement. The final guidance allows governments to claim up to $10 million for revenue replacement without the previously required calculation. The City plans to claim all of the ARPA allocation for revenue replacement, then allocate these funds for specific uses.

ARPA funds are required to be expended or obligated by the end of the 2024 calendar year, and obligated funds are required to be fully expended by the end of calendar year 2026. For the 2021/2022 revised estimate and 2022/2023 budget, the City has budgeted a total of $1,715,200 of the full ARPA allocation and has also developed a list of potential projects or programs for the balance of the funding allocation.

The 2021/2022 revised estimate ARPA expenditures total $274,500 with $222,000 transferred to the General Fund for revenue replacement and $52,500 for one-time capital purchases or programs as detailed in the ARPA budget in the Special Revenue Funds section of the budget.

The 2022/2023 budgeted expenditures total $1,440,700 with $324,200 transferred to the General Fund for revenue replacement and $1,116,500 for one-time capital purchases or programs.

The transfers to the General Fund in both years are the amounts needed to balance the General Fund budgets and maintain services to residents. These transfers were also to address continued reduced revenues in several areas (hotel/motel taxes, building permits, interest, etc.) due to the COVID-19 pandemic. If the full amount of ARPA funds allowed for each year is not needed to balance the General Fund budget, these funds will remain in the ARPA fund to be used for one-time capital or other expenditures.

Property Tax Rate

Every elected body struggles with balancing the tax burden for citizens with a need to provide adequate funding for operational and capital activities within the organization itself. It is that balance that City Council again tried to achieve in the 2022/2023 budget.

The City tax rate is budgeted to increase from the current $15.67209 per $1,000 of valuation to $15.97054 per $1,000 for fiscal year 2022/2023, an increase of 1.9%. The tax rate increase was needed due to the funding challenges, many of which have previously been discussed, including:

1. There was no significant increase in taxable property valuations. In effect, the General fund levy limit of $8.10 per $1,000 of valuation will yield the same tax dollars as the prior year.

2. The State began phasing out their reimbursement (the backfill) for the commercial and industrial rollback in 2022/2023. This reduced the State reimbursement (in total across all funds) by $76,970 in 2022/2023.
3. The City has union contracts that provide for at least a 2.9% increase for the upcoming year. Compensation for non-union employees is also budgeted at 2.9%.
4. A need to increase the compensation for seasonal employees to attract workers for the numerous seasonal facilities and programs of the City.
5. Non-property tax City revenues continue to be negatively impacted by the COVID-19 pandemic (hotel/motel taxes, building permits, interest, etc.)
6. Significant increases in the cost of operating supplies including fuel, fertilizers and chemicals, vehicle and equipment parts, copy paper, etc.
7. Supply chain issues which make locating supplies challenging and has resulted in long lead-times for ordering vehicles and equipment.
8. The fiscal year 2022/2023 impact of the reduction in the Utility Franchise Fee rate from 5% to 3% is not known and is difficult to determine when it is not known if the higher gas rates will continue.

The total property tax rate for the 2022/2023 budget is $15.97054 per $1,000 of taxable valuation, which is 1.9% higher than the current year rate. Changes in the individual tax levies that comprise the overall levy are shown in the following chart:

General Fund	$8.10000 (maximum rate; no change)
Transit	.00000 (not levied in FY 22 or FY 23)
Tort Liability	.34793 (increase of 3.0%)
Employee Benefits	5.05175 (increase of 5.9%)
Emergency Levy	.27000 (maximum rate; increase of 89.8%)
Debt Service	2.20086 (decrease of 5.2%)
Levee	.00000 (not levied in FY 22 or FY 23)
	$15.97054

The transit tax levy was eliminated for the 2021/2022 budget and will also not be levied in 2022/2023. This was possible due to the accumulated balance in the Transit Fund and the CARES Act funding received for the Transit system in 2020/2021 and 2021/2022. The Tort Liability levy increase is due to the budgeted increase in insurance premiums and the Employee Benefits increase is due to increased benefit costs for General Fund employees. The Debt Service levy has decreased due to the decrease in bond and interest requirements for 2022/2023. The increase in the Emergency levy is for funding to maintain City service levels with the relatively flat taxable valuations in 2022/2023.

While the total tax rate increased by approximately $.30 per $1,000 of valuation (1.9%), rollback factors applied to several property categories will impact property taxes for these property owners. Residential property owners will see a 2.26% decrease in city property taxes since the rollback factor applied to residential property decreased from 56.4094% to 54.1302% (by 4.04%) for the upcoming year. The average residential property in the City of Muscatine has an assessed value of $112,542. The owner of the average residential property will see a decrease of $22.00 in their city property taxes for 2022/2023.

With the rollback decreasing from 67.50% to 63.75% for multi-residential properties, the owner of a multi-residential property with a value of $100,000 will see a decrease of $40.00 in their city property taxes. The 90% rollback for commercial and industrial properties will continue in 2022/2023 and those properties will be impacted by the 1.9% increase in the tax rate. These rollbacks are mandated by the State of Iowa and result in shifting the tax burden between different categories of property.

Significant Changes Implemented

Departments will continue to look for efficiencies and cost savings in their operations in 2022/2023 and future years. One of the City's goals for the upcoming year is to continue to develop a Continuous Service Improvement program which will assist departments in identifying and implementing efficiencies and cost savings in their department operations. With limited financial resources expected to be available in future years and a growing demand for municipal services, the City must continue to take significant steps to enhance revenue streams as well as reduce expenditures where appropriate to meet these challenges. The recommendations included in the 2022/2023 budget are aimed at positioning the city to continue to address economic challenges, continue to provide existing services to the community, and position the city to meet new challenges and ever-growing demands.

Tax Increment Financing (TIF) and Economic Development

The City has been a strong proponent of economic development activities over the years and has made aggressive use of TIF and tax abatement incentives. The City continues to support these efforts as these are effective tools for local communities, but TIF comes up against strong opposition annually during legislative sessions. The City needs to maintain the ability at the local level to attract and retain business. However, there is another side of the story which is often forgotten, and that is the effect on the city, county, and schools and ultimately their respective tax rates. The increment the City is claiming for TIF totals $73,349,252 in 2022/2023 for all of the TIF areas. This value would generate $594,129 in taxes from the $8.10 General Fund tax levy. The impact on total taxes including the various other levies using the City's total tax rate of $15.97054/$1,000 rate is $1,171,427 – essentially lost city revenue that could be used to fund and maintain city operations and services. If that $73.3 million was allocated toward regular valuations for all taxing entities, the county would generate over $645,000 in taxes and the school over $992,000 (or they could reduce their respective tax rates). It should be noted that a portion of the increment the City is claiming is for debt service on bond issues for public improvements in TIF districts. If those projects were not funded from TIF and the City still did them, the City's debt service levy would need to be higher. It should also be noted that but for TIF, many of the projects may not have happened and there would have been no increase in regular taxes to the various governmental entities.

A significant funding source that was identified in previous years was the better utilization of tax increment financing (TIF) districts and returning to regular taxable valuations the unused portions of those funds on an annual basis. This will continue to be the case in the 2022/2023 budget and for years to come. By not claiming the full amount allowed, a portion of the values in each TIF area go back onto regular taxable valuations for all affected taxing entities. For 2022/2023 the City is claiming $2,354,000 in incremental taxes and approximately $1,454,600 (38.2%) of incremental taxes were not claimed by the city for 2022/2023. This resulted in the related property values to be considered as regular valuations, which increased regular tax revenues in all tax categories for the City, County, and School district.

For the 2011/2012 through 2022/2023 budgets, the City Council approved two resolutions in each of these years for internal advances of funds which allow the City to claim TIF funds for TIF administrative and economic development purposes. For 2022/2023, the first resolution provided for an internal advance of $179,400 for staff time and other professional services involved in economic development activities and TIF administration which includes staff time of the City Administrator, Community Development Director, Assistant Community Development Director, Finance Director, Public Works Director, City Engineer, and Communication Manager positions. The other resolution was for an internal advance of $43,000 for an economic development grant to the Greater Muscatine Chamber of Commerce and Industry for their economic development activities. Using TIF funds for these purposes (instead of general property taxes) assisted the City in balancing each of the annual General Fund budgets from

2011/2012 through 2022/2023 and continuing to provide the current level of General Fund services to the community.

In May of 2011, the City Council approved a resolution, which consolidated and expanded the City's urban renewal policies, projects, and initiatives under a single urban renewal plan and expanded the City's urban renewal area to include the City boundaries. This action has allowed the City to pursue using TIF funding for economic development or blight alleviation throughout the City.

Other Issues and Challenges for 2022/2023

As in every year, there are increases in expenditure levels for city operations that reflect the increased cost of providing services even at a status quo or below status quo level. These increases include:

1. Contractually required increases in compensation to union groups (2.9+ %); non-union employees are budgeted with a 2.9% increase
2. An increase in the Seasonal Pay Plan was implemented to attract workers for the numerous seasonal programs and facilities
3. There are significant increases in the cost of operating supplies including fuel and parts
4. There are also supply chain issues – challenges finding certain supplies and increased costs
5. There is also a long lead-time for ordering new vehicles and equipment

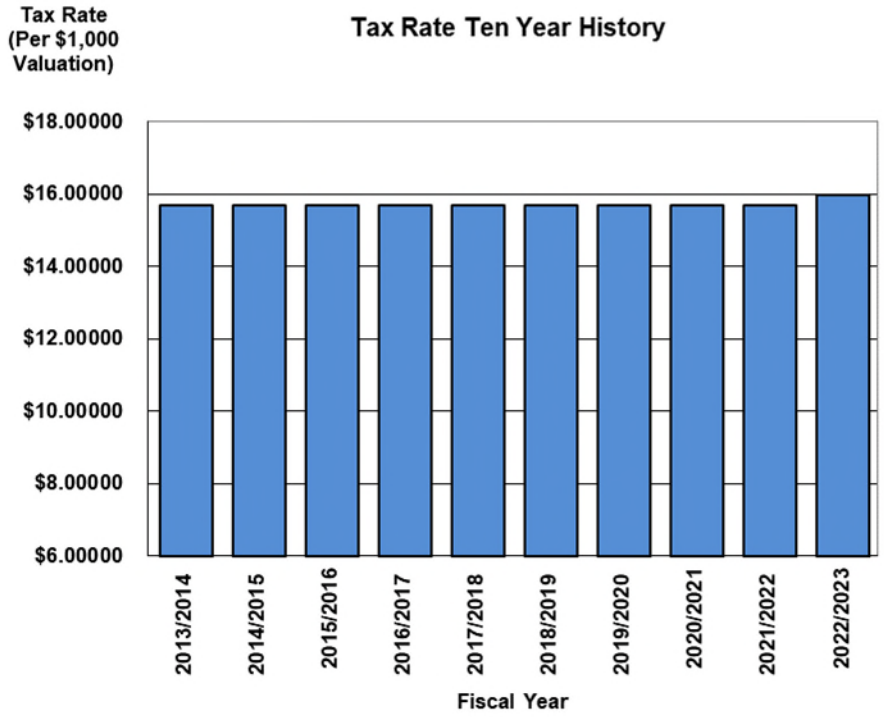
Municipalities are not immune to the same inflationary pressures that affect our residents and business community. Rising costs of fuel, utilities, asphalt, other materials, and construction costs all affect the City. With the increased cost of providing basic services, there continues to be challenges for the city's financial resources to meet these increasing obligations. Additional costs for operating supplies and services continue to divert dollars that could be used for additional or enhanced services. The Municipal Cost Index (MCI) provides an indication of changes in the costs of materials purchased by municipal governments. The MCI had an increase of 10.82% between December 2020 and December 2021 when the City began developing the 2022/2023 budget. This is significantly higher than the MCI increase of 1.77% between December 2019 and December 2020. The MCI has continued to increase since December of 2021, with the index increasing by an additional 3.89% between December of 2021 and March of 2022.

The 2015/2016 budget included an assigned funding allocation of $12,300 to allow for merit increases for fulltime non-union employees. This was the first year of this program which allows for employees in this group to progress above the mid-point of their pay ranges based on merit performance in their positions. The 2016/2017 budget included $12,300 for the 2nd year of this program. The budget amount was based on an estimated 30% of the fulltime employees in this group being eligible for merit pay of up to 1% of their annual salary. The 2017/2018, 2018/2019, 2019/2020, 2020/2021, and 2021/2022 budgets have each included $50,000 to allow for merit increases in the non-union pay plan of up to 3% based on performance. While the 2020/2021 original budget included an allocation of $50,000 for merit pay of up to 3%, this allocation was put on hold until midway through the fiscal year due to concerns with reduced revenue to the General Fund due to the COVID-19 pandemic. Due to financial constraints, the 2022/2023 budget includes $25,000 for merit increases of up to 1.5%.

TAX RATE AND TAX BASE

Tax Rate

Property taxes continue to be the major revenue source for the City of Muscatine. In 2022/2023, property taxes will represent 31.1% of total city operating revenues. This is a slight decrease from the 32.5% in fiscal year 2021/2022. The total tax levy rate for fiscal year 2022/2023 will increase by 1.9% to $15.97054 per $1,000 of valuation compared to the $15.67209 per $1,000 of valuation maintained for the last ten (10) years. The following chart shows the property tax rates for the last nine (9) years and the budgeted rate for 2022/2023:



The tax rate for 2008/2009 was $16.15095 per $1,000 of valuation, it was lowered to $15.55353 in 2009/2010, it increased slightly to $15.77146 for 2010/2011, and that rate was maintained for 2011/2012. In 2012/2013 the rate was $15.67209 and that rate was maintained for ten years through 2021/2022. As discussed previously, the City tax rate is budgeted to increase from the current $15.67209 per $1,000 of valuation to $15.97054 per $1,000 for fiscal year 2022/2023, an increase of 1.9%. This rate is still significantly lower than the $16.19095 rate in fiscal year 2008/2009.

The tax rate increase for 2022/2023 was needed in order to maintain City service levels while addressing budget challenges discussed in the Key Budget Issues section of this Budget Message including:

1. There was no significant increase in taxable property valuations. In effect, the General fund levy limit of $8.10 per $1,000 of valuation will yield the same tax dollars as the prior year.

2. The State began phasing out their reimbursement (the backfill) for the commercial and industrial rollback in 2022/2023. This reduced the State reimbursement (in total across all funds) by $76,970 in 2022/2023.

3. The City has union contracts that provide for at least a 2.9% increase for the upcoming year. Compensation for non-union employees is also budgeted at 2.9%.
4. A need to increase the compensation for seasonal employees to attract workers for the numerous seasonal facilities and programs of the City.
5. Non-property tax City revenues continue to be negatively impacted by the COVID-19 pandemic (hotel/motel taxes, building permits, interest, etc.)
6. Significant increases in the cost of operating supplies including fuel, fertilizers and chemicals, vehicle and equipment parts, copy paper, etc.
7. Supply chain issues which make locating supplies challenging and has resulted in long lead-times for ordering vehicles and equipment.
8. The fiscal year 2022/2023 impact of the reduction in the Utility Franchise Fee rate from 5% to 3% is not known and is difficult to determine when it is not known if the higher gas rates will continue.

There are categories that make up the 2022/2023 tax rate:

1. The City's General Fund levy of $8.10 per $1,000 of valuation is the maximum levy permitted by state law. The City has been at this maximum General Fund levy limit since 1991/92.

2. The Transit Levy was eliminated for the 2021/2022 budget and will also not be levied in the 2022/2023 budget. Elimination of this levy was possible due to the accumulated balance in the Transit Fund and the CARES Act funding received in 2020/2021 and 2021/2022.

3. The Tort Liability levy will be $.34793 per $1,000, which is an increase of 3.0% in this levy (an increase of $.01024/$1,000). This is based on estimated insurance costs for the upcoming year.

4. The Special Revenue Employee Benefits Levy is budgeted to increase 5.9% to $5.05175 (an increase of $.28196/$1,000). This reflects funding 100% of General Fund employee benefits from this levy and use of $62,404 in beginning fund balance in this special revenue fund. A portion of the increase in this levy compared to the 2021/2022 budget, is that there was $169,279 in beginning fund balance available in this special revenue fund that was used for the 2021/2022 budget.

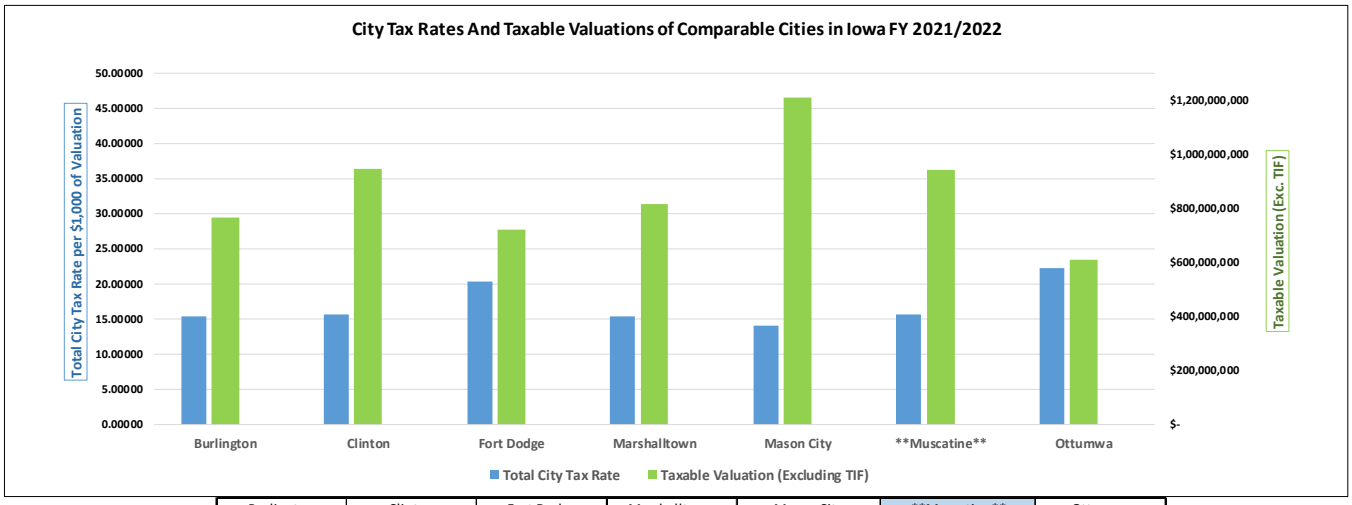
5. The Debt Service Levy will decrease by 5.2% to $2.20086 (a decrease of $.12146/$1,000). This decrease is due to decreasing debt service requirements on the City’s outstanding debt.

6. A levy for Levee Improvements has not been included in the 2019/2020, 2020/2021, 2021/2022, or 2022/2023 budgets. In 2017/2018 this levy was set at the maximum rate allowed of $.06750. There are currently no known Levee projects and the remaining balance of the 2017/2018 levy collections will provide funds for routine levee maintenance in both 2021/2022 and 2022/2023.

7. The Emergency Tax Levy has increased to its maximum rate of $.27 per $1,000 of valuation for the 2022/2023 budget (an increase of $.127710). The Emergency Tax Levy for the 2021/2022 budget was set at $.14229 per $1,000 of valuation. Prior to 2021/2022, the City had not used the Emergency Levy since the 2010/2011 budget. Revenues from this tax were needed to balance the General Fund budget and maintain City service levels due to the budget challenges previously discussed.

The following chart shows City tax rates for the group of seven cities in Iowa "comparable" to the City of Muscatine. The comparable cities shown are the group of similar size, stand-alone, full-service cities in the state. This chart shows the city tax rate and taxable valuations for the current 2021/2022 fiscal year. The information is not yet available for other cities for 2022/2023.

City tax levies for this group range from $14.02649 per $1,000 of valuation for Mason City to $22.22000 for Ottumwa. The City of Muscatine's rate of $15.67209 is approximately in the middle of tax rates for these cities. Taxable valuations range from $608,178,051 for Ottumwa to $1,208,636,168 for Mason City. The City of Muscatine's taxable valuation of $941,770,131 is the third highest in this group. Each city sets their own tax rate based on their taxable valuation and the services provided to their residents.



	Burlington	Clinton	Fort Dodge	Marshalltown	Mason City	**Muscatine**	Ottumwa
Total City Tax Rate	$ 15.43637	$ 15.66219	$ 20.42283	$ 15.36163	$ 14.02649	$ 15.67209	$ 22.22000
Taxable Valuation (Exc. TIF)	$ 767,585,071	$ 945,702,542	$ 720,904,828	$ 815,494,640	$ 1,208,636,168	$ 941,770,131	$ 608,178,051
Population (2020)	23,982	24,469	24,871	27,591	27,064	23,797	25,529

Tax Rates from Lowest to Highest:

	Tax Rate	Taxable Valuation
Mason City	$ 14.02649	$ 1,208,636,168
Marshalltown	$ 15.36163	$ 815,494,640
Burlington	$ 15.43637	$ 767,585,071
Clinton	$ 15.66219	$ 945,702,542
****Muscatine****	$ 15.67209	$ 941,770,131
Fort Dodge	$ 20.42283	$ 720,904,828
Ottumwa	$ 22.22000	$ 608,178,051

Tax Base

Actual valuations for January 1, 2021 (valuations used for the 2022/2023 budget), increased by 2.79% as shown in the following chart. This increase was slightly higher than the average annual increase over the last 10 years of 2.27%.

	January 1, 2020	January 1, 2021	Increase (Decrease)	Percent Change
Residential Property	$ 952,181,575	$ 980,567,908	$ 28,386,333	2.98%
Commercial Property	273,261,983	278,389,136	5,127,153	1.88%
Industrial Property	150,829,328	153,977,515	3,148,187	2.09%
Multi-Residential	41,570,717	44,986,658	3,415,941	8.22%
Railroads	1,241,088	1,226,743	(14,345)	-1.16%
Utilities	3,628,800	3,310,083	(318,717)	-8.78%
Total Valuations	$ 1,422,713,491	$ 1,462,458,043	$ 39,744,552	2.79%

Taxable property valuations for 2022/2023, however, were nearly flat due to the mandated rollback factors applied to the various categories of property.

	January 1, 2021	January 1, 2022	Valuation Increase (Decrease)	Percent Increase (Decrease) in Taxable Value	Percent Increase (Decrease) in Actual Value
Residential Property (1)	$ 534,375,402	$ 526,660,756	$ (7,714,646)	-1.44%	2.98%
Commercial Property (2)	240,751,289	245,695,726	4,944,437	2.05%	1.88%
Industrial Property (3)	134,421,623	137,278,903	2,857,280	2.13%	2.09%
Multi-Residential (4)	27,176,056	27,661,053	484,997	1.78%	8.22%
Railroads (5)	1,116,979	1,104,069	(12,910)	-1.16%	-1.16%
Utilities (6)	3,576,142	3,310,083	(266,059)	-7.44%	-8.78%
Total Valuations	$ 941,417,491	$ 941,710,590	$ 293,099	0.03%	2.79%
Less Military Exemptions	1,370,986	1,306,265	(64,721)	-4.72%	
Total Net Valuation	$ 940,046,505	$ 940,404,325	$ 357,820	0.04%	

Growth in Tax Increment Financing (TIF) districts is not included in the actual and taxable valuations in the above charts.

The rollback of regular commercial and industrial valuations remained at 90% for 2022/2023. Multi-residential properties (those with 3 or more living quarters, assisted living facilities, land-leased communities, etc.), however, which had been included in the commercial property category, are now a separate property class. Those valuations were rolled back from 90% to 86.25% in 2016/2017, to 82.50% in 2017/2018, to 78.75% in 2018/2019, to 75.00% in 2019/2020, to 71.25% in 2020/2021, to 67.50% for 2021/2022, to 63.75% for 2022/2023, and will be rolled back in 2023/2024 to the residential rollback rate in effect for that year. The taxable valuation for multi-residential properties for 2022/2023 is $27,661,053, a 1.78% increase from the previous year. Industrial property valuations increased by 2.13% for 2022/2023 and commercial values increased by 2.05%.

Taxable residential property taxable values, however, decreased by 1.44% due to the change in the rollback factor for residential property. So, while actual valuations for residential property increased by 2.98%, with the 4.04% decrease in the residential rollback (from 56.4094% to 54.1302%), taxable residential property valuations decreased by $7,714,646. In effect, the residential rollback decrease nearly offset the increases in the other categories of property.

The other smaller categories of properties are railroads, which decreased in valuation by 1.16%, and utilities, which decreased by 7.44%. Overall, these factors combined to result in the relatively flat (0.04% increase) in taxable valuations. It should be noted the taxable valuation increase of 0.04% this year is the lowest in recent years and well below the 1.83% average over the last ten years.

Expansion of the existing industrial and commercial tax base as well as attraction of new tax base is key to the financial stability of the City of Muscatine for the future. In this regard, the City Council continues to invest in economic development activities by participating in several programs within the community to promote economic development. A number of these programs are controlled solely by the City of Muscatine and include the establishment and use of tax increment financing (TIF) districts as well as urban revitalization districts and enterprise zones.

STATE AND FEDERAL FUNDING

The City will continue to rely upon the property taxes generated as the primary funding source for General Fund programs. Reductions in state and federal funding sources have resulted in the continued emphasis on property taxes.

The largest source of funding from the State of Iowa is Road Use Tax funds collected by the State and distributed to local governments for street maintenance and street improvements. Road Use Tax revenues are estimated at $3,110,300 in 2022/2023. Road Use Tax revenues continue to reflect the $.10 per gallon increase in fuel taxes approved by the state legislature effective March 1, 2015. The fuel tax increase was expected to increase the City's allocation of Road Use Taxes by approximately $400,000 annually. This increase has allowed the City to accelerate the street improvements planned for recent and future years. Road Use Taxes are distributed to cities on a per-capita basis.

In 2022/2023 other State funding includes $260,000 in Transit operating funds, $104,700 in Airport capital grant funding, and $200,000 in Iowa Reinvestment District funds.

The fiscal year 2022/2023 budget includes an estimated $7,920,565 in federal funding for both operating and capital project costs. This includes the following: $1,766,700 for the 2nd half of the American Rescue Plan Act (ARPA) funding, $2,073,065 in funding for the Section 8 Housing rental assistance program; $660,200 for operating and capital funding for the city's Public Housing Program; $15,600 for the Home Ownership Education Program; $1,421,100 in federal operating and capital funding for the Transit operation; $1,775,000 for street improvements, $10,600 for Airport operations, and $198,300 in Police department grants.

CHARGES FOR SERVICES

For fiscal year 2022/2023, budgeted charges for services total $16,497,300 and comprise 29.2% of total operating revenues of the city. Charges for services were 30.3% of the total operating revenues in the 2021/2022 budget. These charges primarily involve programs and activities in the city's Enterprise Funds. Fee increases are budgeted for sanitary sewer services, collection and drainage, refuse collection, and the golf course for fiscal year 2022/2023.

Sewer revenues including the separate collection and drainage charges are estimated at $7,201,100 for 2022/2023. Based on previous independent reviews and studies, the city set forth on a course to systematically increase fees for collection and drainage as well as sanitary sewer rates. The purpose was to create sufficient fund balances to address current and future capital requirements for both operations, as

well as debt service requirements on the State Revolving Fund Loan used to fund the major plant upgrade completed in 2012. In 2017/2018 the City contracted for a rate study and the resolution adopting the recommended rates was approved by City Council in July of 2018 with those rates to be effective July 1, 2018 and annually thereafter for the next four years. The rate study recommended 3% annual increases in sewer rates and 2% annual increases in collection and drainage rates to be effective each July 1 from 2018 to 2022. The 2022/2023 budget includes funding for a new rate study to set these rates for the next five years.

Transit fares were increased for the 2015/2016 budget with the fare for fixed routes and night service increasing from $.75 to $1.00 and the paratransit fare increasing from $1.00 to $2.00. Transit charges are estimated at $140,000 for 2022/2023.

Boat harbor slip rental rates are based on boat length. In 2017 the long dock was replaced as part of a capital project funded by a Resource Enhancement and Protection (REAP) grant from the Iowa Department of Natural Resources (IDNR). Increased slip rentals were expected with completion of the dock renovation project. A fee survey was done by the Parks department early in 2018. Based on the survey results, annual fees were increased by $50 for the 2018 season. Those rates will continue in 2022.

Golf course fees and sales are estimated at $906,400 for 2022/2023. Golf fees were increased for the 2022 golf season by $1.00 per round for all categories of greens fees and by $25 for all categories of season passes. The fee increase was needed to provide funds for capital improvements and equipment at the course as well as the increase in the seasonal pay plan rates. The 2021 season is the 16th season in which the city has complete operational control of golf services. The operation of the clubhouse had previously been contracted with a golf professional. The city's golf professional is now a fulltime employee and is responsible for managing the golf clubhouse operation. The city also assumed all beverage and golf cart services to maximize the earnings potential for the course. This change has produced positive results both operationally and financially for the city.

Budgeted transfer station charges for services total $2,097,400 for 2022/2023 based on an estimated 40,000 tons of waste being processed at this facility. The current tipping fee is $60.00 per ton and this rate will not change for the 2022/2023 year. In 2009/2010 the city began offering industrial contracts for refuse disposal whereby industries can enter into an agreement with the City to dispose of their waste at the Transfer Station and be directly billed for the disposal fees. Additional negotiated industrial contracts were approved in 2010 which assisted in generating new waste for this facility. These industrial agreement rates will continue in 2022/2023.

Budgeted landfill charges for services total $1,159,400 for 2022/2023. The landfill rates are incorporated in the transfer station rates which are not budgeted to change for 2022/2023.

The Refuse Collection budget is charged on a tonnage basis for waste collected and disposed of at the transfer station. Refuse Collection charges for services total $2,476,500 for 2022/2023. For the 2018/2019 budget, the rates for both regular residential customers and the senior rates increased by $.50 per month effective July 1, 2018 to $20.50 and $15.50, respectively. Rates were increased by an additional $.50 for regular and senior customers effective July 1, 2019 to $21.00 and $16.00, respectively, and these rates continued through the 2021/2022 budget. Rates are budgeted to increase for the 2022/2023 budget by $1.00 per residential customer per month, with the regular residential rate increasing to $22.00 and the senior rate increasing to $17.00. The rate increases were needed in order to generate sufficient funds to replace refuse collection vehicles, for increased fuel and other operating costs, and were also needed since the monthly rates for the contracted curbside recycling program increase each year, which impacts the funds available for the regular refuse collection operation.

The Fire department continues to provide ambulance services for the city and surrounding townships. Revenue from ambulance services is estimated at $2,040,000 for the 2022/2023 budget. This revenue estimate includes an estimated $290,000 in revenue from GEMT (Ground Emergency Medical Transportation) funding. This funding has increased the reimbursements for Medicaid patients beginning in the 2019/2020 fiscal year. The fee for the basic ambulance service is currently $620, the rate for ALS 1 calls is $735, the rate for ALS 2 calls is $1,065, and the rate for SCT (Skilled Care Transports) is $1,258. The Fire department reviews rates on an annual basis based on surveys of other area providers.

Parking fees are budgeted at $121,100 for 2022/2023. Parking meter rates were last increased from $.20 to $.25/hour for 10-hour meters and from $.30 to $.50 for 2-hour meters for the 2013/2014 fiscal year. These rates will continue in 2022/2023.

PROGRAMS AND SERVICES

The 2022/2023 budget will provide for the continuation of most city services at the current levels. Full-time equivalent (FTE) year-round employees on an entity-wide basis total 234.23 for 2022/2023. This is a net increase of 1.30 in full-time equivalent positions compared to the original budget of 232.93 for 2021/2022. Changes in authorized positions for the original 2021/2022 budget, the 2021/2022 revised estimate, and the 2022/2023 budget are as follows:

2021/2022 (Budget)

- A full year for one of the new firefighter positions originally deferred for hiring due to the COVID-19 pandemic, but authorized to be hired April 1, 2021 (.75 FTE increase).
- A new Senior Engineer position was added replacing a portion of the previously contracted project managers/inspectors (1.00 FTE increase).
- There was an increase in part-time staff at the Library due to reauthorizing several positions that were reduced due to the COVID-19 pandemic (.88 FTE increase).
- There was a small increase in part-time hours in the Community Development department (.19 FTE increase).
- A new fulltime Housing Specialist position was added in the Housing department with partial funding from CARES Act funds (1.00 FTE increase).
- These changes resulted in a 3.82 increase in FTE positions compared to the 2020/2021 revised estimate.

2021/2022 (Revised Estimate)

- The last two firefighter positions originally deferred for hiring were authorized to be filled midway through the 2021/2022 year (2.00 FTE increase).
- The half-time Community Development Inspector II position was increased to fulltime effective April 1, 2022 (.13 FTE increase).
- The Housing Specialist position included in the original budget with partial funding from CARES Act funds was not hired (1.00 FTE decrease).
- These changes resulted in a 1.13 increase in FTE positions compared to the original 2021/2022 budget.

2022/2023 (Budget)

- Increase due to a full fiscal year with the former half-time Community Development Inspector II increased to fulltime effective April 1, 2022 (.24 FTE increase).
- There was a slight reduction in Housing program part-time hours (.07 FTE reduction).
- These total to a net .17 FTE increase for 2022/2023. No other requested position changes were included in the budget due to budget constraints.

The projected level of expenditures for the General Fund of $23,449,500 for 2022/2023 is 4.5% ($1,011,700) above the 2021/2022 budget of $22,437,800. The overall increase in expenditures consists of (1) an increase of $584,700 (4.8%) in salaries and wages, (2) an increase of $184,100 (3.4%) in employee benefit costs, (3) an increase of $35,300 (3.3%) in commodity costs, (4) an increase of $137,800 (5.2%) in contractual services costs, (5) an increase of $71,000 (9.9%) in capital outlay costs, and (6) a decrease of $1,200 (.3%) in transfers and assigned funding.

The 2022/2023 budget for the General Fund of the City of Muscatine provides an expenditure level to fund most core services at essentially the same level as in previous years for most departments.

The 2022/2023 budget continues to provide for a variety of essential and non-essential public services. In 2010/2011 the City contracted with GATSO, USA to install and operate Automated Traffic Enforcement (ATE) cameras at five intersections in the community. The Police department added a mobile ATE unit in November of 2016.

The Police department budget continues to include two School Resource Officer (SRO) positions with one in the high school and one in the middle school, both of which receive 75% funding from the Muscatine Community School District. The two police officer positions assigned to the Drug Task Force will continue in 2022/2023. These positions are partially funded from federal grants.

The City of Muscatine continues to provide Emergency Medical Services (EMS) including ambulance services through the Fire department. Firefighters continue to provide paramedic level services as well as firefighting services to the community.

Public Works programs and service levels in the areas of roadway maintenance, snow and ice control, street cleaning, traffic control, and engineering have been maintained for fiscal year 2022/2023. Major Public Works projects scheduled for construction in 2022/2023 include completion of the Grandview Avenue phase of the Mississippi Drive Corridor project; the annual pavement management program; the annual new sidewalk construction program; and continuation of the West Hill Sewer Separation project.

The Refuse Collection budget continues the contracted single sort curbside recycling program which began in April, 2011. The City has also transitioned to an automated refuse collection program for residential waste. This program included providing standard waste bins to customers and purchasing automated refuse collection vehicles which can be operated by one person instead of the two-person crews needed for the regular vehicles. Beginning in the spring of 2020, this division also eliminated the annual Spring Cleanup Week and replaced it with a year-round bulky waste pickup program on a call-in basis.

Recreation and cultural activities include a wide variety of activities that reach a cross section of the community through the Library, Art Center, Museum, Golf Course and a comprehensive system of parks, recreation programs, the aquatic center, boat harbor, and soccer facility.

The City will continue its commitment toward effective planning and community development efforts. This will include continuation of the building inspection and rental inspection programs, the nuisance abatement program, and several neighborhood improvement programs.

The city's Housing department operates the 100-unit Clark House Senior Facility, the 50-unit low and moderate income family Sunset Park Project, and the 50-unit Hershey Manor senior facility operated by the city through a management contract with the Hershey Manor Board. In addition, the city is assisting low and moderate income individuals and families with rent subsidies through the federal Section 8 Housing Choice Voucher program.

For fiscal year 2022/2023 the city will continue to provide support for several non-profit service organizations within the community. Despite limited revenue growth, the City Council has remained committed to assisting these groups as best as they can. These agencies provide valuable services to the entire community. For 2022/2023 the City Council chose to continue financial contributions to the Greater Muscatine Chamber of Commerce and Industry (Chamber), the Muscatine Humane Society, and Senior Resources. The Chamber contribution will be continued at their current funding level of $43,000, the Muscatine Humane Society contribution will increase from $80,000 to $90,000 to assist in replacing kennels, and the Senior Resources subsidy will increase from $25,000 to $30,000.

The 2015/2016 budget for the first time included an allocation of $25,000 to the Muscatine Center for Social Action (MCSA) for their Homeless Prevention Program. The $25,000 annual allocations have continued since they were implemented and that same allocation is included for 2022/2023 budget. The subsidy, however, will be reduced if any grant funding is secured for this program.

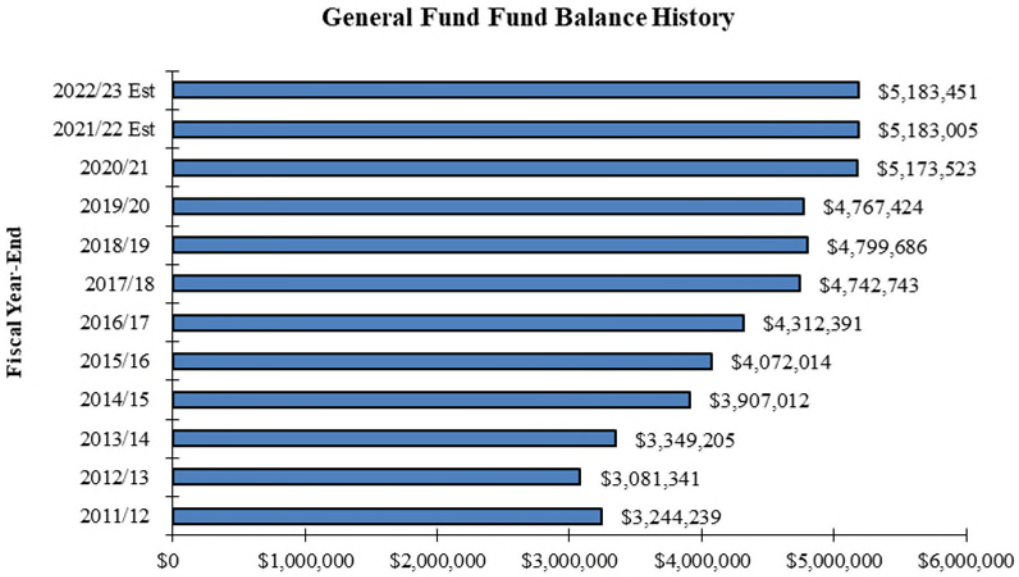
Operating expenditures budgeted for all city operations for 2022/2023 total $52,232,279, which is an increase of $2,989,167 (6.1%) from the fiscal year 2021/2022 level of $49,243,112. Operating revenues for the city total $56,456,963 for 2022/2023 compared to $53,163,412 for 2021/2022, an increase of $3,293,551 (6.2%). Capital project expenditures are estimated at $20,063,000 for the 2021/2022 revised estimate and $9,940,200 for the 2022/2023 budget.

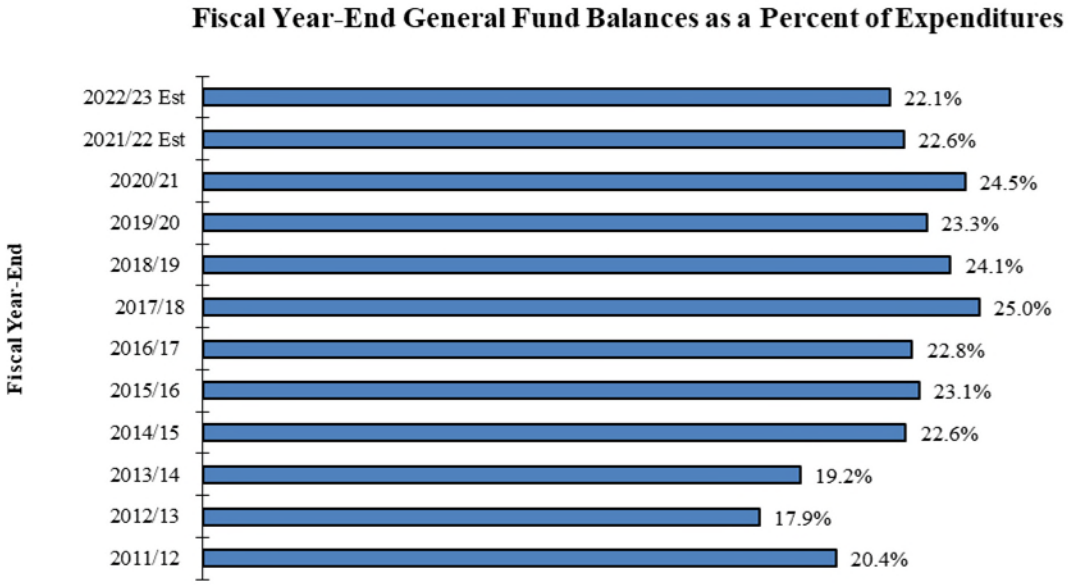
FUND BALANCE AND BUDGET POLICY ISSUES

The 2022/2023 budget presents beginning balances, revenues, transfers in, expenditures, transfers out, and ending fund balances for each city fund. Fund balance for budgeting purposes is defined as the funds remaining after the application of available resources to support expenditures of each fund. For governmental funds, fund balance is the difference between assets and liabilities of each fund. For enterprise and internal service funds, fund balance for budget purposes, is presented on a basis consistent with the budgets presented for governmental funds. Expenditures include capital outlay purchases and principal and interest due during the budget year on debt obligations. In this regard, the *budgetary* basis for enterprise and internal service funds differs from the *accounting* basis used to prepare the comprehensive annual financial report for the city. Additional information on the basis of budgeting and accounting for the various city funds can be found in the "Fund Structure Overview and Basis of Accounting and Budgeting" section later in the Introductory Section of the budget.

The city's Operating Budget/Expenditure Policy provides that a balanced budget be presented each year for City Council consideration and approval. The policy defines balanced budget as one in which expenditures will not exceed estimated resources and revenues. This in effect provides that expenditures be less than the beginning fund balance of each fund plus revenues for the year. For 2022/2023, balanced budgets were presented to and approved by Council for all funds with the exception of the Marina Enterprise fund. The deficit in the Marina fund is due to the fuel inventory in that operation.

As in prior years, one of the key components of the City's budget process is developing a General Fund balance that provides the city with the necessary funds to carry it through its first three months of operation of each fiscal year before property tax collections are disbursed by the county as well as provides adequate reserves for unforeseen circumstances or events. This is necessary for the fiscal integrity of the General Fund. In 2013 the City's minimum General Fund balance policy was updated from the previous 10% of General Fund expenditures level to two months of General Fund expenditures, which is equivalent to 16.7%. The City Council has made efforts in recent years to incrementally increase the General Fund balance as shown in the following graphs.





The 2010/2011 General Fund ending balance was 13.6% of expenditures and this percentage has increased significantly since that year. The fund balance decrease in 2012/2013 was a planned decrease with funds used for one-time capital items including a new fire engine and new financial software.

The estimated ending General Fund balance of $4,751,103 when the 2021/2022 budget was developed was 21.2% of budgeted General Fund expenditures which met the 16.7% minimum amount in the new policy. The 2021/2022 revised estimate ending fund balance of $5,183,005 is 22.6% of expenditures. The revised estimate ending balance is $431,902 higher than the original budget due to (1) the beginning fund balance on July 1, 2021 was $435,209 higher than originally projected, (2) revenues were $313,197 higher than the original budget, (3) expenditures were $538,504 higher than the original budget, and (4) $222,000 for American Rescue Plan Act (ARPA) funds were transferred to the General Fund to provide the necessary funding to continue current service levels. At the time the original 2021/2022 budget was developed (March of 2021), there were numerous unknowns about the continuing impact of the COVID-19 pandemic, and ARPA funds had not yet been awarded.

The estimated ending balance for 2022/2023 of $5,183,451 is 22.1% of General Fund expenditures which again meets the minimum fund balance provision in the updated General Fund Balance Policy. There are no one-time uses of fund balance in excess of the minimum amount in the 2022/2023 budget. The 2022/2023 budget is “balanced” with budgeted revenues and transfers in $446 higher than budgeted expenditures and transfers out. This demonstrates that the operating budget is sustainable and that fund balance did not need to be used to fund current operating expenditures. It should be noted, however, that one-time funding transfers into the General Fund of $671,962 were used to achieve the balanced budget. These one-time transfers include $261,600 of State COVID Relief funds, $324,200 of American Rescue Plan Act (ARPA) funds, and $86,162 from the prior year balance in the Emergency Tax Levy fund.

The City’s effort to increase the General Fund balance is in part due to comments in the 2008 Moody’s bond rating report which stated that Moody’s considered the previous minimum of 10% fund balance requirement to be “relatively narrow” and that higher reserve levels may be appropriate for challenges to the city’s financial operations. The increases in the General Fund balance in recent years and City Council formally updating the City’s minimum fund balance policy demonstrates Council’s commitment towards the goal of increasing the General Fund balance. The importance of the General Fund balance integrity is reaffirmed when the city issues debt for various community projects. When undergoing a financial review by outside rating agencies in advance of bond issuance, the current fund balance in the General Fund reflects on the City's overall financial management and is probably the single most important factor in maintaining the City's bond rating. The most recent bond rating received in April 2022 for the city’s May 2022 general obligation bond issue was Aa2 under Moody’s rating scale. This was the same rating as assigned for the 2020, 2018, 2016, and 2014 bond issues.

As discussed during the budget review process, the 2022/2023 budget is based on factors known at the time the budget was scheduled for a public hearing. As such, it does not reflect any legislative or other changes since the adoption of the budget. In the event there would be such changes, the following interim plan is proposed to be used:

- Provisions in the General Fund Balance Policy provide that “except for extraordinary circumstances, unassigned fund balance should not be used to fund any portion of ongoing and routine operating expenditures of the City”.
- The policy then provides that: “Extraordinary circumstances can include significant revenue fluctuations (i.e., State legislative changes limiting property taxes, limiting automated traffic enforcement (ATE) use, etc.). In the event that use of unassigned fund balance is necessary to provide a short-term solution to maintaining essential services, the City will evaluate current and

future economic conditions to evaluate the extent of expenditure reductions or revenue increases that would be needed to achieve day-to-day financial stability and restore the fund balance."

- Having a strong General Fund balance and the Fund Balance Policy in place will allow time for staff and City Council to plan for how to address revenue reductions if they occur.
- The fund balance could be used in the short-term to backfill a portion of any lost revenues.

CAPITAL IMPROVEMENTS AND OTHER LONG-TERM FINANCIAL PLANS

Capital Improvements Plan

The operating budget will again be supplemented with an aggressive Five-Year Capital Improvement Plan. In July of 2019 the City Council approved the resolution to adopt the current Five-Year Capital Improvement Plan for fiscal years 2019/2020 through 2023/2024. Elected officials, citizens, and city staff participated in the development of this Plan and a public hearing was held prior to the Plan's adoption. This Plan is a document separate from the city's budget and can be accessed from the city's website. The Plan's capital project summary schedules, however, listing all Plan projects as well as summary schedules by fiscal year and by department have been included in the Capital Projects section of this budget document in order to provide a correlation between these two documents. During the annual budget process, this Plan is used to determine capital improvement projects to be included in the budget for the upcoming year. A number of projects in this Plan are subject to the receipt of federal, state, or local grant funding. As such, projects in the Plan may be accelerated or deferred based on funding availability. The projects in the 2021/2022 revised estimate and 2022/2023 budget are projects which have approved funding sources. If outside funding is awarded for projects in the Plan but not yet in the adopted budget, the City will make the appropriate amendments to the current or upcoming budget. City staff is currently in the process of updating the Five-Year Capital Improvement Plan which will be for fiscal years 2022/2023 through 2026/2027.

In addition to the project summary schedules from the Five-Year Capital Improvements Plan, the Capital Projects section of this budget document includes descriptions of all projects under construction in 2021/2022 and those to be initiated in 2022/2023. Also included in the Capital Projects section are estimated costs for these projects on a fiscal year basis.

The major emphasis in the City's Capital Improvements Program in the upcoming year will continue to be the upgrading of the City's streets and sewer systems, park facility and building improvements, and improvements at the airport.

Pavement Management Program/Street and Sidewalk Projects

In 2007, the City began a Comprehensive Pavement Management Program to upgrade the City's overall street conditions. Funding totaling $5 million was used in 2007 through 2009 to complete the initial upgrade with these initial costs funded from general obligation bond proceeds. Thereafter an annual allocation of at least $500,000 is needed to maintain the streets at this higher level. The ongoing annual maintenance of the improved streets began in 2010 with funding from the 20% allocation of local option sales taxes provided for in the voter referendum in 2008 for the local option tax extension. This 20% allocation was extended in the 2018 referendum and is currently estimated at approximately $680,000 annually. In 2022/2023, the Local Option Tax funding for pavement management projects of $683,900 will be supplemented with a $316,100 allocation of Road Use Tax funds that total to a $1,000,000 allocation for pavement management projects. The additional Road Use Tax funding is available as a result of the State legislature increasing the gasoline tax by $.10 per gallon effective March 1, 2015.

The State transferred jurisdiction and maintenance responsibilities for the Mississippi Drive Corridor from the Mississippi River Bridge south to the Highway 61 Bypass to the City in September of 2014. The State provided $13 million of funding that the City is using to reconstruct and improve this corridor. Engineering design began in 2014/2015 and continued through 2016/2017 for the portion of this corridor from the Mississippi River bridge to Grandview Avenue. Construction for phase one of this project, from the Mississippi River bridge to Broadway, excluding the Mulberry Avenue intersection, began in the late spring of 2017 and this section has been completed. The CP Railroad contributed a total of $4 million of funding for phase one of this project. Muscatine Power & Water is also contributing funds for the utility relocation work required by this project. The balance of the phase one project costs was funded from the Transfer of Jurisdiction funds. Construction began in 2019/2020 for Phase 2 of this project, the 2nd Street and Mulberry Avenue roundabout, and the roundabout was completed in 2020/2021. Construction began in the spring of 2021 and is continuing in 2021/2022 on Grandview Avenue, which is the third and final phase of the Corridor improvement project. Construction for the Grandview Avenue project is expected to be completed by the end of the 2022 calendar year. Federal grant funds, Muscatine Power & Water reimbursements for utility work, and bond proceeds will supplement the Transfer of Jurisdiction funding for this project. With the completion of Grandview Avenue, the Corridor Project will be completed.

The Mississippi Drive/Grandview Avenue Corridor project reconstructed and enhanced over three miles of the Highway 61 Business Route through Muscatine from the Mississippi River Bridge to the Highway 61 Bypass. This project was constructed in accordance with the City's Complete Streets Policy and included reconstruction of the roadway, installation of sidewalks, street lighting enhancements, lane reconfiguration, landscaping, gateway features, and burial of overhead utility lines.

The 2014/2015 budget included funding to begin a new sidewalk installation program with funding from Road Use Tax funds. Various new sidewalks have been installed since the inception of this program, many of which were in school zones. In 2020/2021, $18,858 was expended to begin the design of the new sidewalk on 67th Street. The 2021/2022 budget included $32,500 to complete the design of the new sidewalk and $160,000 to begin construction. The balance of the project costs, estimated at $154,500, is budgeted in 2022/2023.

Sewer Improvement Projects

Sewer improvements continue to be identified as a high priority by City Council. In 2007, the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. In 2008, voters approved extending the local option sales tax for a 10-year period beginning July 1, 2009 with 80% of these funds allocated for sewer improvements including the projects mandated by the Consent Order. The only remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. This project will be constructed in multiple phases over the next six years and the total cost for all of the phases is projected to reach or exceed $55 million. Construction on Phase 1 of the project began in the summer of 2012 and was completed in the fall of 2013. Phase 2 of this project began in the summer of 2013 and was completed in the fall of 2014. Bids for Phase 3 of the project were received in March of 2015. The Phase 3 contract provided for three areas of work to be completed in calendar years 2015, 2016, and 2017. Bids for Phase 4 of the project were received in March of 2018. Phase 4 also consisted of three work areas to be constructed over three calendar years (2018, 2019, and 2020). Bids for Phase 5 were received in March of 2021 and this phase of the project was scheduled to be completed over two years (2021 and 2022). Contract work for Phase 5, however, is behind schedule, and is now expected to be completed in 2023. Engineering design is underway in 2021/2022 and will continue in 2022/2023 for Phase 6 of this project. The 2022/2023 funding amount reflects the final work on Phase 5, completion of the engineering design for Phase 6-A and 6-B of the project, and the start of construction for Phase 6-A.

The previous 10-year local option sales tax period was scheduled to end on June 30, 2019 and a referendum was held on March 6, 2018 on the proposal to extend this tax for an additional 15 years to fund future sewer (80%) and street (20%) improvement projects. Voters again approved the extension of this tax with 88% voting in favor of the extension. The 80% allocation of the local option sales tax for sewer improvements will fund the remaining project costs and the projected debt service costs for the remaining phases of the West Hill Sewer Separation project.

Southend Neighborhood Improvement Projects

Funding totaling $2 million is available through the Community Foundation of Greater Muscatine for multiple park improvement projects in the south end of the community. Taylor Park improvements include a splashpad, pickleball courts, restrooms, parking lot improvements, and a picnic shelter. Improvements at Musser Park include an all-inclusive playground, a picnic shelter, and a trail extension. This project also includes an all-inclusive playground at the Sunset Park Housing facility. Construction on these projects began in 2021/2022 and is expected to be completed in 2022/2023.

Other Projects

Other significant capital projects budgeted for 2022-2023 include:

Lake Park Bridge Deck Repair Project - During inspections of the bridges in the City, the bridge deck on the Lake Park Bridge was determined to be in need of repairs. Funding will be from Road Use Tax funds.

Parks Playground and Aquatic Center Improvement Projects – Playground improvements to be completed in 2022/2023 include improvements to the 4th Street Park playground and to the playground near the Rose Garden at Weed Park. These playgrounds were originally installed in 2002. Aquatic Center projects include repair and restoration of water slides at this facility.

Substandard Building Demolition Projects - The City has identified a number of substandard buildings that may be required to be removed by the City as nuisance properties. These include buildings damaged by structure fires and other properties where the owners have not taken responsibility for the buildings. The City can assess the costs of demolition to the properties, but in many cases, it is doubtful that these costs will be recovered. The May 2022 bond issue provided $200,000 of funding for demolition projects.

Public Building Deferred Maintenance Projects - Since 2016, the City has been using bond proceeds to fund deferred building maintenance costs. The May 2022 bond issue included $274,000 in funding for these projects. The 2022/2023 funding amount is for radiant heaters and hanging furnaces at Public Works, and hangar roof replacements at the Airport.

Art Center Japanese Garden Renovation - In 2019/2020, the Muscatine Art Center staff worked with Iowa State University landscape architect professor Heidi Hohmann, to gather documentation pertaining to the historic Japanese Garden at the Art Center and to create a plan for the garden. The Japanese Garden was installed by Laura Musser-McColm in 1930 and is a contributing feature for the property's National Register of Historic Places listing. Hohmann developed the Historic Landscape Preservation Plan, and the plan was used to secure two grants to fund its implementation. A third grant was received to hire a consultant to further research the garden. The plan balances the historic features of the garden with its current use as a public space, including ADA-accessibility. Grant awards include $122,402 from thefederal Paul Bruhn Historic Revitalization Fund administered through the Iowa Department of Cultural

Affairs, $100,000 from the Roy J. Carver Charitable Trust, and $3,000 from Humanities Iowa. The project began in 2021/2022 and is scheduled to be completed in 2022/2023.

Lake Park Boulevard Watershed Study/Improvements - Several property owners on Lake Park Boulevard near the Mad Creek Bridge experience flooding in their garages or basements during flash flood events. A study was completed in 2021/2022 to evaluate alternate ways to address the flooding issues. The 2022/2023 funding amount will address several of the recommendations included in the study.

Public Works Vehicle Wash Bay Project - The City's transit division was awarded a grant by the Iowa Department of Transportation (IDOT) to construct a vehicle wash bay that would serve the Transit division as well as other City departments. The grant funding is $422,559 and the required match to be funded from the Transit budget is $105,700. With the total project cost estimated at $728,300, the balance of the funding will be from the May 2022 bond issue. Engineering design is underway in 2021/2022 with construction scheduled for 2022/2023.

Airport Taxiway Widening Project - The City was awarded a grant from the Iowa Department of Transportation in the amount of $128,945 that will fund 85% of the cost of this project. The balance of the project costs will be funded from remaining balances from prior year projects. Engineering design is expected to be completed in 2021/2022 with construction scheduled for 2022/2023.

City Comprehensive Plan

The City adopted a new comprehensive plan in September of 2013. The City's Five-Year Capital Improvement Plan (discussed above) was based on elements included in the comprehensive plan. The City's zoning ordinance update was also recently completed. Public forums were held to receive input from the community on the comprehensive plan, the zoning ordinance update, and the Five-Year Capital Improvement Plan. The City will be updating the Comprehensive Plan in 2022/2023 with funding from American Rescue Plan Act (ARPA) funds.

Long-Term Future Debt Financing Plan

The City, working with Public Financial Management (PFM), the City's financial consultant, has developed a long-term future debt financing plan. This plan shows annual debt requirements for existing general obligation debt and the related actual or estimated debt service tax levy rates. This schedule also calculates the amount of future year debt which can be issued without impacting the debt service tax rate. A list of the specific projects and their May, 2022 bonding requirements is included in the Debt Service Fund section of this budget.

The City traditionally issues bonds every other year to assist in financing projects in the Capital Improvements Plan.

Long-Term Financing Plans for the City's Major Funds

The 2021/2022 budget for the first time included long-term financial plans for the City's General Fund and other major funds. These long-term financial plans have been updated for the 2022/2023 budget. Other major funds are the Debt Service, Employee Benefits, Local Option Sales Tax, Road Use Tax, Debt Service, Water Pollution Control, Transfer Station, and Refuse Collection funds. These plans include estimated revenues and expenditures for the four fiscal years following the upcoming budget year (2023/2024 through 2026/2027).

BUDGET DOCUMENT

The information in this budget document is generally organized on a fund basis. The State of Iowa requires city budgets be prepared on a fund and function basis with expenditures classified into nine functional areas – General Government, Public Safety, Culture and Recreation, Public Works, Community and Economic Development, Health and Social Services, Debt Service, Capital Projects, and Business-Type Activities. The Introductory Section includes the city's Financial Management Policies, budget calendar, city organizational chart, and entity-wide budget overview charts, which immediately follow this budget message. These are followed by operating budget summary schedules for major funds and non-major funds combined, budget summary schedules for all operating funds, property tax schedules, and major revenue sources schedules. The Operating Budget by Function Matrix included with the budget summary schedules for city operating funds, reflects how expenditures of each fund and activity are classified into the functional areas. Department organizational charts conclude the information in the Introductory Section. Several of the department organizational charts include activities in more than one fund of the city so they have been included in the Introductory Section rather than the fund information which follows.

SUMMARY

The preparation of the fiscal year 2022/2023 budget involved an overall team effort by city staff and City Council. With the continued uncertainty that affects financial conditions in the state and the community, the challenge to continue high levels of service is one that city staff and Council must approach together. Decisions on the level of services to be provided throughout the community have generated and will continue to generate much discussion, especially when financial resources are limited and there is demand for services to be maintained at the same level or increased. The city will continue to look toward cooperative efforts between other governmental agencies in order to provide the best overall level of services to the community as a whole. However, it is important to be realistic in the expectations of the level of services as they match against the financial resources needed to provide for them. At some point the city will have to recognize it cannot provide all of the levels of service that are demanded by its citizens unless additional funding sources are identified to fund the cost of these additional services. Faced with this situation, elected representatives are forced to choose and prioritize levels of service in the community. Given that almost every service the city provides has a constituency base, future decisions are sure to draw criticism from those affected groups. It is unfortunate but it is a fiscal reality that this and other cities will have to grapple with well into the future. With strong leadership from the Mayor and City Council and a commitment to improve the quality of life in the community, the city staff looks forward to working with our elected representatives and the citizens of Muscatine.

It has been our honor and pleasure to serve this community and to work as a team with its elected officials and city staff members to provide the highest level of service to the community that is possible. The most significant assets the city has are the dedicated individuals who work for it. Without their dedication and professionalism, the services enjoyed by this community would be far less. Also, the dedication and time the elected officials put forward in the preparation of the city budget as well as their responsibilities throughout the year is a testament to their commitment to the community and citizens who elected them.

Thank you to city staff, department heads, the Finance department, and to our elected officials for their respective hard work and long hours in putting this 2022/2023 budget together. A special thank you to LeAnna McCullough, Accounting Supervisor, and the rest of the Finance team, for their work on the budget preparation, compilation, and assistance with the publication of this document.

Respectfully submitted,

/s/ Carol Webb
City Administrator

/s/ Nancy A Lueck
Finance Director

CITY OF MUSCATINE
FINANCIAL MANAGEMENT POLICIES

The following financial policies have been developed to provide guidance to the City's financial management system. The 2022/2023 budget for the City of Muscatine was prepared based on these policies where possible. The City's intent is to support a sound and efficient financial management system which best utilizes available resources and provides an acceptable service level to the citizens of Muscatine. The following statements are not intended to restrict the City Council's authority in determining service needs and/or activities of the City. These financial policies do not limit the City Council's ability and responsibility to respond to service delivery needs above or beyond these policies. The City Council as a policy making group is still accountable for the efficient and responsive operation of the City.

Revenue Policy

1. The City will initiate efforts to maintain a diversified and stable revenue system in an attempt to avoid short run fluctuations in any one revenue source.

2. Annual revenues will be estimated by an objective, and whenever possible analytical process.

3. Existing revenue sources will be re-examined annually with new revenue sources investigated during the annual budget preparation process.

4. Revenues will be estimated at a level to fund estimated expenditures on an annual basis. Revenues may exceed expenditures if the fund balance of any fund needs to be increased to meet minimum balance requirements. Additionally, surplus fund balances may supplement revenues in order to fund estimated expenditure levels.

5. Property tax revenue collections will be established through a tax levy rate for general operations which will not generally exceed the Municipal Cost Index and Consumer Price Index of the previous year. This increase will not include levy collections due to natural growth of the City but will include any state mandated equalization orders.

6. In relation to enterprise funds which have been established to support expenditure levels, user fees and charges will be established to fund direct and indirect costs of the activity whenever feasible. Exceptions include, but may not be limited to, the public transportation system and airport operations.

7. User fees in other governmental areas such as recreational services will be established at a level to support actual costs of adult activities and for other groups at a level which will not inhibit participation by all.

8. All user fees and charges will be re-evaluated on an annual basis during the budget preparation process.

9. One-time or special purpose revenues such as grant funds will be utilized to fund capital expenditures or expenditures required by that revenue. Such revenues will not be used to subsidize reoccurring personnel, operating, and maintenance costs.

10. The City will on a continuous basis seek methods to reduce the City's reliance on the property tax through seeking legislative support for local option taxes, investigating additional non-property tax revenue sources, and encouraging the expansion and diversification of the City tax base with commercial and industrial development.

Operating Budget/Expenditure Policy

1. The City Administrator will compile and submit to the City Council a balanced budget by the first Monday in February of each year.

2. The balanced budget will reflect expenditures which will not exceed estimated resources and revenues. Routine expenditures will not be greater than the previous year's expenditure level by more than the estimated annual percentage increase in the cost of living. The Municipal Cost Index and Consumer Price Index will be used as a basis for the cost of living.

3. The operating budget for the City will be developed and established on a service level basis. Any additions, deletions and/or alterations in the operating budget will be related to services to be provided to the general public.

4. The operating budget will emphasize productivity of human resources in providing services, efficient use of available revenue sources, and quality of services to be provided.

5. New service levels will be considered when additional revenues or offsetting reductions of expenditures are identified, the new services fall within the broad framework of the City operation, or when such services are mandated by the State of Iowa or the federal government.

6. Current City expenditures will be funded by current revenues unless specifically approved by the City Council.

7. The City will avoid the postponement of current expenditures to future years, accruing future years revenues, or utilization of short term debt to fund operating expenditures.

8. The operating budget will provide funding for the on-going maintenance and replacement of fixed assets and equipment. These expenditures will be funded from current revenues and, in the case of replacement of equipment, surplus fund balances in excess of the minimum working balance reserve.

9. Within the operating fund a reserve will be set aside for unforeseen emergencies. This reserve will be maintained at one percent of the operating budget as a minimum.

10. The budget will provide adequate funding for all retirement systems as prescribed by state law.

11. A working fund balance for general operations will be maintained in order to support expenditures prior to the collection of taxes. The working balance will be at least two months of budgeted operating expenditures for the General Fund which is equivalent to 16.7 percent of the budgeted level of expenditures. See separate detailed General Fund Balance Policy adopted November 7, 2013.

12. Each year the City will revise current year expenditure projections during the succeeding year's budget preparation process. Costs of operating future capital improvements included in the capital projects budget will be included in the operating budget.

13. The City will participate in a risk management program to minimize losses and reduce costs. This program will also protect the City against catastrophic losses through the combination of insurance, self-insurance, and various federal and state programs.

14. The City will maintain a budgetary control system to monitor its adherence to the approved operating budget.

15. The City administration will prepare monthly expense and revenue reports comparing actual revenues and expenditures to budgeted amounts.

Capital Improvement Budget Policy

1. The City will make all capital improvements in accordance with the adopted Capital Improvement Program except for emergency capital improvements which are deemed necessary by the City staff and approved individually by the City Council.

2. Capital improvements will be identified on the basis of long range projected needs rather than on immediate needs in order to minimize future maintenance, replacement, and capital costs.

3. All capital improvements proposed will be submitted to the Planning Commission for their review and consideration. Their recommendation, in addition to staff's recommendation, will be submitted to the City Council for approval as the capital improvement plan for the City.

4. A capital improvement program will be developed for a five-year period and updated annually.

5. Estimated costs of each capital improvement projected for each year will be included in the plan.

6. Revenue sources for each capital improvement will be identified in the plan whenever possible.

7. Intergovernmental funding sources from the federal, state, and private sector will be actively sought and used as available to assist in financing of capital improvements.

8. Future operating costs associated with the capital improvement will be projected and included as a memo item in the Capital Improvement budget.

9. During the initial stages of a particular capital improvement but no later than the public hearing for the capital improvement, revenue sources to fund the capital improvement and estimated project costs including incidental costs will be approved by the City Council.

Debt Administration Policy

1. The City will limit its long-term borrowing to capital improvements or projects which cannot be financed from current revenues or for which current revenues are not adequate.

2. Long-term borrowing will only be utilized to fund capital improvements and not operating expenditures.

3. The payback period of the bonds issued to fund a particular capital project will not exceed the expected useful life of the project.

4. The City will attempt to keep the average maturity of general obligation bonds at or below 10 years.

5. The City will maintain its debt limitation at 5 percent of actual property valuation as mandated by the State of Iowa.

6. Of the debt margin for general obligation bonds, 40 percent will be reserved for emergency purposes.

7. Whenever possible, special assessment, revenue, and/or general obligation bonds abated by enterprise revenues will be issued instead of general obligation bonds funded by property tax.

8. For those general obligation bonds issued and funded by property taxes, debt service and interest payment schedules shall be established whenever possible in such a manner to provide equalization of debt and interest payments each year for the life of the total outstanding general obligation bonds.

9. The City shall encourage and maintain good relations with the financial and bond rating agencies and prepare any reports so requested by these agencies. Full and open disclosure on every financial report and bond prospectus will be maintained.

Investment Policy

1. The City will make at least weekly a cash flow analysis of all City funds.

2. Disbursements of funds, collections of revenue, and deposit of such revenues will be scheduled to insure the maximum availability of funds for investment.

3. Where permitted by law, cash shall be pooled from separate funds in order to maximize investment yields. Interest earned from such pooling will be credited to each source of invested monies.

4. The City will obtain the maximum possible return on cash investments utilizing federal securities and/or local security purchases whichever yield the highest interest income.

5. Investments of City funds shall be accomplished first through the competitive bidding process by the invitation of bids to local banks and the Iowa Public Agency Investment Trust (IPAIT). If the interest rate offered by local banks and IPAIT do not fit the requirements of the City, investments shall be made in federal securities or any other higher yielding securities as authorized by the State of Iowa.

6. City checking accounts shall be established as interest bearing accounts according to the provisions of banking services agreements and as specifically restricted by state law and/or federal regulations unless a particular situation necessitates noncompliance with this provision.

7. The accounting system will provide regular information regarding the investments of the City and a quarterly report will be submitted to the City Administrator.

8. An annual report describing the activity of investment purchases will be submitted to the City Council at the end of each fiscal year.

Financial Reporting Policy

1. The City will establish and maintain a high standard of accounting practices and procedures which adhere to the concept of full and open public disclosure of all financial activity.

2. The accounting system will be maintained on a basis consistent with accepted standards for governmental accounting.

3. Monthly financial reports which represent a summary of financial activity for the City will be presented to the City Council on a regular basis.

4. The City will contract with an independent public accounting firm to perform the annual audit.

5. The independent public accounting firm will publicly issue an audit opinion regarding the financial statements of the City. This annual audit will be made available to the general public, bonding and financial consultants, and any other interested citizens and organizations.

6. The annual financial statements and accompanying audit opinion will be completed and submitted to the City Council by the 15th of December following the close of the preceding fiscal year.

City of Muscatine, Iowa

General Fund Balance Policy

Adopted November 7, 2013

Purpose of Policy

The purpose of this policy is to establish a key element of the financial stability of the City by setting guidelines for the General Fund balance. The Unreserved/Unassigned General Fund balance is an important measure of the City's financial stability. It is essential that the City maintain adequate levels of General Fund balance to (1) mitigate financial risk that can occur from unforeseen revenue fluctuations, (2) fund unanticipated expenditures including those which may result from natural or other disasters, (3) provide cash flow liquidity to fund expenditures throughout the fiscal year, and (4) demonstrate financial strength to credit rating agencies who assign bond ratings at the time general obligation bonds are sold. Credit rating agencies determine the adequacy of the unassigned fund balance using a complex series of financial evaluations. The size of the fund balance is an important, but not the only consideration in the City's rating. Other important factors are the reliability of a government's revenue sources, economic conditions, community wealth factors, cash position, debt ratios, management performance, and fiscal decisions made by the legislative body.

Definitions

Fund Balance. The difference between assets and liabilities in governmental funds of the City, including the General Fund, is Fund Balance.

The Governmental Accounting Standards Board (GASB), that establishes financial reporting rules for governments, separates fund balance into five classifications that comprise a hierarchy based primarily on the restrictions placed on the funds.

1. **Nonspendable**. This classification represents funds that are inherently nonspendable. Resources that must be maintained intact pursuant to legal or contractual requirements are nonspendable, as well as assets that will never convert to cash such as inventory or prepaid items.

2. Restricted. These funds are limited by externally enforceable limitations on use. This includes limitations from the entity providing the money, such as grantors. Also, this classification includes funds with limitations placed by law or enabling legislation.

3. Committed. Funds in this classification are those with limitations the government places on itself. The purpose of these funds is decided by Council action and also requires Council action to change the purpose.

4. Assigned. Assigned fund balance has limitations based on the intended use of the funds. The assigned use can be established by the City Council, the City Administrator, or Finance Director. This classification includes outstanding purchase orders, funds assigned for future equipment purchases, funds assigned for future grant commitments, and similar items.

5. Unassigned. Residual net resources, or the balance after restricted, committed, and assigned, are classified as unassigned fund balance. This is the amount of fund balance that is available to address emergencies and provide fiscal stability. This is the classification governed by this Fund Balance Policy.

Minimum Fund Balance Policy

The Government Finance Officers Association of the United States and Canada (GFOA) recommends that cities of any size maintain an unrestricted/unassigned General Fund balance of no less than two months of regular general fund operating revenues or expenditures, whichever is more predictable. For the City of Muscatine expenditures have historically been used to make this computation since expenditures vary less throughout each fiscal year. Two months of expenditures is equivalent to a fund balance of 16.7% of General Fund expenditures and this is the level targeted to be the new minimum General Fund balance at the end of each fiscal year.

The City Council during each budget review process may consider setting a ***budgeted*** ending balance less than the minimum percent noted above. It is suggested this be no less than 15% of budgeted General Fund expenditures but can be evaluated on a year-to-year basis by City Council. This can be considered since historically in all recent years the actual ending General Fund balances have exceeded the estimates developed during the budget process.

General Fund balances in excess of the minimum level, up to 20-25%, would further add to the financial stability of the City and allow more latitude in addressing revenue or expenditure fluctuations, disaster situations, and demonstrate credit worthiness to bond rating agencies. City Council, as a part of the budget process, can also choose to use fund balances above the minimum level for one-time capital purchases to reduce the amount of debt and resulting interest costs to be incurred by the City.

Other Policy Provisions

Maintaining Fund Balance. In the event that the unassigned general fund balance is calculated to be less than the policy states, the City shall plan to adjust budget resources or expenditures in the subsequent fiscal year(s) to restore the balance.

Utilization of Fund Balance. Except in extraordinary circumstances, unassigned fund balance should not be used to fund any portion of the ongoing and routine operating expenditures of the City. It should be used primarily to respond to unforeseen emergencies, to provide cash flow, and to provide overall financial stability.

Extraordinary circumstances can include significant revenue fluctuations (i.e. State legislative changes limiting property taxes, limiting automated traffic enforcement (ATE) use, etc.). In the event that use of unassigned fund balance is necessary to provide a short-term solution to maintaining essential services, the City will evaluate current and future economic conditions to evaluate the extent of expenditure reductions or revenue increases that would be needed to achieve day-to-day financial stability and restore the fund balance.

Administrative Responsibilities. The Finance Director shall be responsible for monitoring and reporting the City's various fund balance assignments. The City Administrator is responsible for making recommendations to the City Council on the use of any unassigned fund balance above the minimum level as an element of the annual operating budget process and from time to time throughout the year if the need arises.

Annual Report. The Finance Director shall annually submit a report to the City Council outlining the status of the City's various components of the fund balance. This is to be included with the fiscal year-end financial report to City Council.

CITY OF MUSCATINE

FUND STRUCTURE OVERVIEW
AND
BASIS OF ACCOUNTING AND BUDGETING

FUND STRUCTURE OVERVIEW:

The accounting system and the budget appropriation process are structured according to the basic guidelines established by the Government Finance Officers Association of the United States and Canada. The format includes the basic funds and fund types which follow.

The City's **governmental funds** are as follows:

General Fund - This fund accounts for all transactions of the city that pertain to the general administration of the city and the services traditionally provided to its citizens. This includes general administration, police and fire protection, streets, public building operations and maintenance, and parks and recreation.

Special Revenue Funds - These funds are utilized to account for revenues derived from specific sources which are usually required by law or regulation to be accounted for as separate funds. For the City of Muscatine these funds include the Road Use Tax Fund, Local Option Sales Tax Fund, American Rescue Plan Act (ARPA) Fund, Municipal Housing Program Funds, Equipment Replacement Fund, Computer Replacement Fund, Employee Benefits Fund, Emergency Tax Levy Fund, Tax Increment Funds, Riverview Reinvestment District Fund, Community Development Block Grant Fund, Small Business Forgivable Loan Program Funds, and Police Forfeiture Fund. While the City continues to budget several of these funds as Special Revenue funds, the Emergency Tax Levy, Equipment Replacement, and Computer Replacement funds are included as part of the City's General Fund on fiscal year-end financial statements as required by Governmental Account Standards Board (GASB) Statement 54.

Debt Service Fund - This fund accounts for the accumulation of revenues for and payment of principal and interest on general obligation long term debt.

Capital Projects Fund - These funds are utilized to account for financial resources to be used for the acquisition or construction of capital facilities or other major fixed assets.

The City's **business-type funds** include the following:

Enterprise Funds - These funds are utilized to account for operations and activities that are financed and operated in a manner similar to a private business enterprise, and where the cost of providing goods and services to the general public on a continuing basis is expected to be recovered primarily through user charges. The City has also established Enterprise Funds when it was advantageous to segregate revenues earned and expenses incurred for an operation for purposes of capital maintenance, public policy, management control, or accountability. Enterprise Funds for the City include the Water Pollution Control, Collection and Drainage, Solid Waste Management Funds, Airport Operations, Parking Operation,

Transit Operations, Golf Course, Boat Harbor, Marina, Soccer Events, Ambulance, and Convention and Visitors Bureau (CVB) Funds.

Internal Service Funds - These funds are established to finance and account for services and/or commodities furnished by one department or agency to other departments or agencies of the city. The Internal Service Funds of the City are the Equipment Services, Health Insurance, and Dental Insurance funds.

The City's other funds include the following:

Former Expendable Trust Funds – Although reflected in this budget document as trust funds, these former expendable trusts are now reflected in the City's fiscal year-end financial statements as special revenue funds. These funds are used to account for assets held by the City in a trustee or custodial capacity where both the principal and interest may be expended for purposes in the trust agreement. Budgeted trust funds which are now considered Special Revenue funds in fiscal year-end financial statements include the Library Trust Fund, the Art Center Trust Funds with the exception of the McWhirter-Gilmore Trust, and the Perpetual Care Interest Trust.

Permanent Funds – These funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs. These funds were formerly classified as non-expendable trust funds. The Permanent Funds of the City include the Perpetual Care Fund, the McWhirter-Gilmore Art Center Trust, and the Cemetery Special Trusts.

Accounting for financial activities of the City and the budget appropriation process are also presented according to classifications required by the State of Iowa. Revenues are credited to individual fund types while expenditures/expenses are recorded according to functional areas within specific funds for budgetary control purposes. All of the City's funds, with the exception of the Equipment Services Internal Service Fund, are considered appropriated funds according to the criteria established by the State. This budget document was prepared according to these criteria. The following functional areas are included in the budget:

General Government - This function provides for the operation of the government and assures the general administration of the municipality. Activities included in this function are mayor and council, legal services, city administrator, human resources, wellness program, finance, information technology, risk management, and buildings and grounds.

Public Safety - This function provides for services to reduce the amount and effects of external harm to individuals and damage to property, and in general to promote an atmosphere of personal security from external events. The police, animal control, and fire activities are included in this function.

Culture and Recreation - This function promotes the general well being of the City and encourages the fullest development of cultural and educational potentials of the citizens in the community. This function includes the activities of library, art center, parks and recreation, and cemetery.

Public Works - This function provides for safe and well-maintained infrastructure for the City. Activities included in this function are public works administration, roadway maintenance, snow and ice control, street cleaning, traffic control, and engineering.

Community and Economic Development – This function provides for planning and development of the City including the social, physical, and economic needs of the City. Activities included in this function are Community Development, Economic Development, the Section 8 Housing Program, and the Tax Increment Funds.

Health and Social Services – This function provides for assistance to service agencies involved in providing health and social services in the community. For the City, this function includes the Economic Well-Being activity.

Debt Service – This function provides for the accumulation of resources for and the payment of principal and interest on long-term debt of the City.

Capital Projects – This function provides for the acquisition or construction of major capital facilities or equipment for the City.

Business-Type Activities – This function includes activities of the City that are financed in whole, or in part, by fees charged to external parties for goods or services. These activities are accounted for as enterprise funds and include the Airport, Transit, Parking, Golf Course, Boat Harbor, Marina, Soccer Events, Ambulance, Convention and Visitors Bureau, Refuse Collection, Landfill, Transfer Station, Water Pollution Control, and Collection and Drainage funds.

BASIS OF ACCOUNTING AND BUDGETING:

The City of Muscatine uses the modified accrual basis of accounting to budget and account for transactions of the governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (when they are measurable and available) and expenditures are recognized when the fund liability is incurred. For the City's proprietary funds, the City uses the accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when the liability is incurred. The City prepares the budgets for proprietary funds consistent with this basis except that capital outlay items are included in the budget and depreciation is excluded.

The City prepares its budget on a basis consistent with generally accepted accounting principles except that the City also recognizes encumbrances for budgetary purposes. Encumbrances include supplies ordered but not yet received, and services contracted but not yet expended by the City. Encumbrances are charged against a budget or appropriation for accounting purposes. Accordingly, expenditures/expenses in this document include encumbered expenditures/expenses. Encumbrances do not lapse at year-end and provide authorization for expenditures/expenses for the following year.

The City appropriates funds for capital projects on a fiscal year basis. The Capital Projects section of this document includes descriptive information on each project with estimated costs and financing sources. Included on separate schedules are project cost estimate listings by fiscal year for both the revised 2021/2022 and upcoming 2022/2023 fiscal years.

CITY OF MUSCATINE
BUDGET PREPARATION CALENDAR
Fiscal Year July 1 - June 30

	Operating Budget	Capital Improvements Budget
October	Finance Department prepares budget guidelines and preparation packet	
	Goal setting session by City Council	
November	Finance Department distributes to departments budget manual and other materials	
December	Departments meet with Boards and Commissions and develop budget requests	
	Budget requests submitted to Finance Department	
	Budget discussions with City Administrator, Finance Director, and department heads begin	
January	Discussions with department heads, Finance Director, and City Administrator continue	
February	Proposed City Budget presented to City Council	
	City Council in-depth review of department operating budgets	
March	Public hearings on proposed operating budgets	
	City Council approval of operating budget by resolution	
	Certification of City Budget to County Auditor	

	Operating Budget	Capital Improvements Budget
April		Community Development Department prepares guidelines and forms for revision to 5-year Capital Improvements Program Procedures for adding or revising capital improvement projects distributed to departments
May	Proposed budget amendments presented to City Council	
	Public hearing on proposed amendments City Council approval of amendments to current year budget by resolution	Capital Improvement requests submitted to Community Development Department
June		Proposed Capital Improvement package including possible funding sources forwarded to Planning & Zoning Commission Discussion and review of proposed program by Commission
July		Meetings of Planning & Zoning Commission and departments regarding projects, i.e., scope, need, and available funding Planning & Zoning Commission recommendation to City Council
August		City Council discussion of proposed program Public hearing by City Council regarding capital improvement program
September		City Council approval of program by resolution

BUDGET PREPARATION PROCESS

The preparation of the City of Muscatine's budget involves the interaction of City departments, boards and commissions, City Council, and the general public. This process begins with City Council goal setting and the distribution of materials to departments and is completed with City Council certification of a budget for the upcoming fiscal year.

The City's budgetary process generally begins nine months prior to July 1st, the beginning of the City's fiscal year. The City Council held a special meeting on December 7, 2021 to discuss their overall goals and objectives and the Strategic Plan for the operation of the City. In prior years this meeting was held in October; however, setting the meeting for December allowed the newly elected Mayor and Councilmembers to participate. The new goals were formally adopted on January 6, 2022. Department directors incorporated funding in their department budgets or in related capital project funds to achieve the goals and objectives adopted by the City Council for the upcoming year.

Boards and commissions consisting of individuals from the community also assisted City staff during the budget process and made recommendations to the City Council regarding various services and activities of the City of Muscatine. There are three boards and six advisory commissions consisting of fifty-seven individuals that serve the City in this capacity.

In early November, the budget manual and appropriate worksheets were distributed to department heads. The budget manual provided general information and gave specific directions on the budget process. The City's procedures included completion by each department of various forms which were described in detail in the manual. The City of Muscatine's budgetary process is on the City's computer system and this system was used to generate the historical data forwarded to the departments. The department's responsibilities included the review of the historical data in respect to services to be provided to the citizens of Muscatine by the department. Personnel and wage information was provided by the Finance Department. The department head reviewed the information to determine what level of appropriation would be required to provide the current level of services. Any additional service levels proposed to be provided to the general public at the request of departments, the City Administrator, or City Council, were developed separately and independently from the status quo budget. The additional service level requests were reviewed in-depth during the budgetary process, and if appropriate, added to the department's request.

Additionally, while analyzing expenditure requirements in order to support current service levels, each department was also requested to establish goals and objectives for the upcoming fiscal year. These goals and objectives related to the service levels currently provided by the individual department or activity. A status report on the current year's goals and objectives was also required by the City Administrator. In addition to the funding requests to continue current service levels, the budget material included a form to indicate where each department would reduce their budget, if necessary, by 1%, 3%, or 5%. These percentage reductions were in the non-capital outlay or non-debt line items. This allowed departments to prioritize their services in the event that funding reductions would need to be made.

Additionally, the City Administrator, at the initial budget meeting of the City Council, described the overall taxing mechanism for the City of Muscatine in addition to potential revenue sources. The presentation included a brief overview of proposed financing of capital improvement projects and corresponding debt service requirements. This meeting provided the citizens of Muscatine with knowledge on how the City of Muscatine's services are provided through appropriations and funded by available revenue sources. All agendas for the budget meetings were distributed to the local media and posted on the City’s website.

Department requests for appropriations were submitted to the Finance Department for initial review by December 9th. The departments had consulted with the appropriate boards and commissions in developing their budget requests. The department heads met with the City Administrator and Finance Director during the remainder of December and the first part of January regarding the proposed budgets. The City Administrator discussed with the respective department head, the goals and objectives of each department prior to analysis of expenditure levels. Concurrently, the Finance Department prepared revenue estimates from input from the respective departments. Each department was required to submit revenue estimates for their activities. The Finance Department estimated general revenues such as those from the State and Federal government, and lastly determined the City of Muscatine's taxing ability. A preliminary budget was discussed with the City Administrator. This preliminary budget reflected the budget requests as submitted by the departments and as adjusted by the City Administrator in addition to revenue projections for the City.

Additional departmental discussions were required due to funding sources not meeting expenditure requests. These meetings occurred during the month of January. Additional service level requests were also considered at that time in addition to consideration of possible areas of reductions. The City Council has established a certain level of working balance for the City, and consequently that balance needed to be maintained and expenditures funded from available revenue sources.

The City Administrator presented to the City Council a proposed budget on January 27, 2022. The City Council received a budget notebook which included the budget overview from the City Administrator, various schedules dealing with taxation and property valuations, in addition to the proposed revenue and expenditure summary and detail schedules. Copies of the initial proposed budget as presented to the City Council were available at the City Clerk's office, the public library, and the City’s website for citizen review.

The summary information for each department included a history of financial data in addition to a revised estimate for the current year and the proposed budget for fiscal year 2022/2023. Additionally, a brief description of the activity was presented which included any other related information for the department. Any changes from the current year to the proposed year were also noted. Also included were the goals and objectives and performance measures for each department.

The month of February was primarily devoted to discussions with the City Council. The City Administrator and Finance Director reviewed each activity budget with the City Council. Appropriate board or commission members were invited to attend as well as the respective department representatives. Members of the boards and commissions were given the opportunity to relate to the City Council their concerns and requests. Furthermore, discussions occurred in regard to the availability of Federal and State grants and the financing of capital improvement projects. A section in the notebook provided to the City Council addressed debt service requirements and the utilization of Federal and State funds. These sessions, as in the case of the goals and objective sessions of the City Council, were open to the general public. Access to the budget meetings was also available through a virtual format.

After the general budget meetings, the City Council met to discuss the City's services and items of concern for the operation of the City. This discussion included the balancing of requests and potential revenue sources. The City Council identified items that they had previously discussed which were to be considered as additions or deletions to the proposed budget. The City Council then had the task of weighing certain services or activities within the organization in light of available resources. After the City Council had agreed upon a proposed level of services and corresponding appropriation level, the Council set the required public hearings for the budget.

In their 2019 session, the State legislature approved a property tax bill affecting local governments beginning with the fiscal year 2020/2021 budget. This bill left the current tax levy categories in place but established a “maximum property tax dollars” which is equal to 102% of the prior year’s budget for certain levies. The bill

allows cities to exceed the 2% level with a two-thirds majority vote of the Council after notice is published and public hearings are held. The ability to exceed the 2% tax revenue increase is still limited by the current caps on the General Fund, Emergency, Levee, and other tax levies. This requires all cities to hold two public hearings each year with the first being on the maximum property tax dollars for certain levies and the other for the final property tax levy and adoption of the budget. The City held those hearings on March 3 and March 17, 2022 and the budget was adopted on March 17.

Notices of the hearings were made in the local newspaper. The notice for the 2nd public hearing included a summary of proposed expenditures and revenues and the proposed property tax rate. According to State law, the tax rate and the total expenditures cannot be increased after publication of the public hearing notice. During the public hearings, citizens were given the opportunity to voice their objections or support of the proposed budget as presented. After the public hearing, the City Council considered any comments made and acted upon the approval of the budget.

The City Council officially adopted the budget on March 17, 2022 and authorized the City Clerk by resolution to certify the budget to the County Auditor by March 31, which is the State's filing deadline. After certification, the budget was reviewed by staff and detailed information changed in light of City Council discussions. The budget was subsequently printed and made available for distribution. The budget document then becomes a guide for the City Council and departments during the year for achieving the goals and objectives, and providing programs and services as described in the budget.

BUDGET AMENDMENT PROCESS

The State Code of Iowa provides that "A city budget as finally adopted for the following fiscal year, becomes effective July 1st, and constitutes the city appropriation for each program and purpose specified therein until amended as provided in this section. A city budget for the current fiscal year may be amended for any of the following purposes:

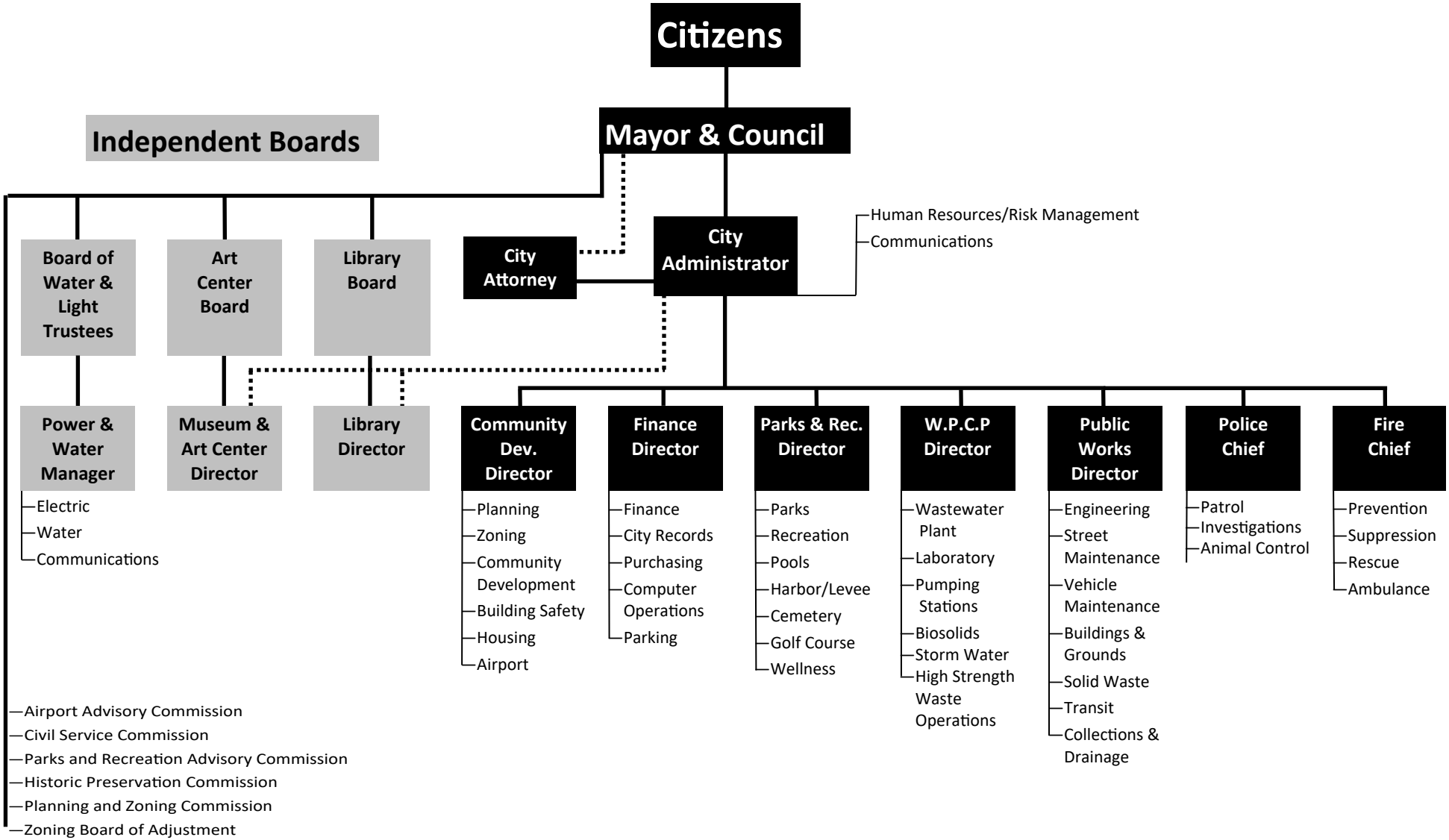
1. To permit the appropriation and expenditure of unexpended, unencumbered cash balances on hand at the end of the preceding fiscal year which had not been anticipated in the budget.

2. To permit the appropriation and expenditures of amounts anticipated to be available from sources other than property taxation, and which had not been anticipated in the budget.

3. To permit transfers from the Debt Service Fund, the Capital Improvements Reserves Fund, the Emergency Fund, or other funds established by state law to any other city fund unless specifically prohibited by state law.

4. To permit transfers between programs within the General Fund. The budget amendment must be prepared and adopted in the same manner as the original budget, ..."

Consequently, according to state requirements, a public hearing is required for each amendment of the current year's budget. The information supplied to the City Council and general public includes the public hearing notice and a detailed listing of proposed amendments by department. Each proposed amendment is described as to its purpose or need. A budget amendment is to be completed by May 31st of each year in order to allow time for a potential hearing to be held. The decisions from protest hearings need to be rendered before June 30, the end of the fiscal year. Any amendment of the budget after May 31st, which would be appealed, and likewise without adequate time for a hearing and decision before June 30, is considered void.



City Boards & Commissions

MUSCATINE

City of Muscatine Organizational Structure

CITY OF MUSCATINE

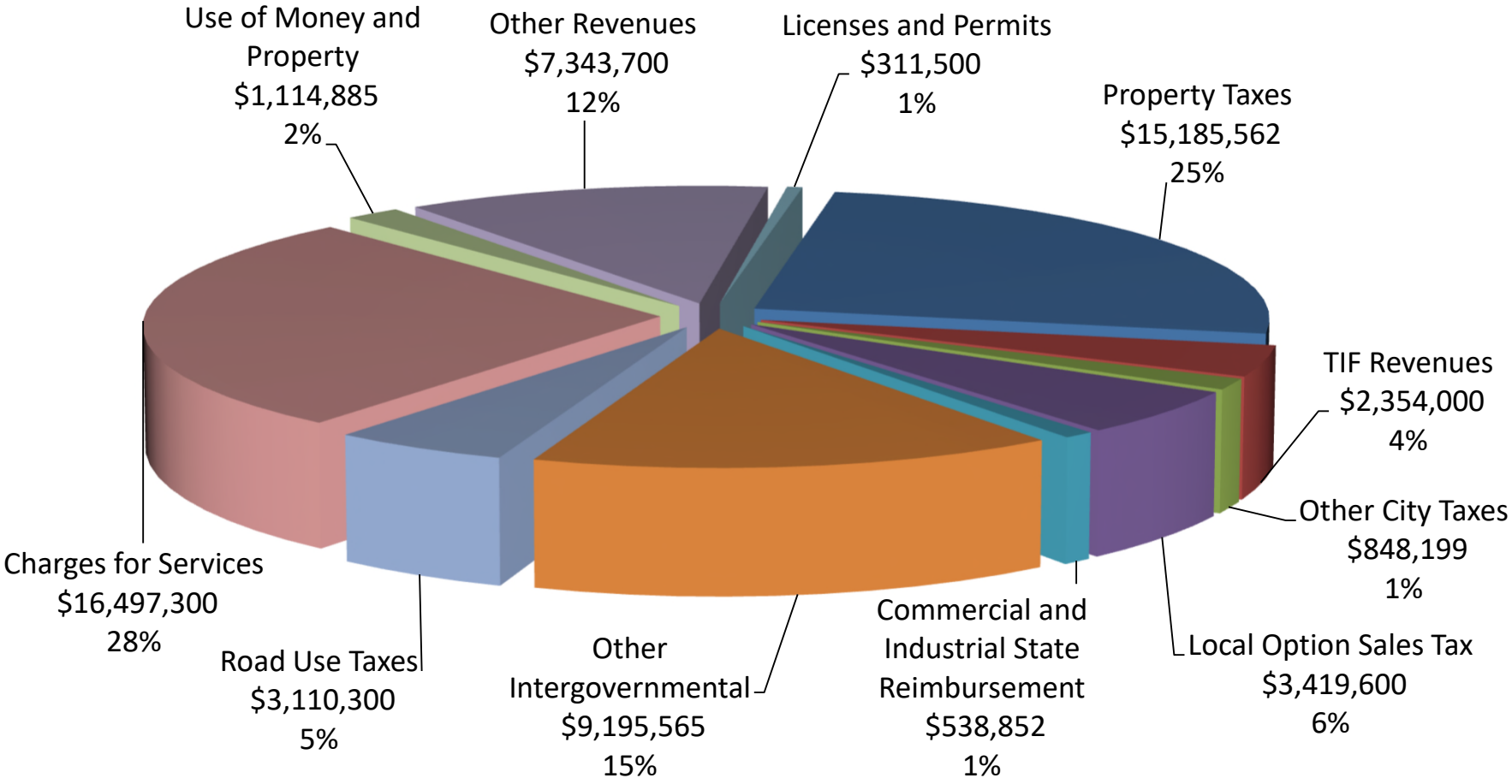
ENTITY-WIDE BUDGET OVERVIEW 2022/2023

ALL CITY REVENUES AND EXPENDITURES - INCLUDING CAPITAL PROJECTS

PROPERTY TAX RATE INFORMATION

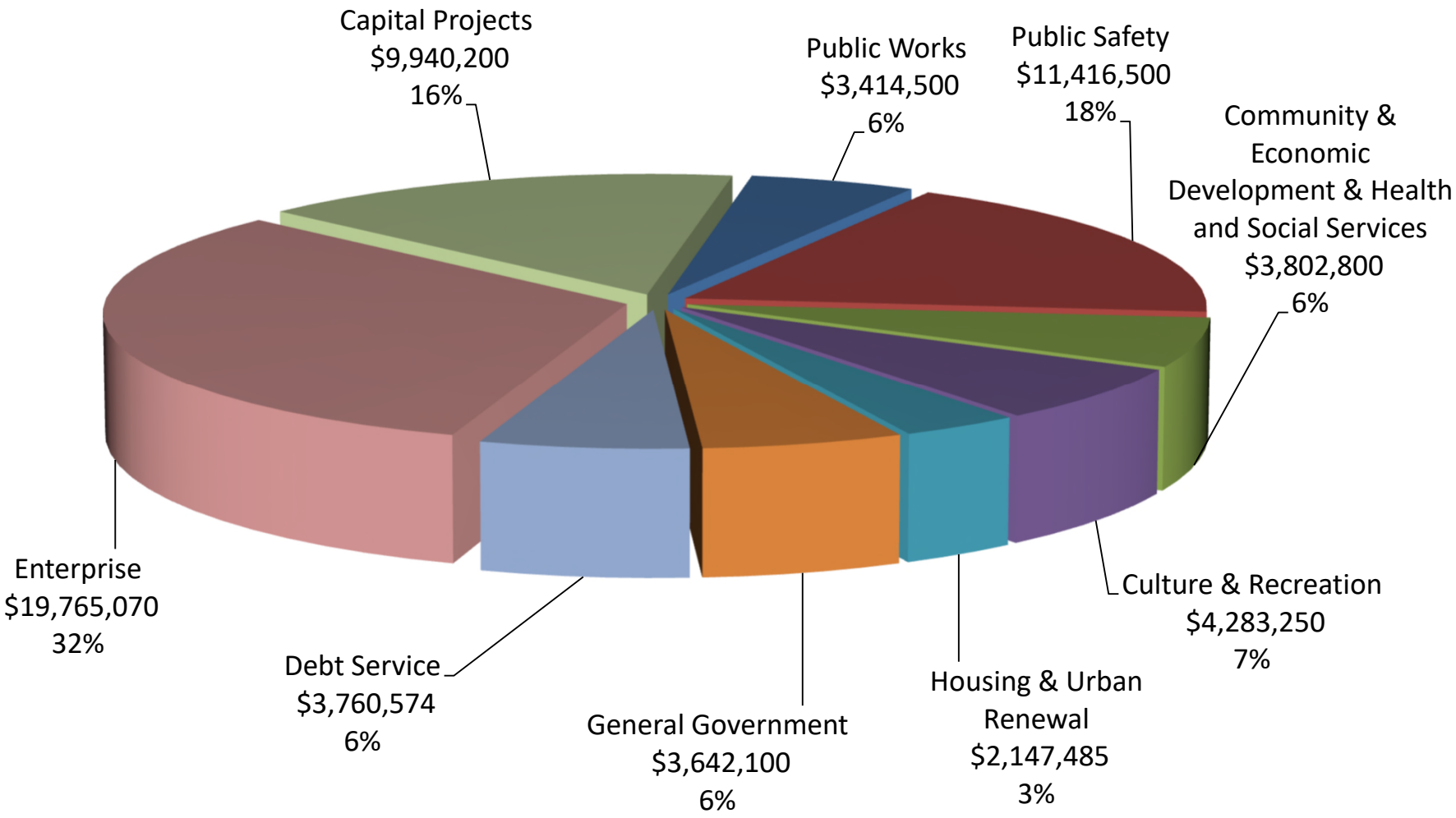
Where Does the Money Come From?

All City Funds Revenue Sources (Including Capital Projects)
Budget 2022/2023 - $59,919,463



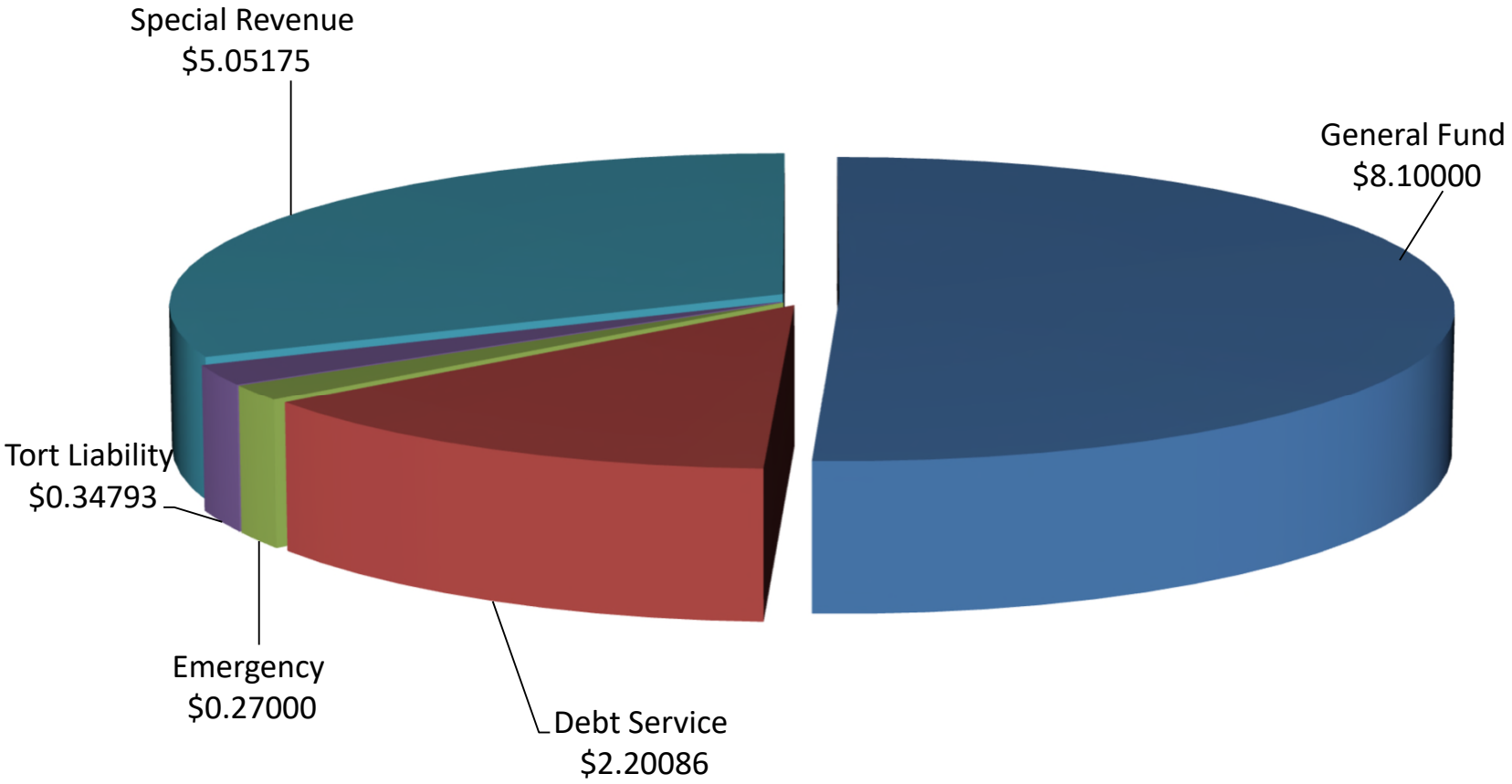
How are the Funds Used?

All City Expenditures by Function (Including Capital Projects)
Budget 2022/2023 - $62,172,479



City Tax Levy Rates by Type

FY 2022/2023
Total $15.97054/$1,000 Valuation



Where Do Each of Your Property Tax Dollars Go?

$0.412
City of Muscatine

$0.356
Muscatine Schools

$0.232
Muscatine County

Above tax levy allocation reflects fiscal year 2021/2022 rates which total $37.99834 per $1,000 valuation. Tax levy rates for fiscal year 2022/2023 for the School and County are not yet available

BUDGET SUMMARY SCHEDULES

INDIVIDUAL MAJOR FUNDS

AND

NON-MAJOR FUNDS COMBINED

Major Fund Information

Beginning with the City's Fiscal Year 2002/2003 Annual Comprehensive Financial Report, financial information has been presented for Major and Non-Major Funds for both governmental fund types and business-type/enterprise funds. This change was effective when the City implemented Governmental Accounting Standards Board (GASB) Statement 34.

Major funds are defined as those in which the fund's assets, liabilities, revenues, or expenditures for the fiscal year are 10% or more of the respective governmental or business-type fund totals of assets, liabilities, revenues, or expenditures. In addition, the fund's assets, liabilities, revenues, or expenditures must also be at least 5% of the total of these same categories for both governmental and business-type funds combined. A City's General Fund is always considered a major fund, even if it would not meet the above criteria.

For Fiscal Year 2020/2021 the City's major operating funds were determined to be:

Governmental Funds:
- General Fund
- Employee Benefits Special Revenue Fund
- Local Option Sales Tax Special Revenue Fund
- Road Use Tax Fund
- Debt Service Fund

Business-Type/Enterprise Funds:
- Water Pollution Control Fund
- Transfer Station Fund
- Refuse Collection

These funds are described and historical information is presented for these funds in their respective sections of this budget document. These funds are expected to continue to be the City's major operating funds for future year budgeting and financial reporting purposes.

City of Muscatine
Operating Funds - Major Funds and Non-Major Funds Combined
Budget Summary

	Major Governmental Funds					Major Business-Type/ Enterprise Funds				
	General	Employee Benefits	Local Option Sales Tax	Road Use Tax	Debt Service	Water Pollution Control	Transfer Station	Refuse Collection	Other Non-Major Funds	Total
Projected Beginning Balance, July 1, 2022	$ 5,183,005	$ 62,404	$ 300,007	$ 1,091,948	$ 104,143	$ 2,389,204	$ 162,319	$ 133,331	$ 21,877,406	$ 31,303,767
Revenues and Other Sources										
Property Taxes	$ 7,949,836	$ 4,750,687	$ -	$ -	$ 2,231,130	$ -	$ -	$ -	$ 2,607,909	$ 17,539,562
Other City Taxes	824,320	16,033	3,419,600	-	6,989	-	-	-	857	4,267,799
Licenses and Permits	291,900	-	-	-	-	1,600	-	-	18,000	311,500
Intergovernmental	875,461	168,188	-	3,110,300	80,514	-	-	-	6,185,554	10,420,017
Charges for Services	888,400	-	-	-	-	5,695,000	2,097,400	2,476,500	6,687,600	17,844,900
Use of Money and Property	128,700	-	100	-	500	500	60,200	-	924,885	1,114,885
Other Revenue	1,524,200	-	-	-	-	73,500	8,000	6,800	4,693,900	6,306,400
Other Financing Sources										
Transfers In	10,967,129	-	683,900	-	452,150	-	42,000	-	3,034,218	15,179,397
Total Revenues and Other Sources	$ 23,449,946	$ 4,934,908	$ 4,103,600	$ 3,110,300	$ 2,771,283	$ 5,770,600	$ 2,207,600	$ 2,483,300	$ 24,152,923	$ 72,984,460
Funds Available	$ 28,632,951	$ 4,997,312	$ 4,403,607	$ 4,202,248	$ 2,875,426	$ 8,159,804	$ 2,369,919	$ 2,616,631	$ 46,030,329	$ 104,288,227
Expenditures and Other Uses										
Public Safety	$ 11,217,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 199,000	$ 11,416,500
Public Works	3,414,500	-	-	-	-	-	-	-	-	3,414,500
Health and Social Services	55,000	-	-	-	-	-	-	-	-	55,000
Culture and Recreation	3,974,700	-	-	-	-	-	-	-	308,550	4,283,250
Community and Economic Development	1,119,900	-	-	-	-	-	-	-	4,775,385	5,895,285
General Government	3,266,200	-	-	-	-	-	-	-	375,900	3,642,100
Debt Service	-	-	-	-	2,810,754	-	-	-	949,820	3,760,574
Business Type/Internal Service	-	-	-	-	-	4,015,700	2,211,500	2,355,700	12,525,670	21,108,570
Other Financing Uses										
Transfers Out	401,700	4,997,312	4,103,600	3,850,500	-	1,645,768	-	-	4,691,517	19,690,397
Total Expenditures and Other Uses	$ 23,449,500	$ 4,997,312	$ 4,103,600	$ 3,850,500	$ 2,810,754	$ 5,661,468	$ 2,211,500	$ 2,355,700	$ 23,825,842	$ 73,266,176
Projected Ending Balance, June 30, 2023	$ 5,183,451	$ -	$ 300,007	$ 351,748	$ 64,672	$ 2,498,336	$ 158,419	$ 260,931	$ 22,204,487	$ 31,022,051
Increase (Decrease) in Fund Balance	$ 446	$ (62,404)	$ -	$ (740,200)	$ (39,471)	$ 109,132	$ (3,900)	$ 127,600	$ 327,081	$ (281,716)
Percent Change in Fund Balance	0.0%	-100.0%	0.0%	-67.8%	-37.9%	4.6%	-2.4%	95.7%	1.5%	-0.9%
Percent Ending Fund Balance of Expenditures	22.1%	0.0%	7.3%	9.1%	2.3%	44.1%	7.2%	11.1%	93.2%	42.3%

Explanations of Significant Changes in Fund Balances of Major Funds

General Fund:

The fund balance of the General Fund is budgeted to increase by $446 during fiscal year 2022/2023. The budgeted ending balance is 22.1% of expenditures for the year. In November of 2013 the City Council adopted a new General Fund balance policy which provides that the minimum fund balance be at least two months of expenditures which is equivalent to 16.7%. The budget for 2022/2023 with the ending balance of 22.1% of General fund expenditures more than meets this new minimum fund balance target amount.

Employee Benefits Special Revenue Fund:

This fund accounts for a separate tax levy which funds employee pension and benefit costs for General Fund employees. Each year the City projects employee benefit costs when setting this levy. Due to prior year employee benefit costs being less than budgeted, there will be an estimated $62,404 beginning fund balance for 2022/2023. The Employee Benefits tax levy for 2022/2023 was set at a rate which results in utilizing this beginning balance to fund the estimated employee benefit costs for 2022/2023. This resulted in the zero balance budgeted in this fund at the end of 2022/2023, which is the balance normally budgeted.

Local Option Sales Tax:

The City has had a one percent local option sales tax since July 1, 1994 with the majority of the proceeds from this tax used for sewer improvement projects. In 2008 voters approved continuation of this tax for a 10-year period with 80% of this tax to be used to continue sewer improvement projects and 20% for the City's pavement management program. In 2018 voters approved continuation of this tax for an additional 15 years to fund future sewer (80%) and street (20%) improvement projects. Voters approved the extension of this tax with 88% voting in favor of the extension.

The balance in the Local Option Sales Tax fund is budgeted to be maintained at $300,007 for 2022/2023. The sewer portion of the tax is being used to fund the West Hill Sewer Separation project. This multi-year multi-phase project, with a total cost estimated to reach or exceed $55 million, is the final sewer separation project mandated in the City's Consent Order with the Environmental Protection Agency (EPA). Phase 5-B of the West Hill Sewer Separation project is scheduled for construction in calendar year 2022 and Phase 6-A is scheduled to begin in calendar year 2023. Transfers from this fund are made as needed to fund actual costs of the sewer projects.

Road Use Tax Fund:

Road Use Taxes are received from the State of Iowa from gasoline taxes, license fees, and weight taxes. These funds are returned to the City as road use taxes and are distributed to cities on a per capita formula basis. The Road Use Tax fund balance is projected to decrease by $740,200 (67.8%) to $351,748 at the end of 2022/2023. This amount represents the use of funds accumulated in the prior year being expended for street improvement projects in 2022/2023.

Debt Service Fund:

The City generally sets the debt service tax levy at a level to fund annual debt service requirements on tax-supported general obligation bond issues. The Debt Service fund balance has been increasing in recent years due to interest rates on new bond issues being less than budgeted and interest savings from the refunding of prior year bond issues. The balance in the Debt Service fund is budgeted to decrease $39,471 (37.9%) for 2022/2023.

Water Pollution Control Fund:

The balance of the Water Pollution Control fund is budgeted to increase by $109,132 (4.6%) in 2022/2023. The 2022/2023 budgeted ending balance is 44.1% of fund expenditures for the year.

Transfer Station:

Based on budget assumptions, the Transfer Station fund is projected to have a beginning fund balance of $162,319 in 2022/2023 and that balance is budgeted to decrease by $3,900 to $158,419 by the end of 2022/2023. This fund has had deficit ending balances in recent years due to capital outlay purchases. As capital purchases are critical to the efficient operation of the Transfer Station, the increased balance will be used for future capital outlay needs.

Refuse Collection:

The Refuse Collection fund is budgeted to increase by $127,600 (95.7%) in 2022/2023. The 2022/2023 budgeted ending balance is 11.1% of fund expenditures for the year.

The rates for both regular residential customers and the senior rates are budgeted to increase by $1.00 per month effective July 1, 2022. The rate increase is needed in order to generate sufficient funds for future capital outlay needs.

Non-Major Funds:

The fund balance of non-major funds combined is expected to increase by $327,081 (1.5%) during 2022/2023. There are increases and decreases in the balances of the various non-major funds. The overall increase, however, is primarily due to the $400,200 increase in the Water Pollution Control Plant Replacement Reserve and a $402,000 increase in the West Hill Sewer Reserve.

BUDGET SUMMARY SCHEDULES -

OPERATING FUNDS

City of Muscatine
Operating Funds
Budget Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 27,614,482	$ 27,974,524	$ 27,324,481	$ 31,562,925	$ 31,303,768
Revenues and Other Sources					
Property Taxes	$ 16,504,174	$ 16,844,769	$ 17,274,177	$ 17,273,677	$ 17,539,562
Other City Taxes	4,036,376	4,757,747	4,173,998	4,797,736	4,267,799
Licenses and Permits	323,073	245,765	297,800	356,100	311,500
Intergovernmental	8,348,473	9,076,378	8,059,977	11,015,863	10,420,017
Charges for Services	16,301,108	16,652,429	17,464,700	17,598,700	17,844,900
Use of Money and Property	1,540,904	1,123,961	1,163,110	1,105,750	1,114,885
Other Revenue	5,902,288	6,355,420	6,068,950	6,321,160	6,306,400
Other Financing Sources					
Transfers In	11,895,356	12,486,680	14,155,447	14,968,833	15,179,397
Total Revenues and Other Sources	$ 64,851,752	$ 67,543,149	$ 68,658,159	$ 73,437,819	$ 72,984,460
Funds Available	$ 92,466,234	$ 95,517,673	$ 95,982,640	$ 105,000,744	$ 104,288,228
Expenditures and Other Uses					
Public Safety	$ 9,886,458	$ 10,590,823	$ 10,933,900	$ 11,062,900	$ 11,416,500
Public Works	3,006,259	2,866,932	3,096,900	3,332,800	3,414,500
Health and Social Services	50,000	50,000	50,000	50,000	55,000
Culture and Recreation	3,568,254	3,588,182	3,980,000	4,486,650	4,283,250
Community and Economic Development	4,836,175	4,589,847	5,033,374	5,732,736	5,895,285
General Government	3,108,383	2,852,499	3,342,900	3,378,624	3,642,100
Debt Service	4,058,775	3,818,236	3,841,498	2,900,738	3,760,574
Business Type/Internal Service	17,652,282	18,723,123	20,301,540	22,093,595	21,108,570
Other Financing Uses					
Transfers Out	18,325,124	16,875,106	18,090,047	20,658,933	19,690,397
Total Expenditures and Other Uses	$ 64,491,710	$ 63,954,748	$ 68,670,159	$ 73,696,976	$ 73,266,176
Ending Balance, June 30	$ 27,974,524	$ 31,562,925	$ 27,312,481	$ 31,303,768	$ 31,022,052

City of Muscatine
Operating Funds
Fund Statement

Fund	Estimated Balance (Deficit) 7/1/22	Revenues	Expenditures	Estimated Balance (Deficit) 6/30/23
General	$ 5,183,005	$ 23,449,946	$ 23,449,500	$ 5,183,451
Enterprise:				
Airport Operations	0	126,800	126,800	0
Transit System	467,775	1,399,600	1,500,200	367,175
Parking System	44,365	173,200	188,500	29,065
Golf Course	43,716	906,400	899,100	51,016
Boat Harbor Operations	500	26,700	25,700	1,500
Marina Operations	(3,895)	12,100	12,100	(3,895)
Ambulance Operations	263,631	2,071,500	2,290,000	45,131
Convention & Visitors Bureau	104,958	91,200	125,000	71,158
Soocer Events	59,140	69,200	67,800	60,540
Refuse Collection	133,331	2,483,300	2,355,700	260,931
Landfill Operations	1,662,274	1,297,600	1,323,800	1,636,074
Landfill Surcharge Reserve Part I	0	20,000	20,000	0
Landfill Surcharge Reserve Part II	0	42,000	42,000	0
Landfill Post-Closure Reserve	1,163,634	47,200	0	1,210,834
Landfill Closure Reserve	1,618,742	140,700	0	1,759,442
Transfer Station Operations	162,319	2,207,600	2,211,500	158,419
Transfer Station Closure Reserve	33,825	0	0	33,825
Water Pollution Control	2,389,204	5,770,600	5,661,468	2,498,336
Collection and Drainage	764,360	1,509,700	1,971,200	302,860
WPCP Replacement Reserve	2,305,974	400,200	0	2,706,174
West Hill Sewer Reserve	4,587,577	402,000	0	4,989,577
Sewer Revenue Bond Sinking Fund	129,542	950,718	949,820	130,440
Sewer Extension and Improvement Reserve	1,631,537	365,500	0	1,997,037
Special Revenue:				
Employee Benefits	62,404	4,934,908	4,997,312	0
Emergency Levy	347,662	263,855	611,517	0
American Rescue Plan Act	1,492,200	1,766,700	1,440,700	1,818,200
Road Use Tax	1,091,948	3,110,300	3,850,500	351,748
Community Block Grant	17,195	0	12,000	5,195
Tax Increment - Downtown	9,378	217,500	217,500	9,378
Tax Increment - Southend	330,290	1,260,200	1,160,000	430,490
Tax Increment - Cedar Development	66,303	0	0	66,303
Tax Increment - Highway 38 NE	16,946	50,500	50,500	16,946
Tax Increment - Heinz	4,890	10	4,900	0
Tax Increment - Fridley Theatre	45,893	68,100	68,000	45,993
Tax Increment - Riverview Hotel Dev.	1,233	520,000	520,000	1,233
Tax Increment - North University	11,234	80,000	80,000	11,234
Tax Increment - White Distribution & Supply	8,887	54,000	54,000	8,887
Tax Increment - Hershey Building	0	76,000	76,000	0
Tax Increment - Oak Park	0	28,000	28,000	0
Downtown Reinvestment District	0	200,000	200,000	0
Small Business Forgivable Loan Program	0	100,000	100,000	0
Small Business Forgive Loan Code Compliance	0	50,000	50,000	0
Small Business Forgive Loan 2nd St. Facade Program	0	100,000	100,000	0
Local Option Sales Tax	300,007	4,103,600	4,103,600	300,007
Equipment Replacement	104,319	257,300	289,000	72,619
Computer Replacement	15,000	40,000	50,000	5,000
Public Housing Operations	674,522	1,107,950	1,079,670	702,802
Section 8 Voucher Program	149,384	2,075,090	2,093,385	131,089
Home Ownership Program	36,827	45,100	54,100	27,827
Sunset Park Education Center	7,181	0	0	7,181
Police Forfeiture Fund	10,935	5,000	5,000	10,935
Trust and Agency:				
Perpetual Care Fund	908,684	5,000	0	913,684
Perpetual Care Interest Trust	0	500	500	0
Cemetery Special Trusts	51,516	100	1,000	50,616
Library Trusts	71,557	32,500	29,450	74,607
Art Center Trusts	333,050	12,500	136,000	209,550
Debt Service:				
General Obligation	104,143	2,771,283	2,810,754	64,672
Internal Service/Other:				
Equipment Services	112,954	1,348,100	1,343,500	117,554
Dental Insurance	76,720	173,200	173,200	76,720
Health Insurance	2,094,991	4,163,400	4,255,900	2,002,491
Total *	$ 31,303,767	$ 72,984,460	$ 73,266,176	$ 31,022,051

*Includes interfund transactions.

City of Muscatine
Operating Funds
Revenue Summary

Fund	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
General	$ 20,443,793 *	$ 21,487,247 *	$ 22,450,589	$ 22,985,786	$ 23,449,946
Enterprise:					
Airport Operations	102,903	133,840	139,400	123,304	126,800
Transit System	1,098,485	1,097,676	1,293,700	1,792,800	1,399,600
Parking System	169,316	174,687	173,300	174,700	173,200
Golf Course	765,776	847,810 *	845,700	884,700	906,400
Boat Harbor Operations	20,034	82,832	22,800	25,700	26,700
Marina Operations	6,472	11,408	12,100	12,100	12,100
Ambulance Operations	2,175,208	2,005,570 *	1,981,900	2,037,300	2,071,500
Convention & Visitors Bureau	127,424	100,080	62,600	93,600	91,200
Soccer Events Fund	14,535 *	36,765	74,200	69,200	69,200
Refuse Collection	2,440,302	2,450,704	2,376,300	2,376,300	2,483,300
Landfill Operations	1,362,155	1,277,135	1,303,000	1,297,600	1,297,600
Landfill Surcharge Reserve Part I	19,819	19,514	20,000	20,000	20,000
Landfill Surcharge Reserve Part II	41,619	40,980	42,000	42,000	42,000
Landfill Post-Closure Reserve	49,940	47,119	49,900	47,200	47,200
Landfill Closure Reserve	159,393	140,701	159,400	140,700	140,700
Transfer Station Operations	2,288,662	2,237,977	2,225,700	2,207,600	2,207,600
Water Pollution Control	5,338,572	5,631,872	5,668,900	5,861,600	5,770,600
Collection and Drainage	1,495,159	1,456,803	1,483,600	1,482,900	1,509,700
WPCP Replacement Reserve	458,888	404,701	402,000	400,200	400,200
West Hill Sewer Reserve	466,271	409,336	415,000	402,000	402,000
Sewer Revenue Bond Sinking Fund	931,909	932,991	943,515	941,615	950,718
Sewer Extension and Improvement Reserve	391,218	365,903	370,000	414,200	365,500
Special Revenue:					
Employee Benefits	4,259,847	4,543,189	4,687,668	4,687,668	4,934,908
Emergency Levy	1,575	562,573	139,735	139,835	263,855
American Rescue Plan Act	0	0	0	1,766,700	1,766,700
Road Use Tax	3,122,915	3,504,858	3,013,100	3,086,500	3,110,300
Community Block Grant	578	50,011	100	0	0
Tax Increment - Downtown	205,210	241,596	213,500	212,900	217,500
Tax Increment - Southend	1,531,467	1,380,924	1,151,500	1,150,200	1,260,200
Tax Increment - Cedar Development	1,226	157	200	0	0
Tax Increment - Highway 38 NE	56,847	41,474	44,000	43,900	50,500
Tax Increment - Heinz	7,847	18	0	0	10
Tax Increment - Fridley Theatre	73,718	69,050	68,100	68,000	68,100
Tax Increment - Riverview Hotel Dev.	600,421	639,663	680,000	662,400	520,000
Tax Increment - North University	81,242	70,971	80,000	79,800	80,000
Tax Increment - White Distribution & Supply	0	53,210	54,000	53,900	54,000
Tax Increment - Hershey Building	0	0	75,000	93,100	76,000
Tax Increment - Oak Park	0	0	0	0	28,000
Downtown Reinvestment District	162,673	92,702	200,000	200,000	200,000
Small Business Forgivable Loan Program	337,114	120,290	100,000	301,050	100,000
Small Business Forgive Loan Code Compliance	50,000	50,085	50,000	50,000	50,000
Small Business Forgive Loan 2nd St. Facade Program	0	100,000	100,000	100,000	100,000
Local Option Sales Tax	2,968,743	3,695,483	3,851,200	4,649,700	4,103,600
Equipment Replacement	264,411	221,578	257,600	257,300	257,300
Computer Replacement	77,202	88,414	50,000	50,000	40,000
Public Housing Operations	1,120,557	981,385	911,660	1,229,305	1,107,950
Section 8 Voucher Program	1,865,585	1,798,618	1,918,854	2,109,618	2,075,090
Home Ownership Program	27,912	34,805	41,100	47,100	45,100
Sunset Park Education Center	108	1,154	9,600	500	0
Police Forfeiture Fund	6	6	5,000	5,000	5,000
Trust and Agency:					
Perpetual Care Fund	4,580	11,794	5,000	5,000	5,000
Perpetual Care Interest Trust	19,326	10,872	4,500	500	500
Cemetery Special Trusts	1,632	777	1,000	100	100
Library Trusts	34,422	39,073	42,200	41,250	32,500
Art Center Trusts	20,240	14,877	16,100	212,350	12,500
Debt Service:					
General Obligation	2,929,619	2,853,389	2,900,738	2,900,738	2,771,283
Internal Service/Other:					
Equipment Services	1,036,961	1,064,944	1,339,300	1,339,300	1,348,100
Dental Insurance	163,510	159,733	165,800	163,600	173,200
Health Insurance	3,456,405	3,651,825	3,966,000	3,897,400	4,163,400
Total **	$ 64,851,752	$ 67,543,149	$ 68,658,159	$ 73,437,819	$ 72,984,460

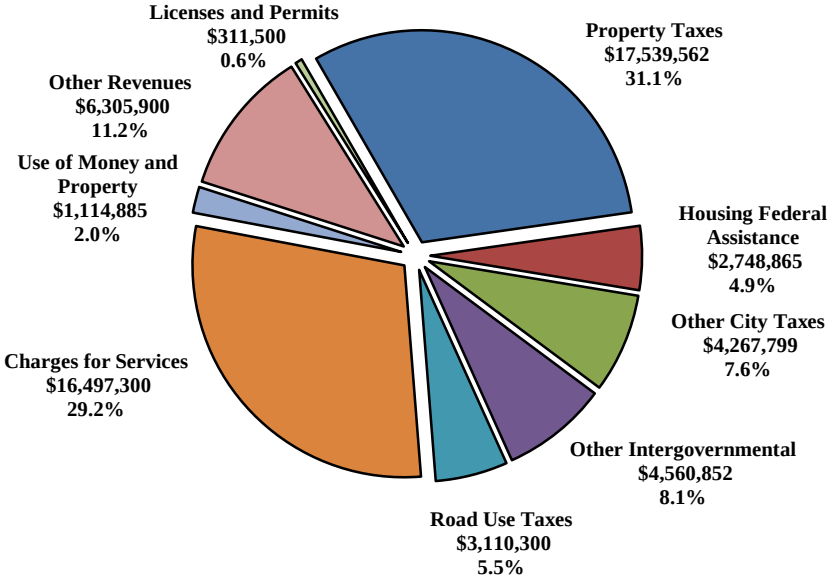
* Includes encumbrance adjustments.
** Includes interfund transactions.

City of Muscatine
Operating Funds
Expenditure Summary

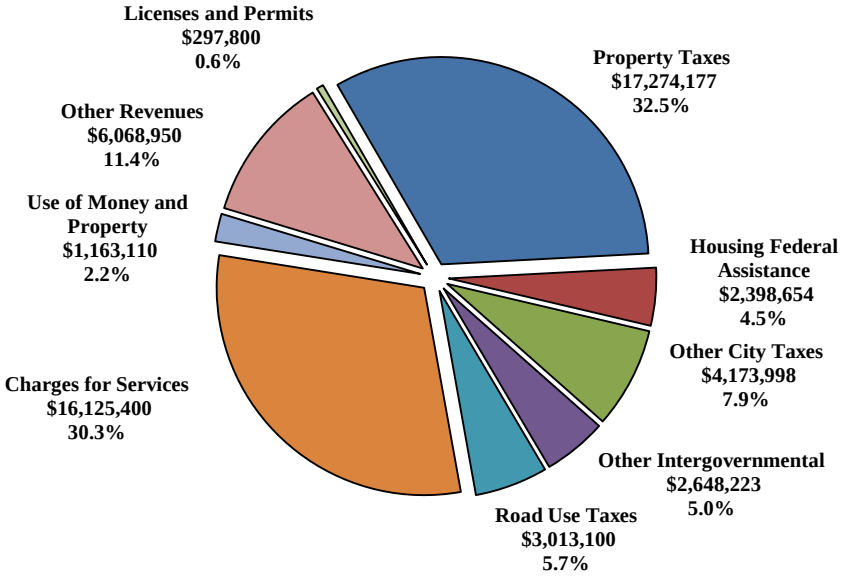
Fund	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Estimate 2021/2022	Budget 2022/2023
General	$ 20,476,055	$ 21,081,148	$ 22,437,800	$ 22,976,304	$ 23,449,500
Enterprise:					
Airport Operations	102,903	110,444	146,500	146,700	126,800
Transit System	976,845	1,065,036	1,328,200	1,736,100	1,500,200
Parking System	197,258	177,751	180,700	172,800	188,500
Golf Course	783,556	800,343	800,500	844,000	899,100
Boat Harbor Operations	20,034	82,832	22,800	25,200	25,700
Marina Operations	9,297	10,852	11,700	11,900	12,100
Ambulance Operations	1,884,313	2,229,686	2,220,300	2,185,400	2,290,000
Convention & Visitors Bureau	105,767	128,800	128,900	128,900	125,000
Soccer Event Fund	49,441	20,781	70,800	65,000	67,800
Refuse Collection	2,281,394	2,459,702	2,400,300	2,439,600	2,355,700
Landfill Operations	1,111,857	1,202,830	1,166,500	1,265,900	1,323,800
Landfill Surcharge Reserve I	19,819	19,514	20,000	20,000	20,000
Landfill Surcharge Reserve II	41,619	40,980	42,000	42,000	42,000
Transfer Station Operations	2,111,985	2,023,209	2,391,500	2,432,900	2,211,500
Water Pollution Control	5,034,378	5,414,889	5,410,865	5,767,165	5,661,468
Collection and Drainage	1,420,241	1,393,654	1,558,900	1,538,500	1,971,200
WPCP Replacement Reserve	2,315,109	228,243	0	107,500	0
Sewer Revenue Bond Sinking Fund	922,220	931,220	940,760	940,760	949,820
Sewer Extension and Improvement Reserve	30,401	424,736	0	177,500	0
Special Revenue:					
Employee Benefits	4,131,873	4,534,058	4,856,947	4,838,329	4,997,312
Emergency Levy	0	0	439,735	439,735	611,517
American Rescue Plan Act	0	0	0	274,500	1,440,700
Road Use Tax	3,159,658	3,106,439	3,445,500	3,722,000	3,850,500
Community Block Grant	100	49,937	3,500	14,000	12,000
Tax Increment - Downtown	246,250	245,000	213,400	213,400	217,500
Tax Increment - Southend	1,861,195	1,510,590	1,106,800	1,344,500	1,160,000
Tax Increment - Highway 38 NE	54,945	39,825	44,000	42,000	50,500
Tax Increment - Heinz	7,262	3,512	0	0	4,900
Tax Increment - Fridley Theatre	66,089	62,239	68,000	59,700	68,000
Tax Increment - Riverview Hotel Development	599,403	639,448	680,000	662,400	520,000
Tax Increment - North University	77,473	66,706	80,000	76,600	80,000
Tax Increment - White Distribution & Supply	0	48,023	54,000	50,200	54,000
Tax Increment - Hershey Building	0	0	75,000	93,100	76,000
Tax Increment - Oak Park	0	0	0	0	28,000
Riverview Reinvestment District	162,673	92,702	200,000	200,000	200,000
Small Business Forgivable Loan Program	306,056	37,353	100,000	502,578	100,000
Small Business Forgive Loan Code Compliance	20,000	20,000	50,000	110,085	50,000
Small Business Forgive Loan 2nd St. Facade Program	0	0	100,000	200,000	100,000
Local Option Sales Tax	3,277,456	2,942,254	3,850,700	5,360,700	4,103,600
Equipment Replacement	199,306	207,449	239,000	258,300	289,000
Computer Replacement	110,540	35,501	65,000	144,424	50,000
Public Housing Operations	857,095	825,918	983,740	1,132,335	1,079,670
Section 8 Voucher Program	1,759,633	1,877,866	1,972,674	2,092,388	2,093,385
Home Ownership Program	34,458	34,367	41,700	48,785	54,100
Sunset Education Center	4,754	0	9,600	0	0
Police Forfeiture Fund	3,808	0	5,000	5,000	5,000
Trust and Agency:					
Perpetual Care Interest Trust	19,326	10,872	4,500	500	500
Cemetery Special Trusts	1,154	1,143	1,800	1,000	1,000
Library Trusts	41,469	40,310	27,100	24,450	29,450
Art Center Trusts	4,247	9,832	86,000	363,000	136,000
Debt Service:					
General Obligation	2,974,590	2,887,016	2,900,738	2,900,738	2,810,754
Internal Service/Other:					
Equipment Services	1,048,012	1,046,942	1,337,000	1,347,900	1,343,500
Dental Insurance	145,023	165,612	165,200	165,200	173,200
Health Insurance	3,423,370	3,567,184	4,184,500	3,985,000	4,255,900
Total *	$ 64,491,710	$ 63,954,748	$ 68,670,159	$ 73,696,976	$ 73,266,176

* Includes interfund transactions.

All City Operating Revenues By Source
Budget 2022/2023
$56,456,963



All City Operating Revenues By Source
Budget 2021/2022
$53,163,412

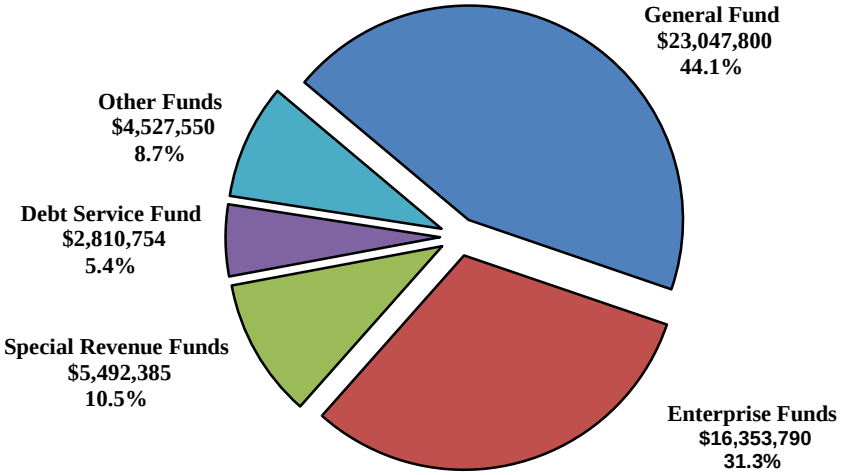


All City Funds Operating Revenues
Reconciliation Information

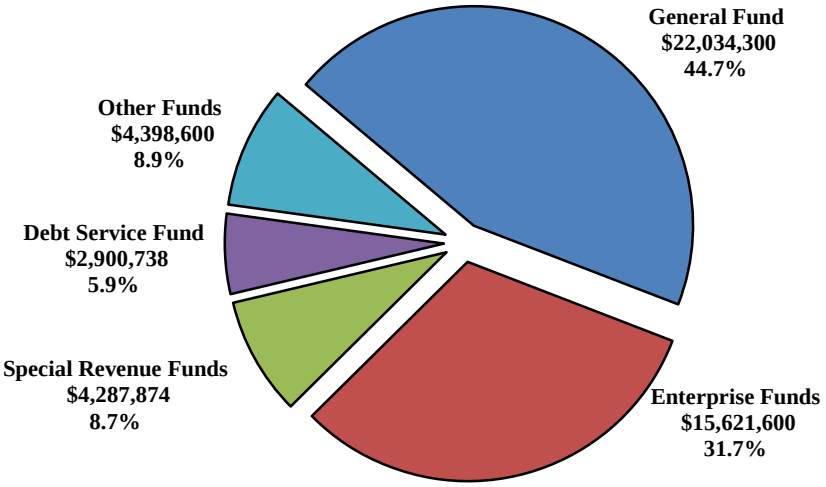
The revenue charts on the preceding page are shown net of interfund transfers. The following is a reconciliation of revenues per the summary statement to revenues net of transfers.

	2021/2022 Budget	2022/2023 Budget
Revenues per Summary Statement	$ 68,658,159	$ 72,984,460
Transfers In:		
General Fund		
Trust and Agency Funds	$ 4,500	$ 500
Special Revenue Funds	8,216,482	9,102,929
Health Insurance Fund	66,000	68,000
Tax Increment Funds	213,400	217,500
Enterprise Funds	1,485,600	1,578,200
Debt Service Fund		
Enterprise Funds	92,950	95,150
Tax Increment Funds	352,900	357,000
Equipment Replacement Fund		
General Fund	250,000	250,000
Computer Replacement Fund		
General Fund	50,000	40,000
Homeownership Program		
Community Block Grant	2,000	12,000
Sunset Park Education Center		
Community Block Grant	1,500	0
Small Business Forgiveable Loan Programs		
Tax Increment Funds	250,000	250,000
Convention and Visitors Bureau		
General Fund	62,500	91,200
Airport Operations Fund		
General Fund	41,000	20,500
Landfill Operations		
Landfill Surcharge Reserve	20,000	20,000
Landfill Surcharge Reserves		
Landfill Operations	62,000	62,000
Landfill Closure and Post-Closure Reserves		
Landfill Operations	209,300	187,900
Transfer Station		
Landfill Surcharge Reserve	42,000	42,000
Sewer Reserves		
Water Pollution Control Fund	400,000	400,000
Collection & Drainage Fund	350,000	350,000
Sewer Sinking Fund	941,515	950,618
West Hill Sewer Separation Project Reserve Fund	400,000	400,000
Local Option Tax Pavement Management Allocation		
Local Option Sales Tax	641,800	683,900
Total Transfers In	14,155,447	15,179,397
Non-Budgeted Fund		
Equipment Services Operations	1,339,300	1,348,100
Budgeted Revenues Net of Transfers	$ 53,163,412	$ 56,456,963

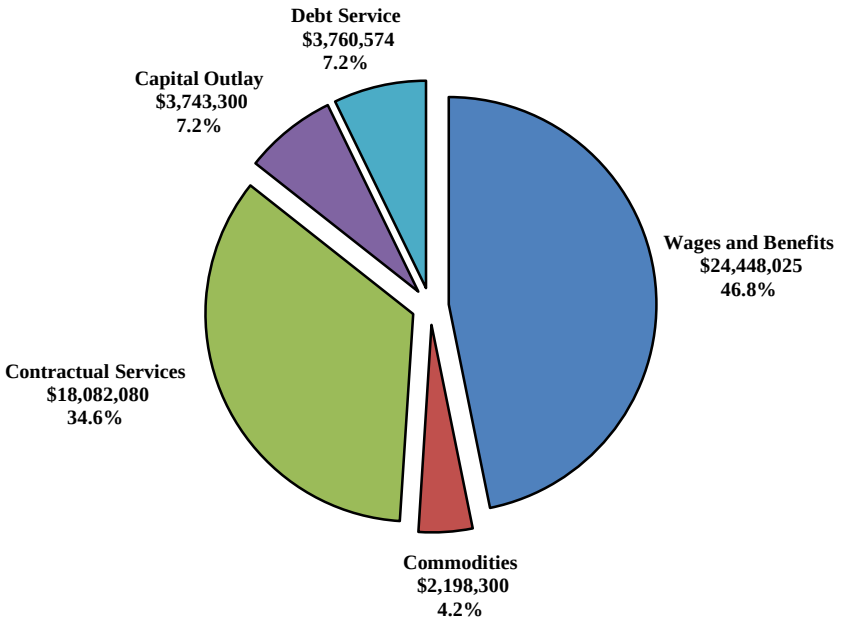
All City Operating Expenditures By Fund
Budget 2022/2023
$52,232,279



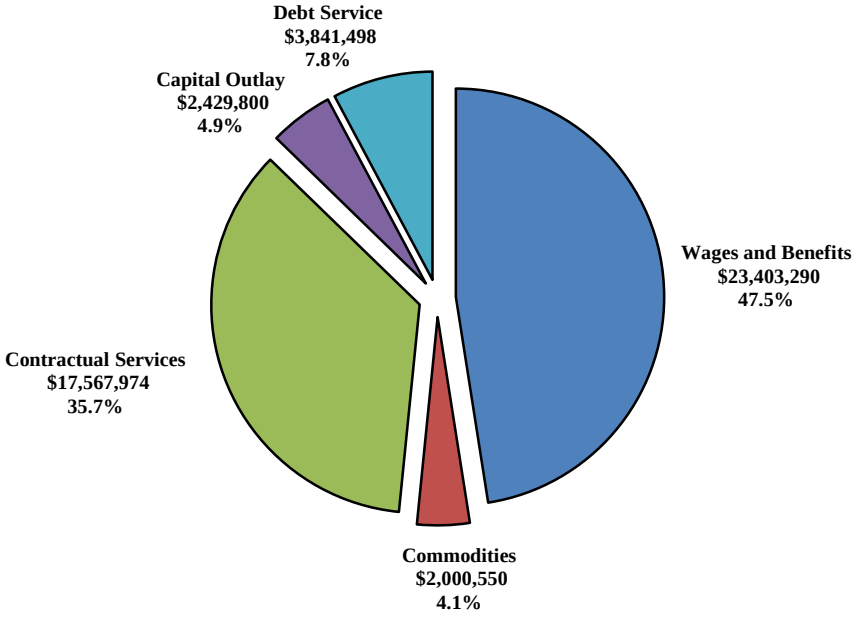
All City Operating Expenditures By Fund
Budget 2021/2022
$49,243,112



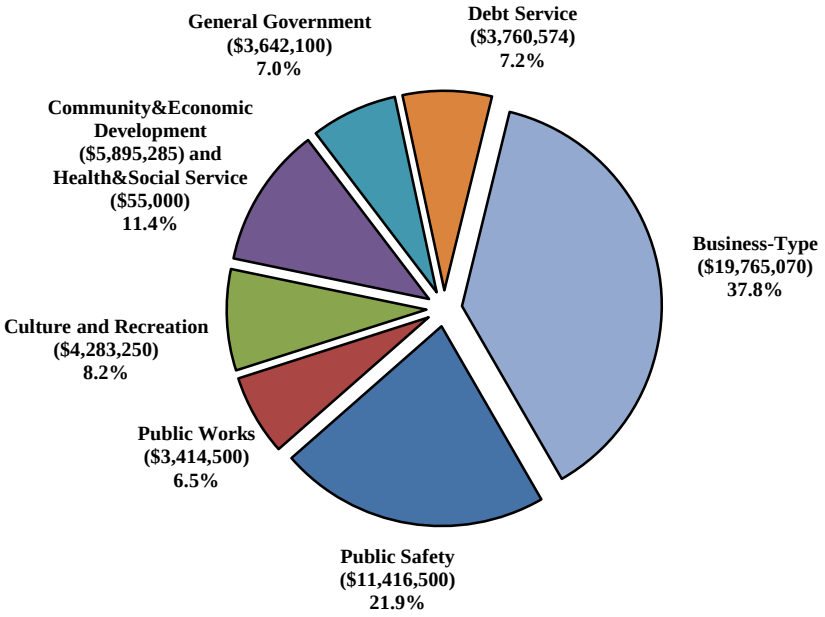
All City Operating Expenditures By Type
Budget 2022/2023
$52,232,279



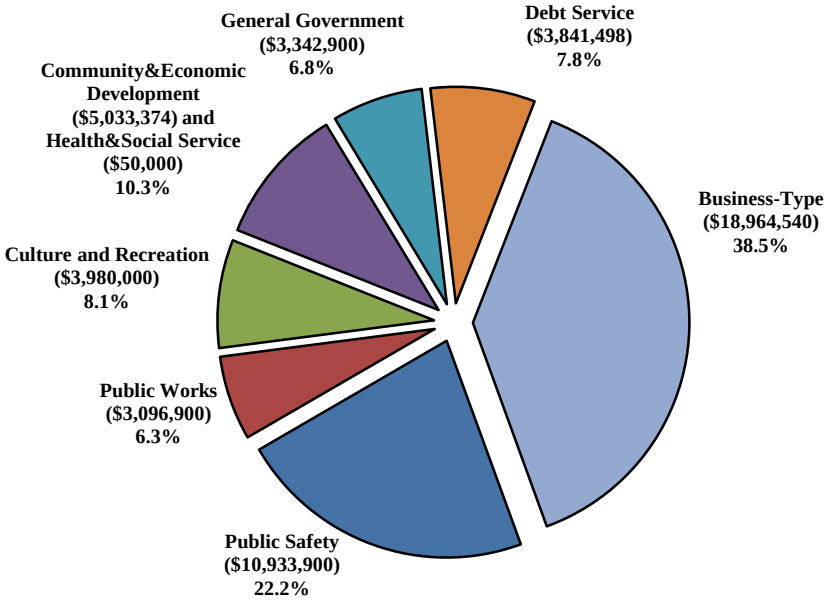
All City Operating Expenditures By Type
Budget 2021/2022
$49,243,112



All City Operating Expenditures By Function *
Budget 2022/2023
$52,232,279



All City Operating Expenditures By Function *
Budget 2021/2022
$49,243,112



* Function descriptions and a matrix of expenditures by function follow these charts.

BUDGET FUNCTIONS

GENERAL GOVERNMENT:

Provides for the operation of the government and assures general administration of the municipality.

PUBLIC SAFETY:

Provides for services to reduce the amount and effects of external harm to individuals and damage to property, and in general to promote an atmosphere of personal security from external events.

CULTURE AND RECREATION:

Promotes the general well being of the City and encourages the fullest development of cultural and educational potentials of the citizens in the community. This function includes the activities of library, art center, parks and recreation, and cemetery.

PUBLIC WORKS:

Provides for safe and well-maintained infrastructure for the City. Activities include public works administration, roadway maintenance, snow and ice control, street cleaning, traffic control, and engineering.

COMMUNITY AND ECONOMIC DEVELOPMENT:

Provides for planning and development of the City including the social, physical, and economic needs of the City. Activities include Community Development, Economic Development, the Section 8 Housing Program, and Tax Increment Funds.

HEALTH AND SOCIAL SERVICES:

Provides for assistance to service agencies involved in providing health and social services to the community. The Economic Well Being activity is the only budget in this function.

DEBT SERVICE:

Provides for the accumulation of resources for and the payment of principal and interest on long-term debt of the City.

BUSINESS TYPE ACTIVITIES:

Provides for activities of the City that are financed in whole, or in part, by fees charged for goods or services. For budget purposes, these activities include the City's enterprise funds and internal service funds.

All City Funds Operating Expenditures
Reconciliation Information

The expenditure charts on the preceding pages are shown net of interfund transfers. The following ia a reconciliation of expenditures per the summary statement to expenditures net of transfers.

	2021/2022 Budget	2022/2023 Budget
Expenditures per Summary Statement	$ 68,670,159	$ 73,266,176
Transfers Out:		
General Fund		
Airport Operations Fund	$ 41,000	$ 20,500
Equipment Replacement Fund	250,000	250,000
Computer Replacement Fund	50,000	40,000
Convention & Visitors Bureau	62,500	91,200
Trust and Agency Funds		
General Fund	4,500	500
Community Block Grant		
Sunset Park Education Center	1,500	0
Homeownership Program	2,000	12,000
Special Revenue Funds		
General Fund	8,742,182	9,102,929
Capital Projects Fund	3,850,700	4,784,200
Tax Increment Funds	816,300	824,500
Transit Fund		
Capital Projects Fund	0	105,700
Ambulance Fund		
General Fund	1,485,600	1,578,200
Landfill Operations Fund		
Landfill Surcharge Reserve	62,000	62,000
Landfill Closure/Post-Closure Reserve	209,300	187,900
Landfill Surcharge Reserve		
Landfill Operations Fund	20,000	20,000
Transfer Station Fund	42,000	42,000
Transfer Station Operations Fund		
Capital Projects Fund	200,000	0
Water Pollution Control Fund		
Debt Service Fund	92,950	95,150
Sewer Reserves	1,541,515	1,550,618
Collection & Drainage		
Sewer Reserves	550,000	550,000
Capital Projects Fund	0	305,000
Health Insurance Fund		
General Fund	66,000	68,000
Total Transfers Out	$ 18,090,047	$ 19,690,397
Non-Budgeted Fund		
Equipment Services Operations	1,337,000	1,343,500
Budgeted Expenditures Net of Transfers	$ 49,243,112	$ 52,232,279

City of Muscatine

Matrix of 2022/2023 Operating Budget by Function

(Excludes Transfers)

Fund/Activity:	General Government	Public Safety	Culture and Recreation	Community and Economic Development	Health and Social Services	Public Works	Debt Service	Business Type/ Internal Service	Total
General Fund:									
Mayor and Council	$ 91,400	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 91,400
Legal Services	117,000	0	0	0	0	0	0	0	117,000
City Administrator	463,800	0	0	0	0	0	0	0	463,800
Human Resources	188,800	0	0	0	0	0	0	0	188,800
Wellness Program	68,000	0	0	0	0	0	0	0	68,000
Finance and Records	796,400	0	0	0	0	0	0	0	796,400
Computer Operations	400,700	0	0	0	0	0	0	0	400,700
Risk Management	376,200	0	0	0	0	0	0	0	376,200
Building and Grounds	763,900	0	0	0	0	0	0	0	763,900
Police Operations	0	5,567,200	0	0	0	0	0	0	5,567,200
Animal Control	0	155,000	0	0	0	0	0	0	155,000
Fire Operations	0	5,495,300	0	0	0	0	0	0	5,495,300
Library	0	0	1,238,700	0	0	0	0	0	1,238,700
Cable Television Operations	0	0	20,600	0	0	0	0	0	20,600
Art Center	0	0	443,900	0	0	0	0	0	443,900
Park Administration	0	0	236,000	0	0	0	0	0	236,000
Park Maintenance	0	0	908,900	0	0	0	0	0	908,900
Kent Stein Park	0	0	278,800	0	0	0	0	0	278,800
Soccer Complex	0	0	288,100	0	0	0	0	0	288,100
Swimming Pools	0	0	213,800	0	0	0	0	0	213,800
Recreation	0	0	142,800	0	0	0	0	0	142,800
Cemetery	0	0	203,100	0	0	0	0	0	203,100
Community Development	0	0	0	1,066,900	0	0	0	0	1,066,900
Economic Development	0	0	0	53,000	0	0	0	0	53,000
Economic Well-Being	0	0	0	0	55,000	0	0	0	55,000
Public Works Administration	0	0	0	0	0	236,200	0	0	236,200
Roadway Maintenance	0	0	0	0	0	1,819,400	0	0	1,819,400
Traffic Control	0	0	0	0	0	229,600	0	0	229,600
Snow and Ice Control	0	0	0	0	0	454,500	0	0	454,500
Street Cleaning	0	0	0	0	0	207,900	0	0	207,900
Engineering	0	0	0	0	0	466,900	0	0	466,900

(Continued)

(Continued)

Fund/Activity:	General Government	Public Safety	Culture and Recreation	Community and Economic Development	Health and Social Services	Public Works	Debt Service	Business Type/ Internal Service	Total
Enterprise Funds:									
Airport Operations	0	0	0	0	0	0	0	126,800	126,800
Transit Operations	0	0	0	0	0	0	0	1,394,500	1,394,500
Parking System	0	0	0	0	0	0	0	188,500	188,500
Golf Course	0	0	0	0	0	0	0	899,100	899,100
Boat Harbor Operations	0	0	0	0	0	0	0	25,700	25,700
Marina Operations	0	0	0	0	0	0	0	12,100	12,100
Ambulance Operations	0	0	0	0	0	0	0	711,800	711,800
Convention and Visitors Bureau	0	0	0	0	0	0	0	125,000	125,000
Soccer Events Operations	0	0	0	0	0	0	0	67,800	67,800
Public Housing	0	0	0	0	0	0	0	1,079,670	1,079,670
Refuse Collection	0	0	0	0	0	0	0	2,355,700	2,355,700
Landfill Operations	0	0	0	0	0	0	0	1,073,900	1,073,900
Transfer Station	0	0	0	0	0	0	0	2,211,500	2,211,500
Collection and Drainage	0	0	0	0	0	0	0	1,116,200	1,116,200
Water Pollution Control	0	0	0	0	0	0	0	4,015,700	4,015,700
Sewer Sinking Fund	0	0	0	0	0	0	949,820	0	949,820
Special Revenue Funds:									
Equipment Replacement	0	194,000	45,000	50,000	0	0	0	0	289,000
American Rescue Plan Act	335,900	0	87,100	693,500	0	0	0	0	1,116,500
Southend Tax Increment	0	0	0	553,000	0	0	0	0	553,000
Highway 38 NE Tax Increment	0	0	0	50,500	0	0	0	0	50,500
2014 Heinz TIF	0	0	0	4,900	0	0	0	0	4,900
Fridley Theatre Tax Increment	0	0	0	68,000	0	0	0	0	68,000
Riverview Hotel Development Tax Increme	0	0	0	520,000	0	0	0	0	520,000
North Univeristy Tax Increment	0	0	0	80,000	0	0	0	0	80,000
White Distribution & Supply Tax Increment	0	0	0	54,000	0	0	0	0	54,000
Hershey Building Tax Increment	0	0	0	76,000	0	0	0	0	76,000
Oak Park Tax Increment	0	0	0	28,000	0	0	0	0	28,000
Riverview Reinvestment District	0	0	0	200,000	0	0	0	0	200,000
Small Business Forgiveable Loan	0	0	0	100,000	0	0	0	0	100,000
Small Business - Code Compliance	0	0	0	50,000	0	0	0	0	50,000
Small Business - 2nd Street Façade	0	0	0	100,000	0	0	0	0	100,000
Section 8 Housing	0	0	0	2,093,385	0	0	0	0	2,093,385
Home Ownership Program	0	0	0	54,100	0	0	0	0	54,100
Police Forfeiture Fund	0	5,000	0	0	0	0	0	0	5,000
Computer Replacement Fund	40,000	0	10,000	0	0	0	0	0	50,000
Debt Service Fund	0	0	0	0	0	0	2,810,754	0	2,810,754
Internal Service/Other Funds:									
Health Insurance Fund	0	0	0	0	0	0	0	4,187,900	4,187,900
Dental Insurance Fund	0	0	0	0	0	0	0	173,200	173,200
Trust and Agency Funds:									
Library Trusts	0	0	29,450	0	0	0	0	0	29,450
Cemetery Trust	0	0	1,000	0	0	0	0	0	1,000
Art Center Trusts	0	0	136,000	0	0	0	0	0	136,000
Total	$ 3,642,100	$ 11,416,500	$ 4,283,250	$ 5,895,285	$ 55,000	$ 3,414,500	$ 3,760,574	$ 19,765,070	$ 52,232,279

City of Muscatine
Fulltime Employee Trends

General Fund

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Budget 2021-22	Actual 2021-22	Budget 2022-23
City Administrator	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Wellness Program	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Human Resources	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25 (1)
Risk Management	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Finance	5.70	5.70	5.70	5.70	5.70	5.70	5.70	5.83	5.95	5.95	5.95
Information Technology	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Buildings and Grounds	4.35	4.35	4.35	4.35	6.23	6.73	6.73	6.73	6.73	6.73	6.73
Police	44.73	43.73	43.73	43.73	43.73	43.73	43.73	43.73	43.73	43.73	43.73
Animal Control	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire	37.50	37.50	37.50	41.50	41.50	41.50	43.00	44.75	45.50	47.50	47.50 (2)
Library (FTE)	14.95	14.71	14.33	13.76	14.19	13.62	13.22	12.79	13.66	13.66	13.66
Art Center (FTE)	4.25	4.52	4.70	4.70	4.70	4.70	4.97	4.97	4.97	4.97	4.97
Park Administration	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Park Maintenance *	6.00	6.00	5.80	5.80	5.80	5.80	5.80	5.93	6.05	6.05	6.05
Kent Stein Park *	1.12	1.12	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Soccer Complex *	1.13	1.13	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23
Recreation *	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cemetery *	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Development	6.92	6.93	7.44	7.42	7.42	7.42	7.58	7.81	8.00	8.13	8.37 (3)
Street Cleaning	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90
Roadway Maintenance	11.43	11.43	11.43	11.43	11.43	11.43	11.43	11.43	11.43	11.43	11.43
Traffic Control Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	1.00	1.00	1.00	1.00	1.00	2.13	2.19	2.75	3.75	3.75	3.75
Public Works Administration	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33
Total General Fund	153.81	152.85	154.16	157.57	159.88	160.94	162.53	164.90	167.95	170.08	170.32

City of Muscatine
Fulltime Employee Trends

Enterprise / Other Funds

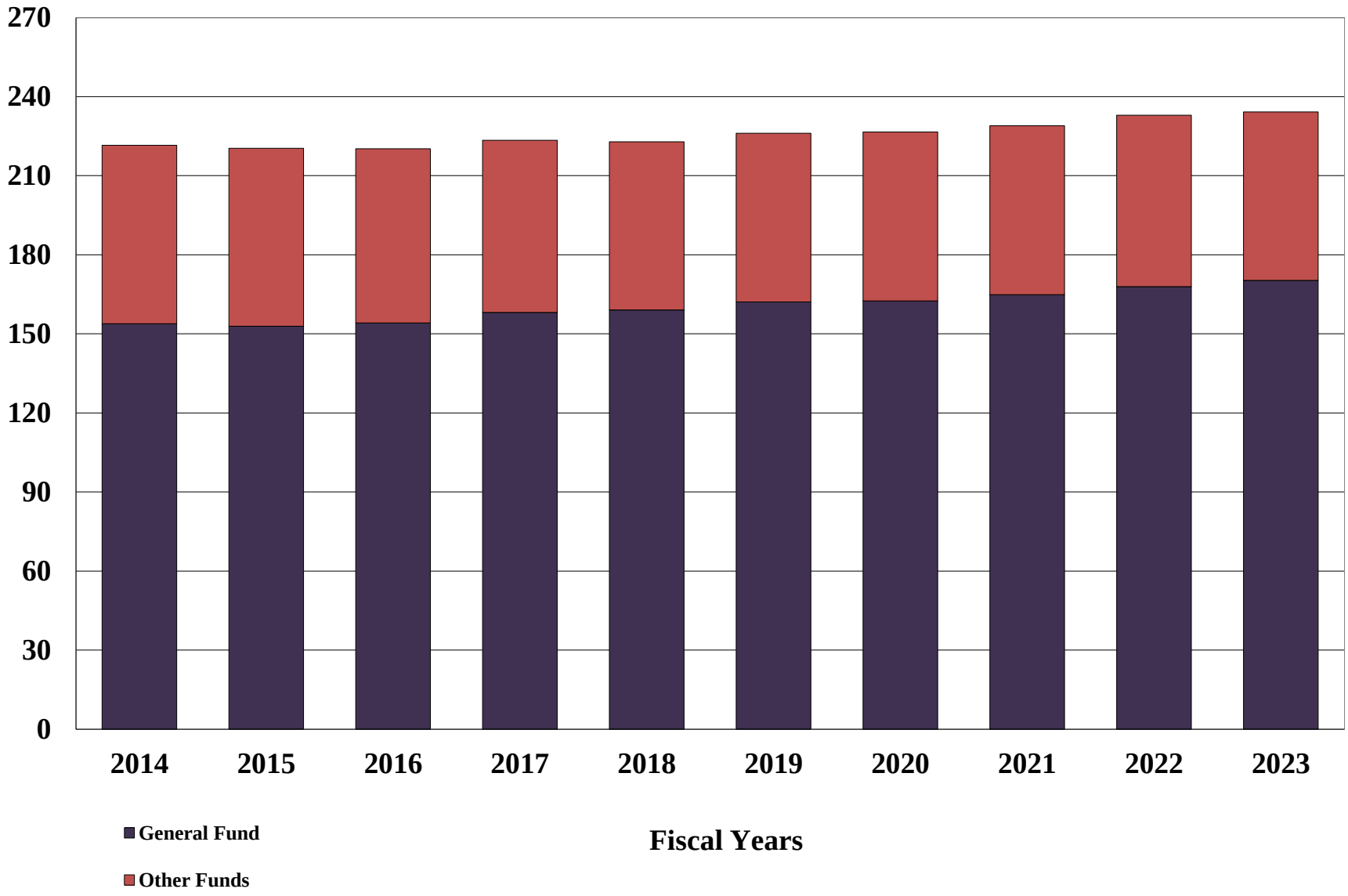
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Budget 2021-22	Actual 2021-22	Budget 2022-23
Parking System	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.65	2.40	2.40	2.40
Golf Course *	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Boat Harbor Operations	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Transit System *	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03
Refuse Collection	9.56	9.56	9.56	8.98	8.98	9.84	10.02	10.02	10.07	10.07	10.07
Landfill	0.25	0.25	0.25	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Transfer Station	3.42	3.42	3.42	3.15	3.15	3.11	3.08	3.08	3.08	3.08	3.08
Water Pollution Control											
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Plant Operations	9.75	8.75	8.75	8.75	8.48	8.48	7.48	7.48	7.48	7.48	7.48
Pumping Stations	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Laboratory Operations	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Biosolids Operations	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
High Strength Waste	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00
Collection and Drainage	6.53	6.53	6.53	6.53	6.53	6.28	6.03	6.28	6.28	6.28	6.28
Storm Water Operations	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Ambulance Operations	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Housing (FTE)	11.50	12.25	11.77	10.71	10.28	10.28	9.10	9.24	10.21	9.21	9.14 (4)
Equipment Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total Enterprise/Other Funds	67.77	67.52	66.04	64.48	63.78	64.35	64.07	64.21	64.98	63.98	63.91
Grand Total	221.58	220.37	220.20	222.05	223.66	225.29	226.60	229.11	232.93	234.06	234.23

* These departments have a substantial number of part time employees, primarily seasonal employees.

Position Changes for the 2021/2022 Revised Estimate and 2022/2023 Budget:

1. The 2020/2021 Human Resources budget included a new Human Resources Generalist position; hiring this position was deferred through the 2022/2023 budget due to General Fund financial constraints due to the COVID-19 pandemic.
2. The 2020/2021 Fire department budget included three new Firefighter positions. Hiring of the three new firefighter positions was deferred due to General Fund financial constraints due to the COVID-19 pandemic. The 2021/2022 budget included one of the three deferred positions and the other two deferred positions were authorized to be filled midway through the 2021/2022 fiscal year.
3. The Community Development budget for 2022/2023 includes increasing a half-time Inspector II position to a fulltime position. This allowed for the Building Division Manager position to be filled.
4. The 2021/2022 Housing budget included a full time housing specialist to be funded from CARES Act Funds. This position was not filled due to the CARES funds being a one-time allocation.

Fulltime Employee Trends
Ten Year History



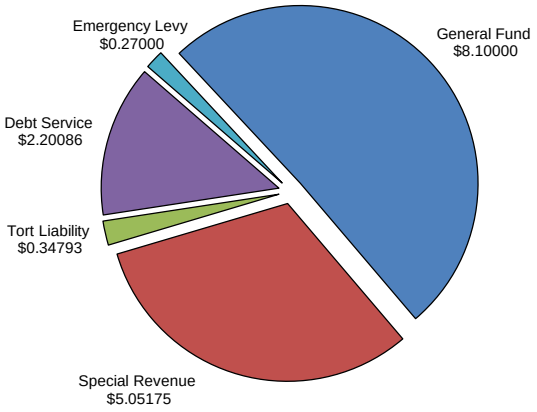
PROPERTY TAX SCHEDULES

City of Muscatine

Property Tax Levies by Type - Fiscal Years 2021/2022 and 2022/2023

	2021/2022 Budget		2022/2023 Budget				
	Collections	Levy Per $1,000 of Assessed Valuation	Collections	Levy Per $1,000 of Assessed Valuation	Percent of Levy Increase (Decrease)	Change in Dollars Levied	Percent Change in Dollars Levied
General Fund	$ 7,614,377	$ 8.10000	$ 7,617,275	$ 8.10000	0.00%	$ 2,898	0.04%
Transit System	-	-	-	-		-	
Tort Liability	317,444	0.33769	327,195	$ 0.34793	3.03%	9,751	3.07%
Special Revenue:							
Emergency Levy	133,759	0.14229	253,909	0.27000	89.75%	120,150	89.83%
Special Revenue:							
Police and Fire Retirement	$ 1,609,331	1.71197	$ 1,532,831	$ 1.62997	(4.79%)	$ (76,500)	(4.75%)
FICA/IPERS	799,904	0.85092	840,599	0.89387	5.05%	40,695	5.09%
Other Employee Benefits	2,074,589	2.20690	2,377,257	2.52791	14.55%	302,668	14.59%
Reductions	-	-	-	-		-	
Subtotal	$ 4,483,824	$ 4.76979	$ 4,750,687	$ 5.05175	5.91%	$ 266,863	5.95%
Debt Service	2,355,196	2.32232	2,231,130	2.20086	(5.23%)	(124,066)	(5.27%)
Levee Improvements	-	-	-	-		-	
Total	$ 14,904,600	$ 15.67209	$ 15,180,196	$ 15.97054	1.90%	$ 275,596	1.85%
Agricultural Land	5,177	3.00355	5,366	3.11320	3.65%	189	3.65%
Grand Total	$ 14,909,777	$ 15.67209	$ 15,185,562	$ 15.97054	1.90%	$ 275,785	1.85%
		$ 3.00355		$ 3.11320			

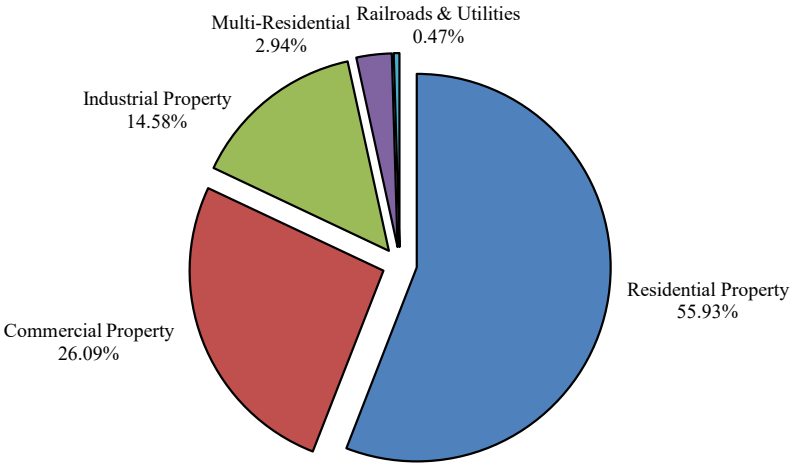
City Tax Levy Rates By Type
Budget 2022/2023
$15.97054
per $1,000 Valuation



City of Muscatine
Taxable Property Valuation Comparison
(Excludes Tax Increment Values)

	January 1, 2021	January 1, 2022	Valuation Increase (Decrease)	Percent Increase (Decrease) in Taxable Value	MEMO ONLY Percent Increase (Decrease) in Actual Value
Residential Property (1)	$ 534,375,402	$ 526,660,756	$ (7,714,646)	-1.44%	2.98%
Commercial Property (2)	240,751,289	245,695,726	4,944,437	2.05%	1.88%
Industrial Property (3)	134,421,623	137,278,903	2,857,280	2.13%	2.09%
Multi-Residential (4)	27,176,056	27,661,053	484,997	1.78%	8.22%
Railroads (5)	1,116,979	1,104,069	(12,910)	-1.16%	-1.16%
Utilities (6)	3,576,142	3,310,083	(266,059)	-7.44%	-8.78%
Total Valuations	$ 941,417,491	$ 941,710,590	$ 293,099	0.03%	2.79%
Less Military Exemptions	1,370,986	1,306,265	(64,721)	-4.72%	
Total Net Valuation	$ 940,046,505	$ 940,404,325	$ 357,820	0.04%	
MEMO ONLY					
Total if Gas and Electric Utilities were Included	$ 943,626,341	$ 943,579,044	$ (47,297)	-0.01%	

1. Residential taxable valuations realized a decrease in the rollback factor from 56.4094% to 54.1302% for January 1, 2021 (a decrease of 4.04% in taxable valuations).
2. Commercial valuations for January 1, 2013 were rolled back from 100% to 95%. For January 1, 2014 they were rolled back to 90%. These valuations were 90% for January 1, 2015, but they no longer include multi-residential properties which are now reported in a separate class. The commercial rollback remained at 90% for the January 1, 2016, January 1, 2017, January 1, 2018, January 1, 2019, January 1, 2020, and January 1, 2021 valuations.
3. Industrial property values for January 1, 2013 were rolled back from 100% to 95%. For January 1, 2014 they were rolled back to 90%. These valuations remained at 90% for January 1, 2015, January 1, 2016, January 1, 2017, January 1, 2018, January 1, 2019, January 1, 2020, and January 1, 2021.
4. Multi-residential properties were included with commercial properties until January 1, 2015. These properties include mobile home parks, manufactured home communities, land-leased communities, assisted living facilities, and properties with three or more separate living quarters. These properties were rolled back from 90% to 86.25% for January 1, 2015 and will continue to be rolled back 3.75% each year until 2023/2024 when the rollback will be equal to the rollback for residential properties. The rollback for the January 1, 2021 valuations is 63.75%.
5. Railroad property values for January 1, 2013 were rolled back from 100% to 95%. For January 1, 2014 they were rolled back to 90%. These valuations remained at 90% for January 1, 2015 and continued at 90% for January 1, 2016 through January 1, 2021.
6. Beginning with January 1, 1999 valuations, gas and electric utility values have been excluded from the actual values shown. The taxation of these utilities is no longer based on assessed values. These utilities pay an excise tax based on the amount of energy delivered in a one year period.

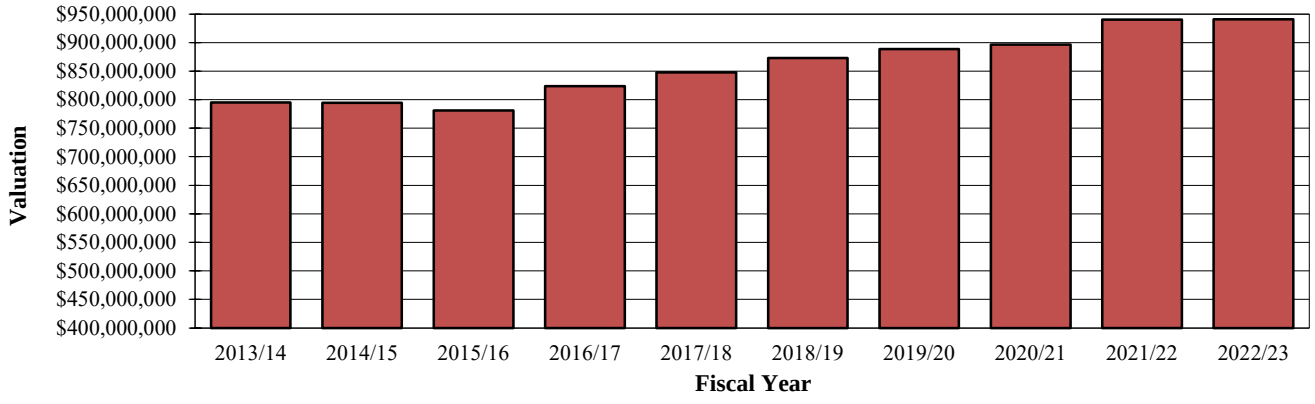


2021 Taxable Valuations by Type
(Valuations Used for 2022/2023 Tax Levy)

City of Muscatine
Taxable Property Valuation History
(Excludes Tax Increment Values)

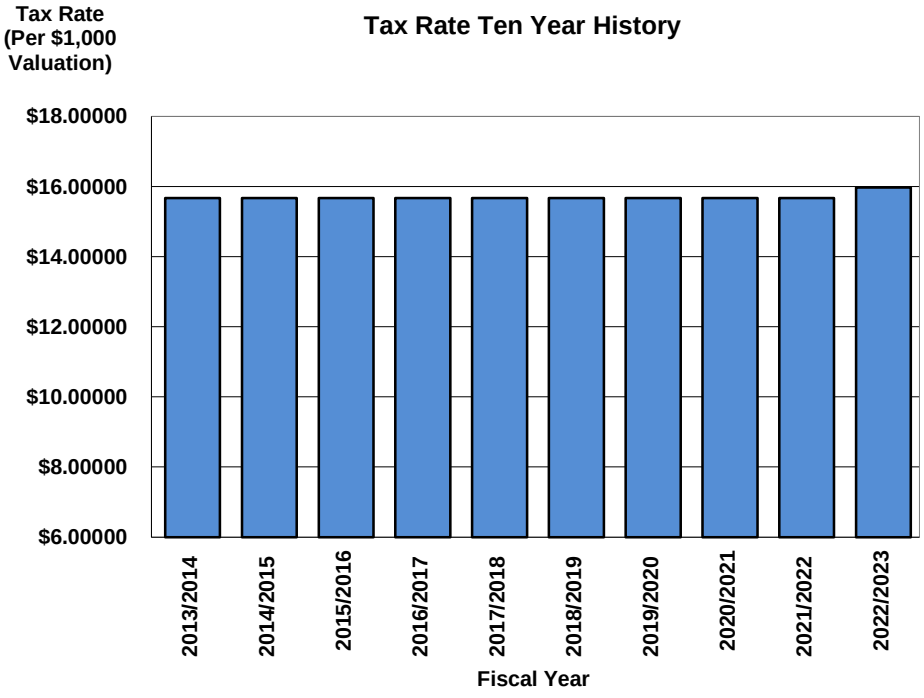
Fiscal Year	Real Property	Public Utilities	Military Exemption	Total	Agricultural Land
2013/14	$ 790,521,876	$ 6,629,974	$ 1,946,036	$ 795,205,814	$ 908,805
2014/15	790,306,586	5,786,469	1,871,992	794,221,063	1,085,900
2015/16	777,854,524	5,032,917	1,812,242	781,075,199	979,288
2016/17	820,617,559	4,669,990	1,721,595	823,565,954	1,126,416
2017/18	844,902,037	4,613,164	1,680,836	847,834,365	1,111,462
2018/19	869,313,485	4,886,272	1,617,336	872,582,421	1,179,436
2019/20	884,775,094	5,394,181	1,542,716	888,626,559	1,512,053
2020/21	892,367,084	5,365,456	1,464,932	896,267,608	1,192,058
2021/22	936,724,370	4,693,121	1,370,986	940,046,505	1,723,626
2022/23	937,296,438	4,414,152	1,306,265	940,404,325	1,786,350

Taxable Property Valuation
Ten Year History



City of Muscatine
City Tax Rate History
Fiscal Years 2013/2014 through 2022/2023

Fiscal Year	Tax Rate (Per $1,000 Valuation)	Percent Change
2013/2014	$ 15.67209	0.00%
2014/2015	15.67209	0.00%
2015/2016	15.67209	0.00%
2016/2017	15.67209	0.00%
2017/2018	15.67209	0.00%
2018/2019	15.67209	0.00%
2019/2020	15.67209	0.00%
2020/2021	15.67209	0.00%
2021/2022	15.67209	0.00%
2022/2023	15.97054	1.90%



Tax Levies by Entity

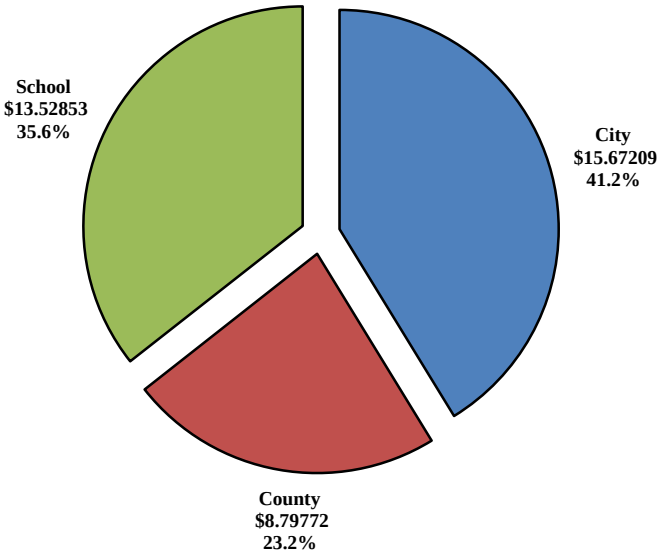
Historical Comparison

Certified Levies Per $1,000 of Valuation

	City	County	School	Total
2013/2014	$ 15.67209	$ 9.09395	$ 15.27597	$ 40.04201
2014/2015	15.67209	9.09808	15.42605	40.19622
2015/2016	15.67209	9.36435	15.80950	40.84594
2016/2017	15.67209	9.44359	15.53914	40.65482
2017/2018	15.67209	9.07348	14.91989	39.66546
2018/2019	15.67209	8.67942	14.82884	39.18035
2019/2020	15.67209	9.30678	13.83172	38.81059
2020/2021	15.67209	8.96278	13.51952	38.15439
2021/2022	15.67209	8.79772	13.52853	37.99834
Percent of 2021/2022 Total Levy	41.2%	23.2%	35.6%	100.0%
2022/2023*	15.97054	N/A	N/A	N/A

* Tax levy rates for 2022/2023 for Muscatine County and the Muscatine Community School district are not yet available.

Tax Levy Rates By Entity
Fiscal Year 2021/2022
$37.99834 per $1,000 Valuation



MAJOR REVENUE SOURCES SCHEDULES

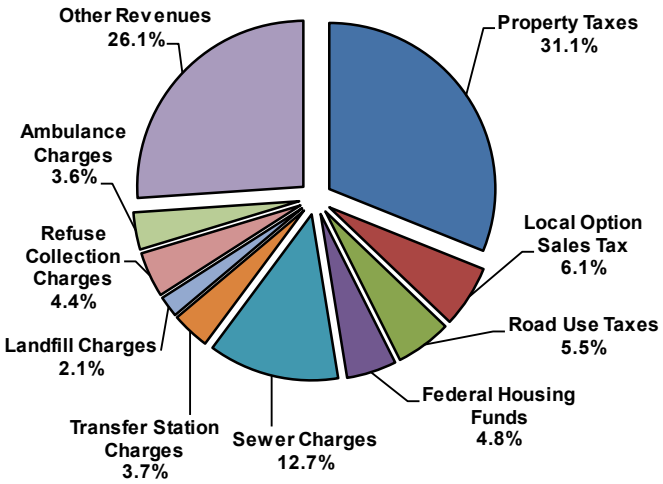
City of Muscatine
Major Revenue Sources
Fiscal Year 2022/2023 Budget

General Information

The City of Muscatine budgeted operating revenues of $56,456,963 for 2022/2023 include all budgeted revenues of the City with the exception of revenues funding the City's capital projects. Capital project revenues include bond proceeds, state and federal grants, and transfers from other funds. As capital project revenues and expenditures vary significantly from year to year, these amounts have been excluded from the summary schedules in this section of the budget to more accurately compare revenue and expenditure trends over the last several years. Of the total 2022/2023 budgeted operating revenues, 74.0% is estimated to be received from nine major revenue sources. This section of the budget includes the basis for the budget estimates for each of these nine categories as well as relevant trends in these revenue sources.

	2022/2023 Budget	Percent of Total
Property Taxes	$ 17,539,562	31.1%
Local Option Sales Tax	3,419,600	6.1%
Road Use Taxes	3,110,300	5.5%
Federal Housing Funds	2,733,265	4.8%
Sewer Charges	7,186,100	12.7%
Transfer Station Charges	2,094,400	3.7%
Landfill Charges	1,159,400	2.1%
Refuse Collection Charges	2,476,500	4.4%
Ambulance Charges	2,040,000	3.6%
Other Revenues	14,697,836	26.0%
Total Operating Revenues	$ 56,456,963	100.0%

Operating Revenues
Budget 2022/2023



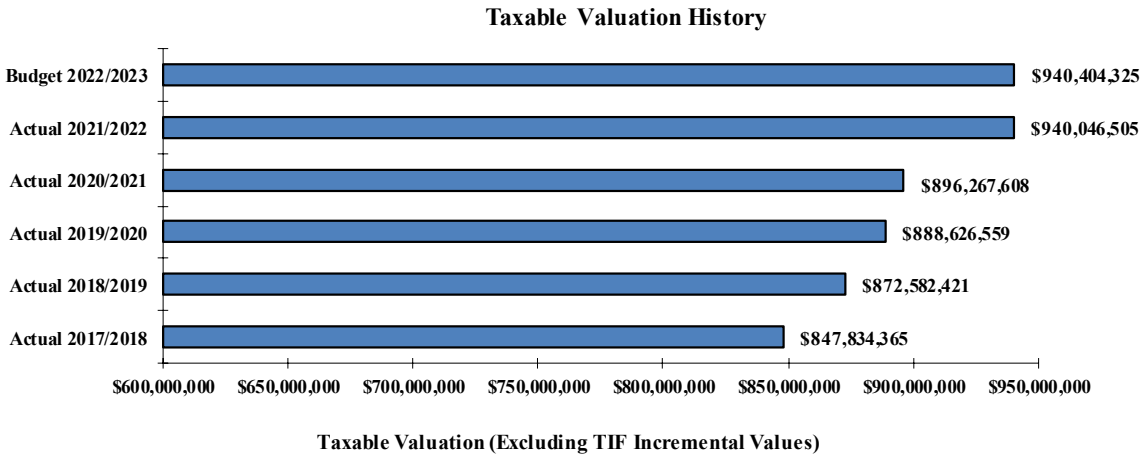
Property Taxes
FY 2022/2023 Budget $17,539,562

General Information

Property taxes comprise 31.1% of the City's operating revenues. The taxes in this category include both regular property taxes and property taxes from tax increment financing (TIF) districts. The City has a strong tax collection rate with the rate of collection of current year taxes generally over 99%.

Budgeted property tax revenue is determined based on taxable valuation of property and tax rates for various categories of taxes as provided for by the State of Iowa. Following are charts of taxable property valuations, tax rates, and property taxes for the last four years, the estimated amounts for the current year, and budgeted amounts for 2022/2023. Relevant assumptions and comments are included for each of the charts. Additional detailed schedules of taxable valuations and tax rates are also included in the "Property Tax Schedules" section, which immediately precedes this section.

Taxable Valuations



Taxable valuations are received from the County Auditor each year. Changes in taxable valuation occur due to new growth or improvements to existing properties, changes in property values by the County Assessor, changes in the State "rollback" factors for the different categories of property, and other State-mandated valuation requirements.

The taxable property valuation for fiscal year 2022/2023 is $940,404,325, which is $357,820 (.04%) more than the fiscal year 2021/2022 valuation of $940,046,505. The increase is due to re-valuations by the County Assessor, new growth, and changes in taxable valuations due to changes in the rollback factors for residential and multi-residential properties. Growth in Tax Increment Financing (TIF) districts is not included in these taxable valuation amounts.

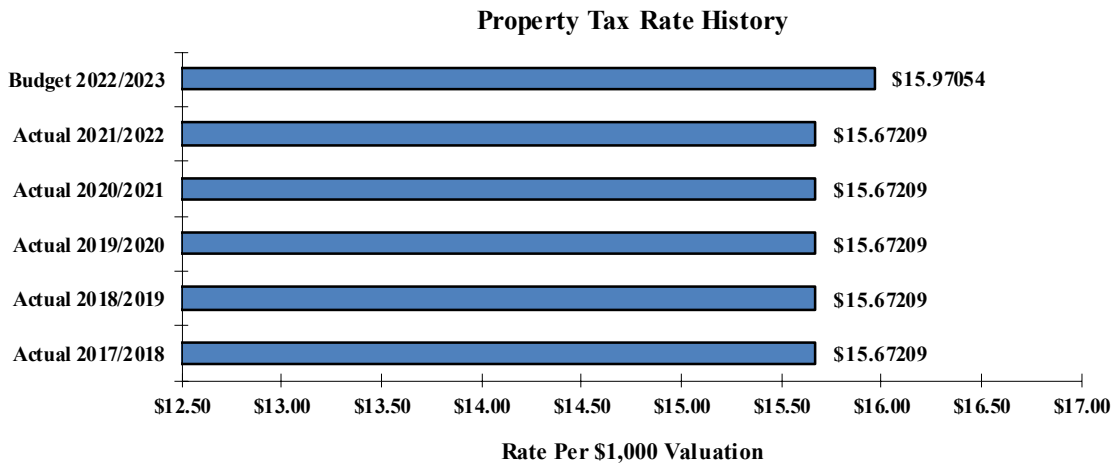
The rollback of regular commercial and industrial valuations remained at 90% for 2022/2023. Multi-residential properties (those with 3 or more living quarters, assisted living facilities, land-leased communities, etc.), however, which had been included in the commercial property category, are now a separate property class. Those valuations were rolled back from 90% to 86.25% in 2016/2017, to 82.50% in 2017/2018, to 78.75% in 2018/2019, to 75.00% in 2019/2020, to 71.25% in 2020/2021, to 67.50% for 2021/2022, to 63.75% for 2022/2023, and will be rolled back in 2023/2024 to the residential rollback rate in effect for that year. The taxable valuation for multi-residential properties

for 2022/2023 is $27,661,053, a 1.78% increase from the previous year. Industrial property valuations increased by 2.13% for 2022/2023 and commercial values increased by 2.05%.

Taxable residential property taxable values, however, decreased by 1.44% due to the change in the rollback factor for residential property. So, while actual valuations for residential property increased by 2.98%, with the 4.04% decrease in the residential rollback (from 56.4094% to 54.1302%), taxable residential property valuations decreased by $7,714,646. In effect, the residential rollback decrease nearly offset the increases in the other categories of property.

The other smaller categories of properties are railroads, which decreased in valuation by 1.16%, and utilities, which decreased by 7.44%. Overall, these factors combined to result in the relatively flat (0.04% increase) in taxable valuations. It should be noted the taxable valuation increase of 0.04% this year is the lowest in recent years and well below the 1.83% average over the last ten years.

Property Tax Rates



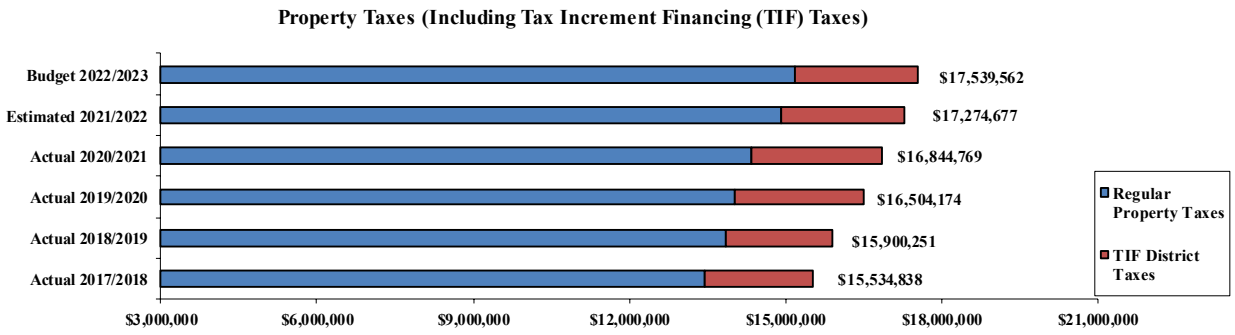
The City's tax rate for 2022/2023 was increased to $15.97054 (1.9%) per $1,000 of valauation. This was the first increase in ten years. There were increases in the emergency, tort liability, and employee benefits levies and a decrease in the debt service tax levy rate.

The tax rate increase for 2022/2023 was needed in order to maintain City service levels while addressing budget challenges discussed in the Key Budget Issues section of the Budget Message including:

1. There was no significant increase in taxable property valuations. In effect, the General fund levy limit of $8.10 per $1,000 of valuation will yield the same tax dollars as the prior year.
2. The State began phasing out their reimbursement (the backfill) for the commercial and industrial rollback in 2022/2023. This reduced the State reimbursement (in total across all funds) by $76,970 in 2022/2023.
3. The City has union contracts that provide for at least a 2.9% increase for the upcoming year. Compensation for non-union employees is also budgeted at 2.9%.
4. A need to increase the compensation for seasonal employees to attract workers for the numerous seasonal facilities and programs of the City.
5. Non-property tax City revenues continue to be negatively impacted by the COVID-19 pandemic (hotel/motel taxes, building permits, interest, etc.)

6. Significant increases in the cost of operating supplies including fuel, fertilizers and chemicals, vehicle and equipment parts, copy paper, etc.
7. Supply chain issues which make locating supplies challenging and has resulted in long lead-times for ordering vehicles and equipment.
8. The fiscal year 2022/2023 impact of the reduction in the Utility Franchise Fee rate from 5% to 3% is not known and is difficult to determine when it is not known if the higher gas rates will continue.

Property Tax Revenue



Property taxes estimated for 2022/2023 total $17,539,562, including $15,185,562 from regular property tax and $2,354,000 from tax increment financing (TIF) taxes. This is a 1.85% increase in regular property taxes and a 1.53% increase in total taxes including TIF taxes.

Local Option Sales Tax
FY 2022/2023 Budget $3,419,600

General Information

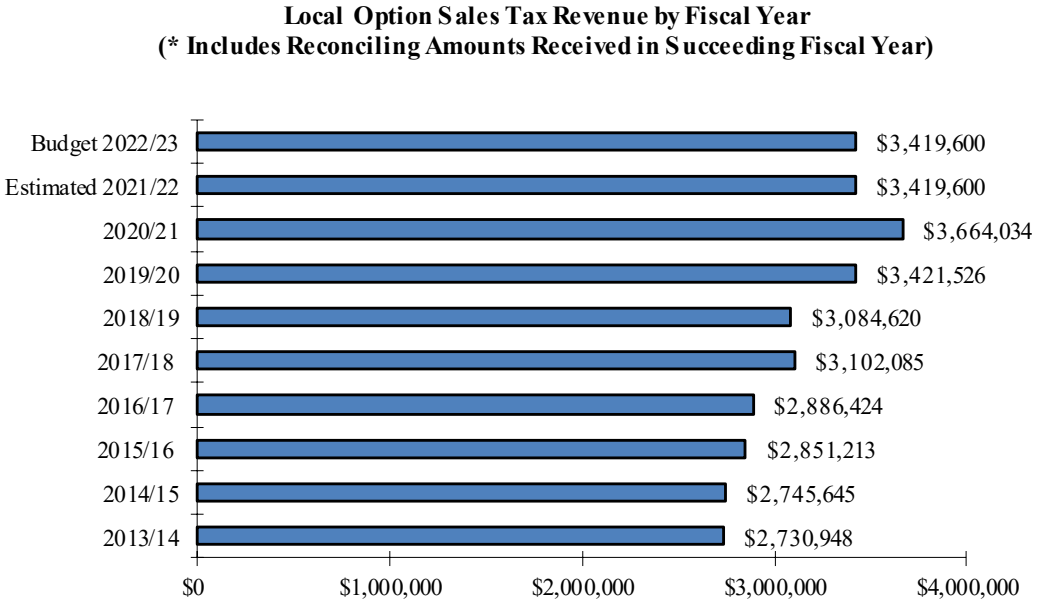
Voters in the City of Muscatine first approved the 1% local option sales tax in 1994 for a five year period from July 1, 1994 through June 30, 1999. Proceeds from this tax were required by the referendum to be used for storm and sanitary sewer projects in the City. In 1998 voters approved the extension of this tax for another five year period through June 30, 2004 to continue the sewer improvement program. In January 2003 voters approved allocating up to 10% of the local option tax to the "Pearl of the Mississippi Project". This project included a new aquatic center, skatepark, trail extension, marina improvements, boat launch ramp relocation, Riverview Center renovation, and community art. In January 2004 voters approved an additional five year extension to this tax through June 30, 2009 with 90% of the tax to be used for sewer projects and up to 10% to be used for the "Pearl of the Mississippi Project". In 2008 voters approved extension of this tax for a 10-year period through June 30, 2019 with 80% of the tax proceeds to be used for storm and sanitary sewer projects and 20% for the City's pavement management program.

The previous 10-year local option sales tax period was scheduled to end on June 30, 2019 and a referendum was held on March 6, 2018 to extend the tax for an additional fifteen years (through June 30, 2034) with 80% of the tax proceeds to be used for storm and sanitary sewer projects and 20% for the City's pavement management program. Voters again approved the extension of this tax with 88% voting in favor of the extension.

Basis of Local Option Tax Estimate

Each fiscal year the Iowa Department of Revenue and Finance makes estimated local option sales tax payments to the City. The following fiscal year, the City receives an additional payment which reconciles actual local option sales tax amounts to the estimates previously remitted to the City. The following chart shows the local option sales taxes earned by the City each fiscal year. These amounts include the reconciliation amounts received the following year. Local option taxes have been conservatively estimated for both 2021/2022 and 2022/2023 at the State's most recent projection without a reconciliation amount.

Local Option Tax Revenue Trends



** Both the 2021/22 and 2022/23 amounts have been conservatively estimated at the State's preliminary allocation level without an estimated reconciling amount.

Road Use Tax
FY 2022/2023 Budget $3,110,300

General Information

The State of Iowa collects taxes on gasoline sales, vehicle license fees, and weight taxes. A portion of the funds collected are distributed to cities as Road Use Taxes on a per capita formula basis.

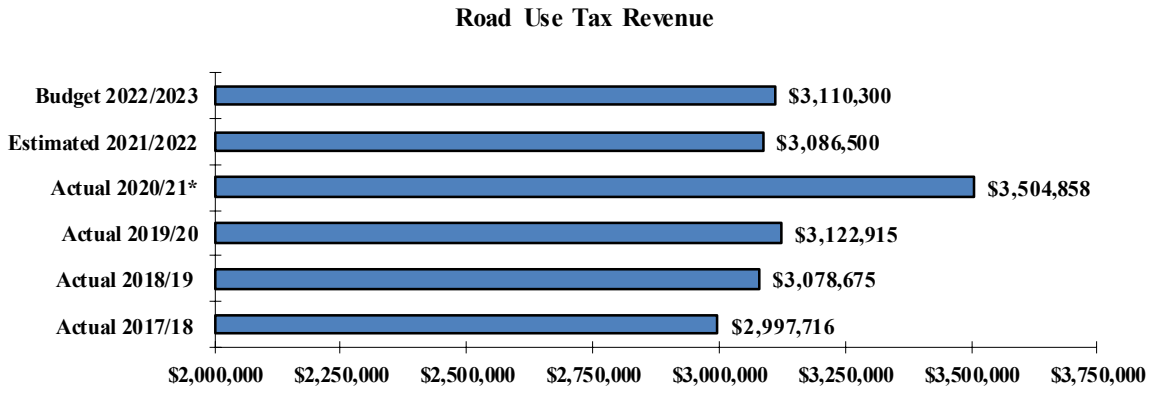
Basis of Road Use Tax Estimate

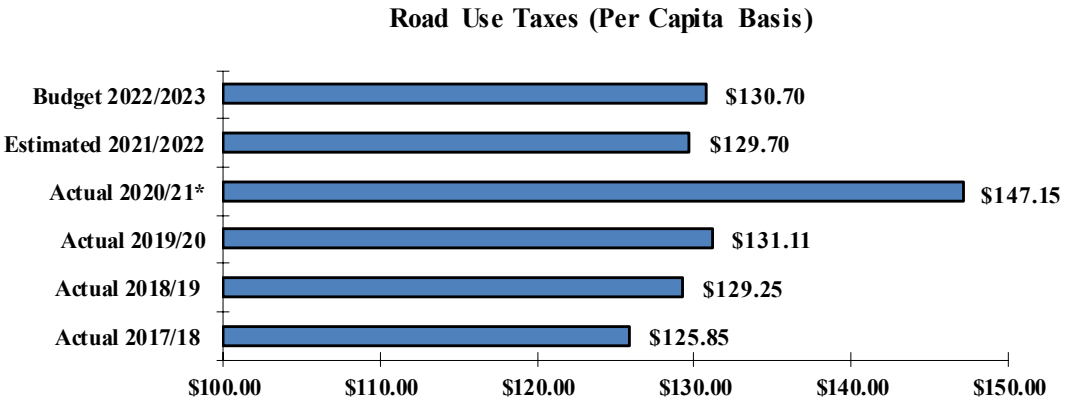
The estimated per capita rate of distribution of the Road Use Tax is provided by the Iowa Department of Transportation based on current laws regarding specific revenue to and disbursements from the State's Road Use Tax Fund.

Road Use Tax Revenue Trends

The first chart below shows actual Road Use Tax revenues for the previous four fiscal years and the estimated amounts for the current year and 2022/2023. The second chart shows the actual and estimated per capita tax distribution rates for the same years. The per capita estimate is based on the current law regarding revenue to and disbursements from the State's Road Use Tax fund. Any changes in the law could change the per capita amount to be distributed to cities.

Road use tax revenues are estimated at $3,086,500 in 2021/2022 and 3,110,300 in 2022/2023. Revenues are generally based on IDOT estimates for road use taxes. Actual road use tax revenue can vary from these estimates due to changes in fuel consumption or if there would be any changes in the distribution formula by the State. The IDOT has estimated the 2021/2022 road use tax at $125.50 per capita and 2022/2023 at $126.50 per capita. In recent years, however, the actual road use tax revenues have exceeded the IDOT's estimates. The 2021/2022 and the 2022/2023 budget have each been increased by $100,000 from the per capita estimates.





* The State increased the allocation in 2020/2021 to assist cities with the impact from the COVID-19 pandemic.

Federal Housing Funds
FY 2022/2023 Budget $2,733,265

General Information

Federal Housing funds are received from the Department of Housing and Urban Development (HUD) for the City's Section 8 Housing Choice Voucher Program and the City's Public Housing Program.

HUD funds for the Section 8 Housing Choice Voucher Program provide housing assistance payments to qualifying individuals and families living in privately owned rental housing units as well as funds for the City to administer this program.

The City operates two public housing facilities - the 100-unit Clark House elderly/handicapped building and the 50-unit Sunset Park family apartment complex. Tenants pay monthly rent to the City based on their income. These rents are used to fund operating expenditures of the two facilities. The City also receives assistance through the HUD Operating Subsidy program to assist in funding operational costs. The amount of funding is based on a formula which takes into account the rents, occupancy rates, allowable expense levels, and utility costs. HUD also allocates capital funds to public housing agencies for improvements to the housing facilities and/or operating costs.

Basis of Federal Housing Fund Estimates

Section 8 Housing Voucher Program. The maximum number of units eligible for Section 8 funding has been 376 since 2001. In 2004 HUD changed the allocation basis for Section 8 funds which resulted in a decrease in the number of individuals and families that can be assisted through this program. Under this funding structure the HUD funding allocations for housing assistance payments are set at fixed amounts which are determined annually. Housing assistance payments (HAPS) to tenants vary based on incomes and increases in the average housing assistance payment result in a reduction in the number of individuals and families that can be assisted. Prior to this change HUD funds varied based on actual tenant assistance payments (which are based on tenant income) and occupancy levels.

For calendar year 2012 HUD made additional changes in how the Section 8 Voucher program funds are distributed to housing agencies. HUD now holds each housing authority's HAPS reserve. According to information from HUD, this was not intended to reduce the number of families and individuals receiving rent subsidies under the Section 8 Voucher program, but only to lower the reserves held by housing agencies. Based on the current average rent subsidy and the estimated calendar year 2022 funding, the City has not been provided sufficient HUD funds to provide housing assistance to the maximum number of individuals or families possible (376). The goal of the Housing staff is to maximize usage of the allowed HUD funds and to strive to obtain increased funding for housing assistance payments each year.

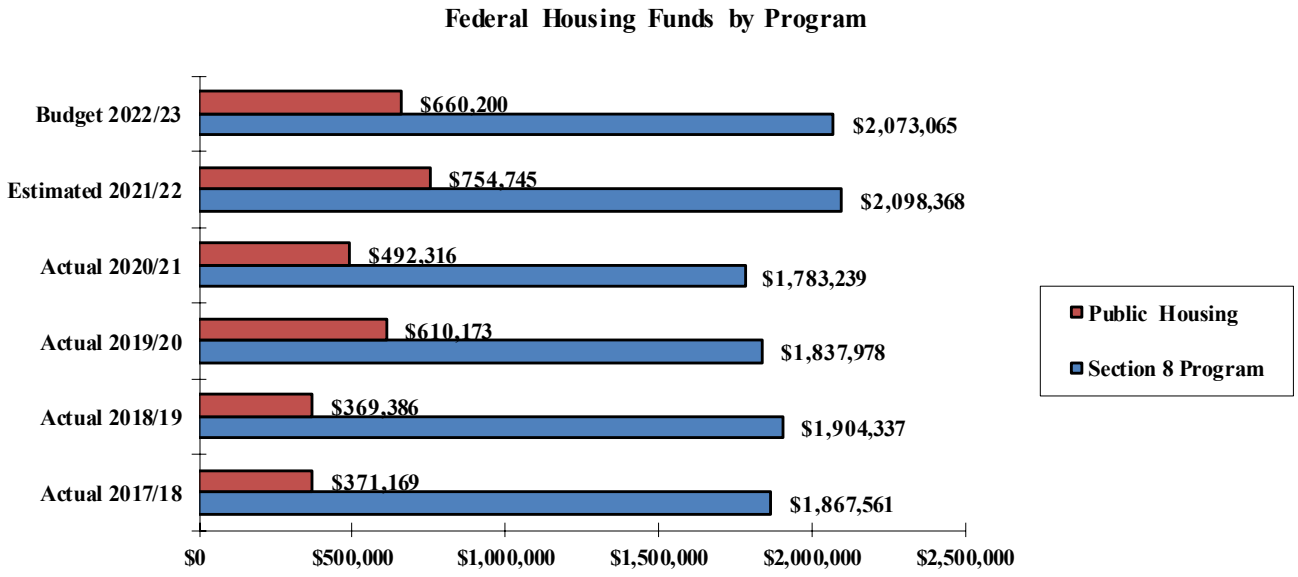
Public Housing. In most recent years the City has been eligible to receive operating assistance for the City's public housing program through the HUD Operating Subsidy program. Eligibility for receipt of these funds is computed based on rent revenue of the housing program, allowable expense levels, utility expenses, and other factors. In 2017/2018 $214,050 of HUD operating subsidy was received, in 2018/2019 the amount was $206,938, in 2019/2020 the amount was $348,041, and in 2020/2021 the amount was $257,940. The subsidies have been estimated at $406,430 for 2021/2022 and $367,200 for 2022/2023.

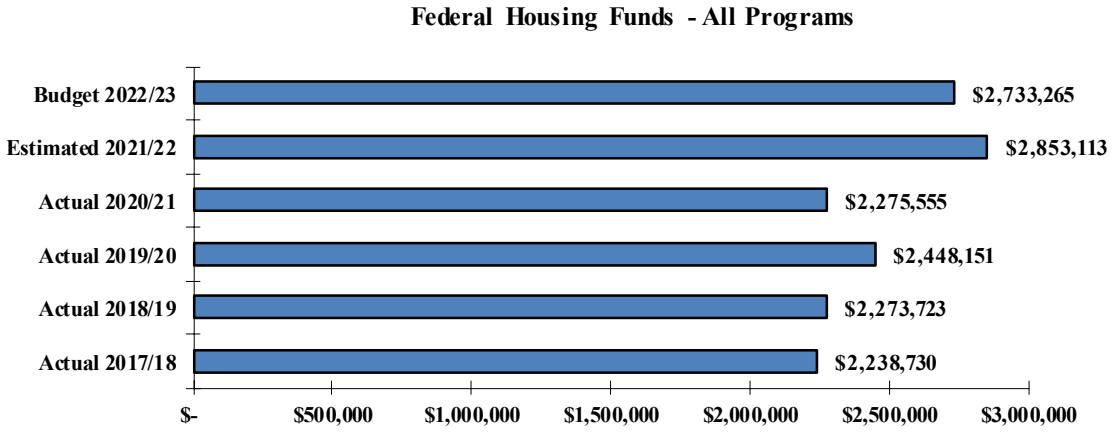
Since 2000/2001 HUD has been allocating funds to Public Housing programs under the Capital Funds program. The City drew down the 2016 allocation of $157,119 in 2017/2018, the 2017 allocation of

$162,448 in 2018/2019, the 2018 allocation of $254,018 in 2019/2020, and $226,663 of the 2019 allocation in 2020/2021. Housing agencies are given two years to obligate each year's capital funding allocation. The 2021/2022 revised estimate reflects drawing down the grant balance of the 2019 and the 2020 grant, which totals $319,750. The 2022/2023 budget reflects drawing down the 2021 allocation of approximately $293,000.

Federal Housing Funds Revenue Trends

The first chart below shows the revenue trends by housing program for the last four fiscal years, the estimated amounts for 2021/2022 and the budgeted amounts for 2022/2023. The second chart shows the total HUD funds received and estimated to be received for the housing programs for the same years.





Sewer Charges for Services
FY 2022/2023 Budget $7,186,100

General Information

Sewer service charges of the City are accounted for in the Water Pollution Control and Collection and Drainage enterprise funds. These charges include residential and commercial charges, industrial charges, collection and drainage charges, sewer connection fees, and industrial sampling charges. The City contracts for in depth rate studies to assist the City in setting sewer rates for the various types of sewer users. The usage and revenue estimates in the model are updated annually during the budget review process.

In 2002 the City contracted for consultant services to assist in developing a new sewer rate structure. One component of the new rate structure was a multi-year contract with the City's major industrial sewer customer which provides a guaranteed minimum of industrial sewer revenue. Another component was to provide for a separate "Collection and Drainage" charge as part of all residential and commercial customer sewer bills. With the implementation of the new rate structure, the Collection and Drainage activity, formerly accounted for within the Water Pollution Control Fund, is now accounted for as a separate fund.

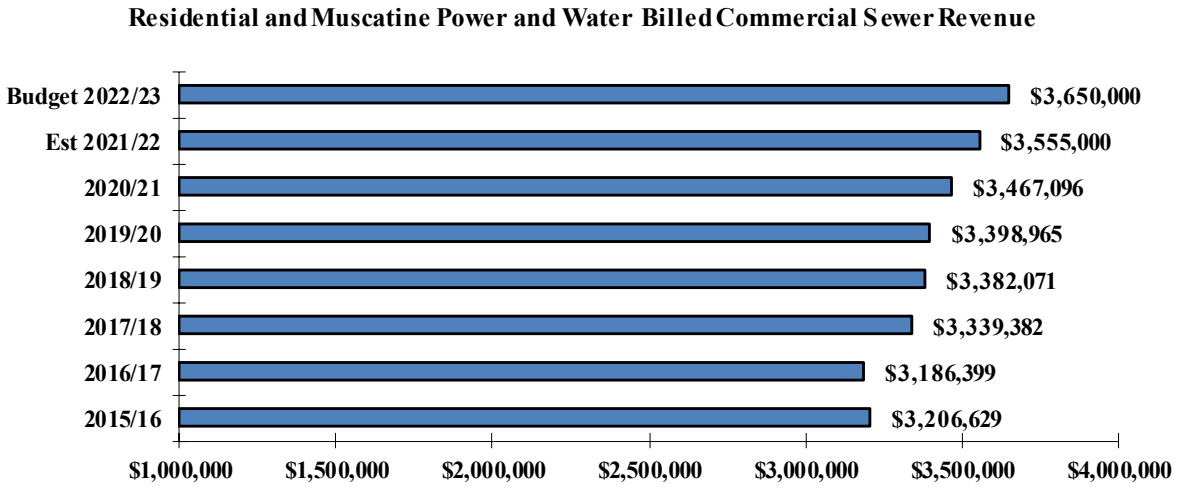
There were several multi-year sewer rate increases since the revised rate structure was implemented. The most recent rate study was completed in 2018. The recommended rates were adopted by ordinance which set rates to be effective July 1, 2018 and annually thereafter for the next four years (through July 1, 2022). The rate study recommended 3% annual increases in sewer rates and 2% annual increases in collection and drainage rates to be effective each July 1 from 2018 to 2022.

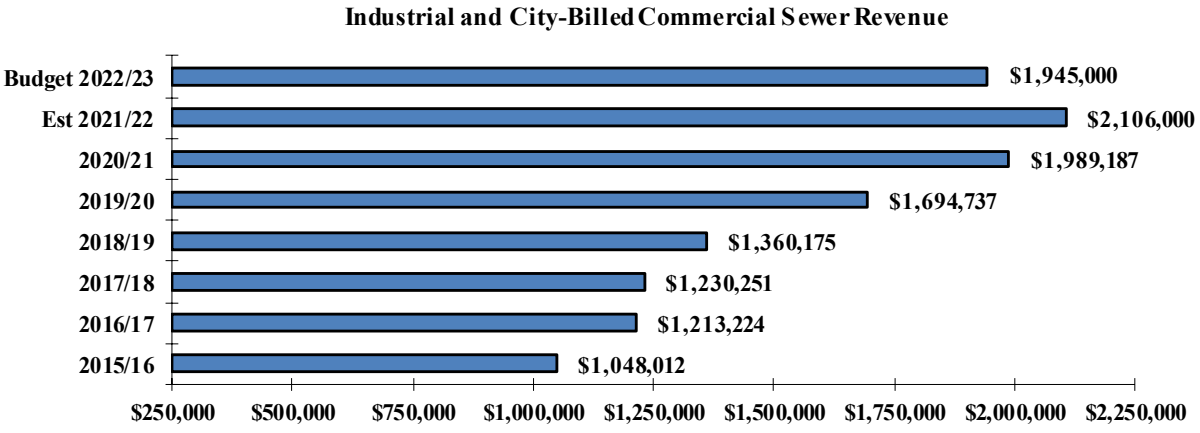
Basis of Revenue Estimates

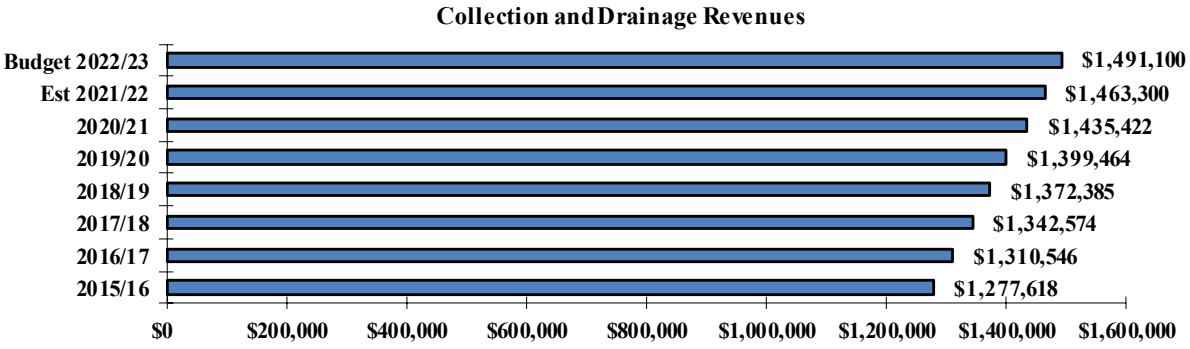
Staff at the Water Pollution Control department reviews historical residential and commercial customer usage to estimate the expected volumes to be received from these classes of customers for the upcoming year. For industrial customers, historical usage is reviewed and staff also contacts the City's major industrial customers for any usage changes which they may be projecting.

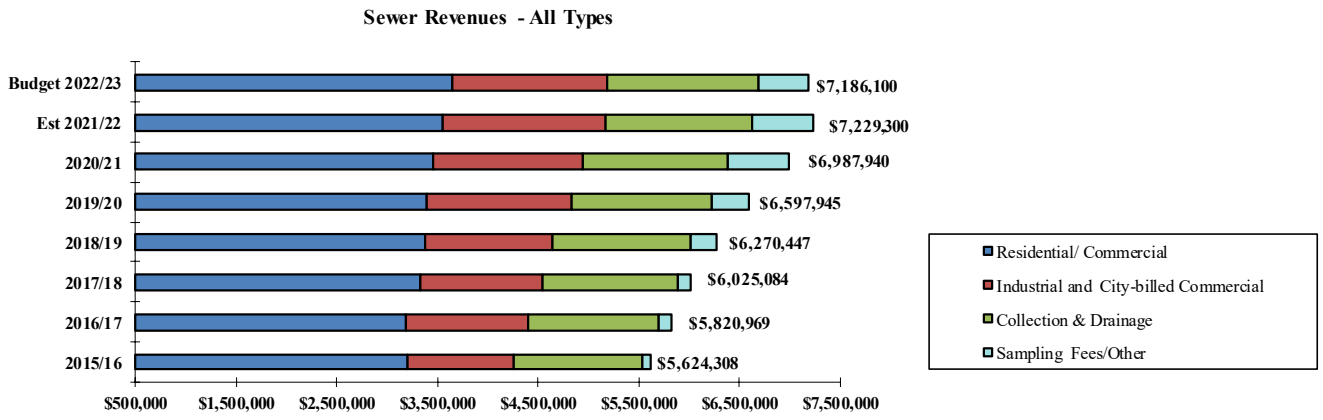
Residential and commercial sewer usage remains fairly constant each year. Industrial usage, however, has varied. Industrial sewer revenue and usage decreased in prior years primarily due to reduced volumes from the City's major industrial customer, Heinz (now Kraft-Heinz). As noted above, under the current rate structure the City contracts with Heinz for a guaranteed minimum of sewer revenue. This began in 2003/2004 and will continue through December 31, 2023 per the most recent contract extension with Kraft-Heinz. The charts below reflect the sewer service charges for the last six fiscal years, the estimated amounts for 2021/2022 and the projections for 2022/2023. The High Strength Waste Facility was completed in 2019/2020. Revenues from this operation are estimated at $96,000 for 2021/2022 and $100,000 for 2022/2023.

Sewer Revenue Trends








Sewer Revenues - All Types
Budget 2022/23
Est 2021/22
2020/21
2019/20
2018/19
2017/18
2016/17
2015/16
$7,186,100
$7,229,300
$6,987,940
$6,597,945
$6,270,447
$6,025,084
$5,820,969
$5,624,308
$500,000
$1,500,000
$2,500,000
$3,500,000
$4,500,000
$5,500,000
$6,500,000
$7,500,000
Residential/ Commercial
Industrial and City-billed Commercial
Collection & Drainage
Sampling Fees/Other

Transfer Station Charges for Services
FY 2022/2023 Budget $2,094,400

General Information

The City's Transfer Station opened in August of 1995. Refuse is delivered to this facility by public and private refuse collection services, businesses, and individuals. The refuse is compacted and transported by semi-trailers to the landfill.

Basis of Estimate

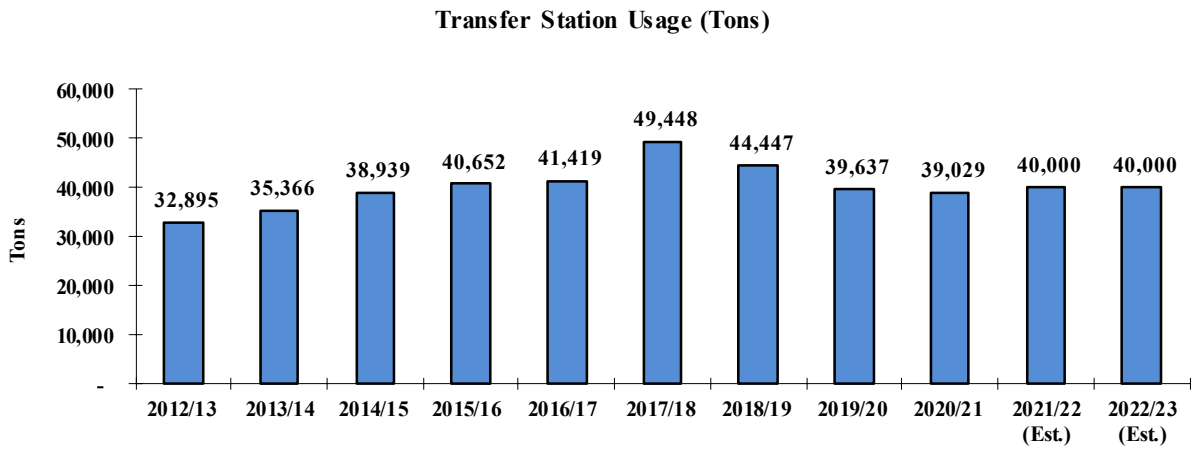
The City sets a "per ton" fee for the disposal of refuse at the Transfer Station. This fee is reviewed annually as part of the budget process. Analysis of the fees required is based on estimated volumes of refuse and estimated operating and capital expenditure needs. Consideration is also given when setting rates, to the potential loss of customers to Illinois landfills if the rates are increased significantly from their current levels.

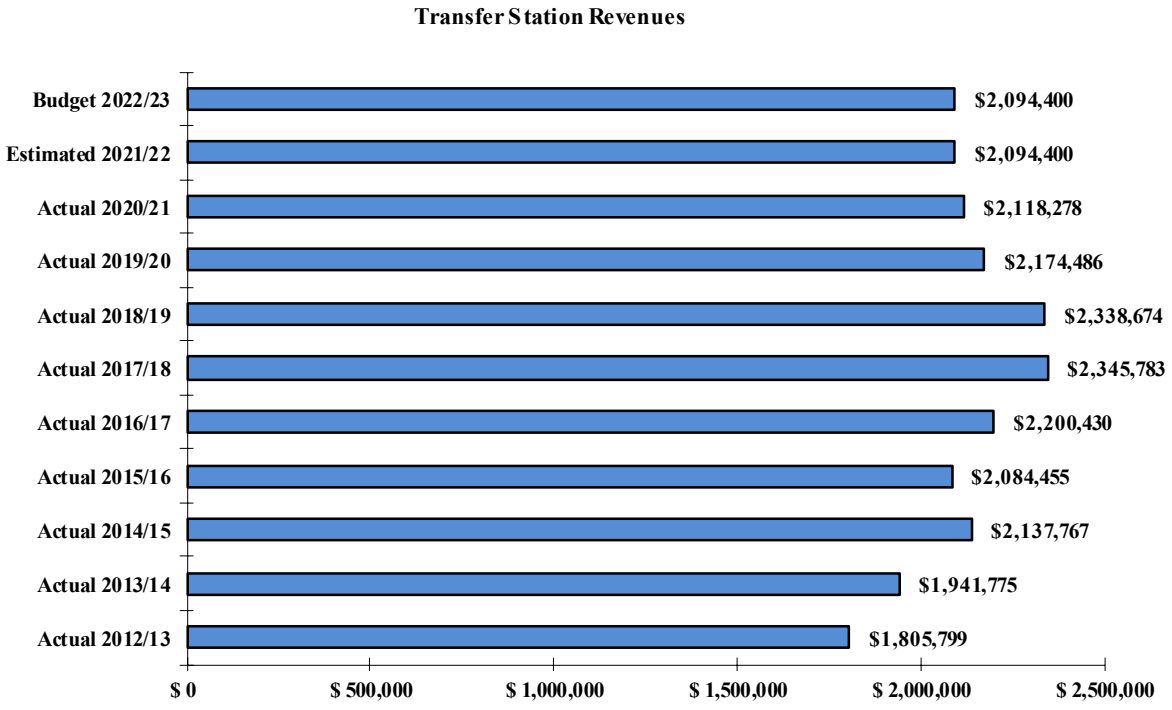
The transfer station rate was increased from $41.00 per ton to $60.00 per ton for 2009/2010 and that rate will continue through 2021/2022. The Landfill fund had a deficit balance of over $2.5 million at the end of 2009/2010 primarily due to the significant costs of developing new cells at the Landfill. The rate increase was part of the plan to reduce this deficit. In 2009/2010 the City began offering industrial contracts for refuse disposal whereby industries can enter into an agreement with the City to dispose of their waste at the Transfer Station and be directly billed for the disposal fees. Under these agreements the industries qualified for a discounted industrial rate of $50/ton of which $30 of this rate was paid to the Landfill. This was implemented to retain waste volume at the Transfer Station that might otherwise have gone to Illinois landfills. Additional negotiated industrial waste disposal contracts were implemented midway through the 2010/2011 year to increase the waste volume coming to this facility. These negotiated industrial contracts as well as the original industrial contracts were all extended through June 30, 2015, and further extended through June 30, 2020. Agreements have been reached to extend three of the industrial waste agreements for an additional five (5) years through June 30, 2025. Under the new agreements the regular industrial contracts decreased by $2.50 per ton to $42.50 per ton and the rates for the negotiated agreements did not change.

The actual Transfer Station waste tonnage was 32,895 in 2012/2013, 35,366 in 2013/2014, 38,939 in 2014/2015, 40,652 in 2015/2016, 41,419 in 2016/2017, 49,448 in 2017/2018, 44,447 in 2018/2019, 39,637 in 2019/2020, and 39,029 in 2020/2021. The higher waste tonnage in 2017/2018 was due to debris from the 2017 tornado, wind storm, and hail storm. The 2021/2022 revised estimate and 2022/2023 budget are each based on a projected 40,000 tons of waste.

Transfer Station Revenue Trends

The following charts show Transfer Station usage and revenues since 2012/2013:





Landfill Fees
FY 2022/2023 Budget $1,159,400

General Information

The City's Transfer Station fees include funding for the Landfill. The Transfer Station pays the Landfill on a per-ton basis for waste disposed of at the Landfill. This rate has varied in recent years due to operational and capital requirements at both the Landfill and Transfer Station.

Basis of Revenue Estimate

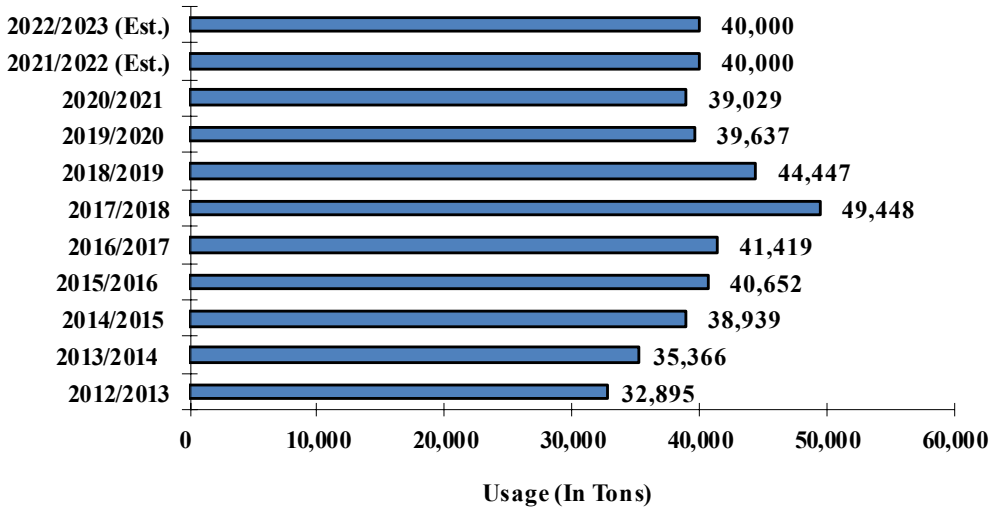
The landfill waste volume was 32,895 in 2012/2013, 35,366 in 2013/2014, 38,939 in 2014/2015, 40,652 in 2015/2016, 41,419 in 2016/2017, 49,448 in 2017/2018, 44,447 in 2018/2019, 39,637 in 2019/2020, and 39,029 in 2020/2021. The 2017/2018 increase was due to the debris from the 2017 tornado, wind storm, and hail storm. The 2021/2022 revised estimate and the 2022/2023 budget are each based on 40,000 tons of waste. The Transfer Station rate increased from $41 to $60 per ton effective July 1, 2009 with $40 of this rate paid to the Landfill fund. This rate increase was needed due to the significant cost of developing new cells at the landfill. For 2016/2017, 2017/2018, and 2018/2019, $32.00 of the full $60.00 Transfer Station rate was paid to the Landfill. This change was possible since the Landfill deficit has been eliminated and sufficient funds had been accumulated for the next landfill cell. For 2019/2020 the landfill portion of the Transfer Station rate decreased to $30.00 per ton for the full rate tonnage and the $30.00 rate has been continued in the 2021/2022 and 2022/2023 budget. This change was needed to continue to fund capital expenditures at the Transfer Station.

The City negotiated several new industrial contracts in 2011 with revenues from these new contracts directed to the Landfill fund deficit. All of the industrial contracts were first extended through June 30, 2015 and were further extended through June 30, 2020. Under those contracts the original industrial waste contracts were reduced by $5/ton from $50/ton to $45/ton and the negotiated contracts were each reduced by $2.50/ton. Agreements have been reached to extend three of the industrial waste agreements for an additional five (5) years through June 30, 2025. Under the new agreements the regular industrial contracts decreased by $2.50 per ton to $42.50 per ton and the rates for the negotiated agreements did not change.

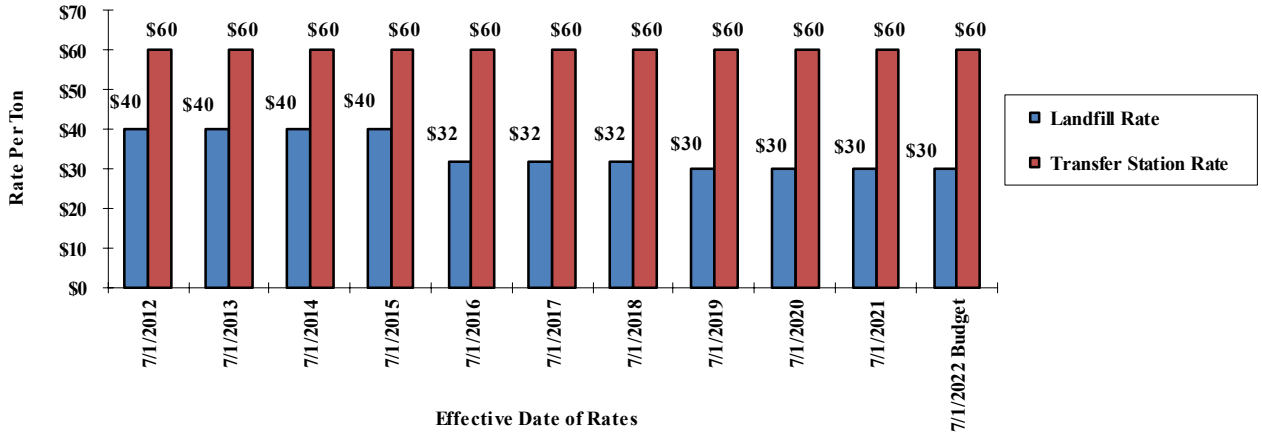
Landfill Revenue Trends

The following two charts show the tons of waste disposed of at the Landfill and the rates charged. As noted previously, the rates customers pay at the Transfer Station also fund Landfill costs. Both the Transfer Station rate and the rate the Transfer Station pays the Landfill are reflected in the second chart.

Landfill Usage History



Transfer Station and Landfill Rates (Per Ton)



Refuse Collection Charges for Services
FY 2022/2023 Budget $2,476,500

General Information

The Refuse Collection activity involves the pickup of solid waste by refuse trucks in the City of Muscatine. Refuse at residential dwellings is collected once each week. The department also collects refuse from some apartment complexes, commercial businesses, and industrial customers. Non-residential refuse collection is made only upon request, as many businesses contract with private haulers for this service.

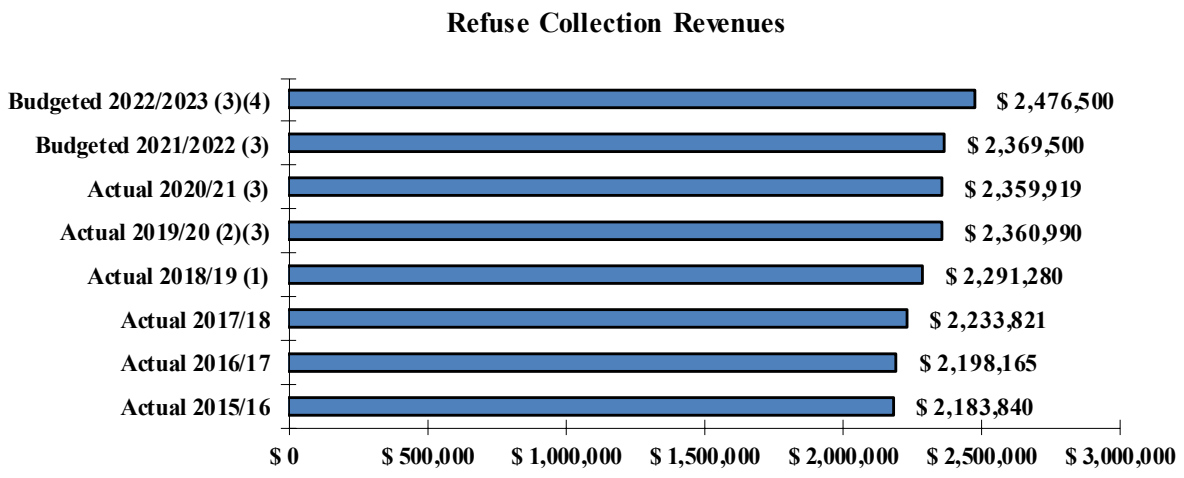
Basis of Revenue Estimate

The monthly residential refuse rates were set at $20.00 for regular residential and $15.00 for senior citizens on April 1, 2011 when the contracted single sort curbside recycling program was implemented. Commercial account charges are based on the frequency of pickups and the amount of refuse collected. The rates for both regular residential customers and the senior rates increased by $.50 per month effective July 1, 2018. The rate increase was needed in order to generate funds to replace one of the regular refuse collection vehicles in 2019/2020. The rates for residential customers increased by another $.50 per customer per month effective July 1, 2019. This increase was needed to accumulate funds for another automated refuse collection vehicle in 2020/2021. The rate increases were also necessary since the monthly rate for the curbside recycling program increases each year, which impacts the funds available for the regular refuse collection service. The 2022/2023 budget includes a $1.00 per residential customer per month increase. This increase was recommended due to the increased costs of providing the refuse collection service including increased fuel costs, increased wage and benefit costs, and increased costs of replacement vehicles.

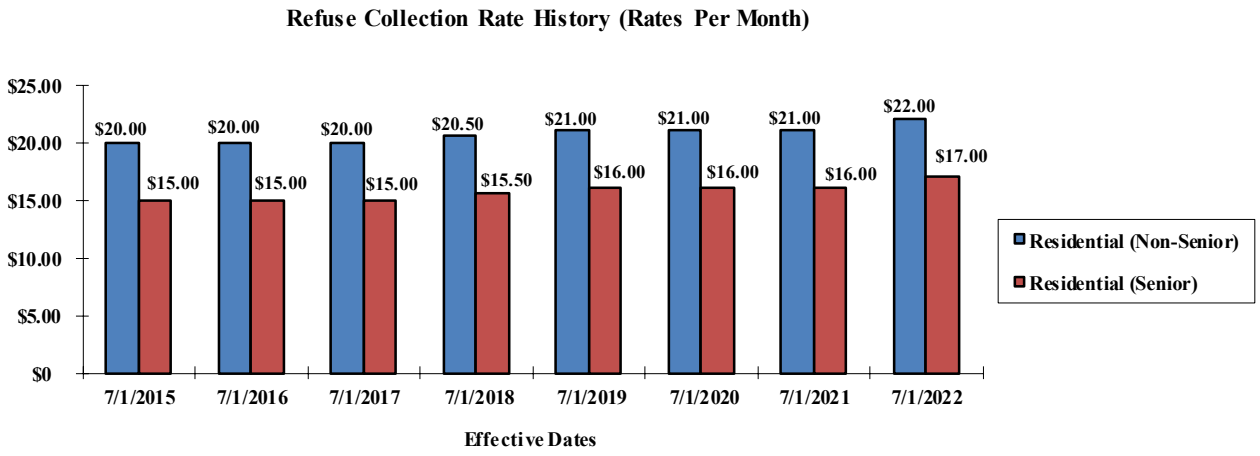
Revenue estimates are developed by a review of the average number of senior and regular residential customers, as well as commercial customers, multiplied by the respective rates. Revenues from commercial customers, however, can vary from the estimates since those customers have the option of using private refuse haulers.

Refuse Collection Revenue Trends

Refuse Collection revenues for the last six years, the estimated revenue for 2021/2022, and the budgeted revenue for 2022/2023 are shown in the following chart. The second chart shows the refuse collection rates since 2015/2016.



1. Includes a rate increase of $.50 per month for regular and senior citizens effective July 1, 2018.
2. Includes a rate increase of $.50 per month for regular and senior citizens effective July 1, 2019.
3. A non-resident fee was implemented at the Compost Site in November, 2019.
4. Includes a rate increase of $1.00 per month for regular and senior citizens effective July 1, 2022.



Ambulance Charges for Services
FY 2022/2023 Budget $2,040,000

General Information

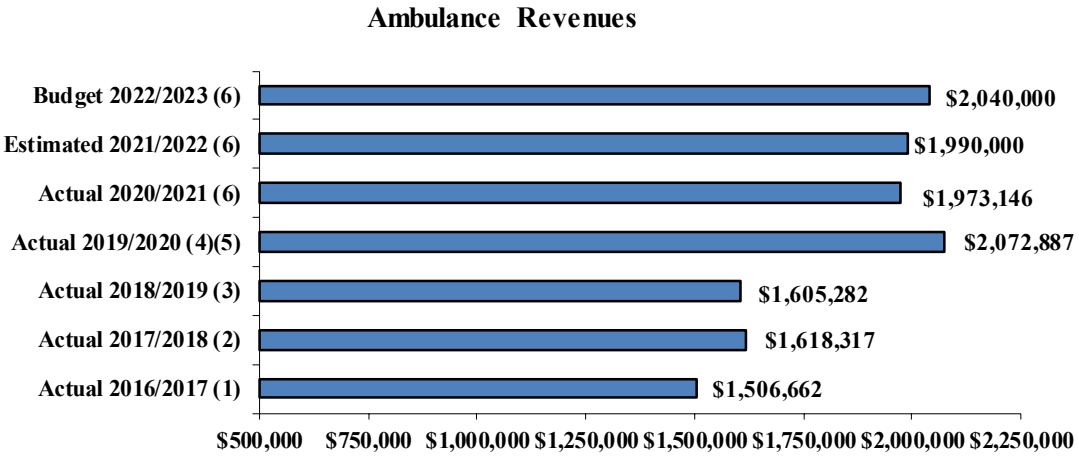
Through June 30, 2000, ambulance service for the City of Muscatine and surrounding townships was provided by a private ambulance service under contracts between the City and each respective township, and the ambulance service. The agreement with the previous ambulance provider expired on June 30, 2000.

In August of 1998 the City contracted with an outside consultant to provide a thorough analysis of the City's system of pre-hospital care involving the Muscatine Fire Department and Muscatine Ambulance, Inc. The consultant's report was used as a basis for development of specifications and a request for proposals (RFP) for potential providers of ambulance services upon the expiration of the ambulance contract on June 30, 2000. Two proposals to provide ambulance service were received and evaluated by the Emergency Medical Services (EMS) Review Team. After review and analysis of the proposals received and interviews with each potential provider, the EMS Review Team recommended the Muscatine Fire Department be awarded the contract to provide ambulance services beginning July 1, 2000.

Basis of Revenue Estimate

Ambulance fees frequently take several months or longer to collect. Based on actual revenue results from past years, collection rates have been in the range of 50-55% of total billed charges and 80-85% of collectible charges. Collectible charges are the charges remaining after the mandated reductions for Medicare patients. At the end of each fiscal year, staff estimates the amount expected to be collected on the current year charges and accrues this amount to the year in which the service was provided. Conservative estimates are used which generally result in collections on prior year accounts exceeding the amounts accrued. These additional amounts or any reductions to the accrued amounts are reflected in the revenue amount the following year. These are detailed in the footnotes to the chart below. The City also has made incremental changes in the ambulance fee schedule based on surveys from other regional providers as well as amounts allowed by medical insurance providers.

Ambulance Revenue Trends



1. Effective July 1, 2016 the BLS rate was increased to $582, the ALS1 rate to $691 the ALS2 to $1,001, and the Skilled Care Transport to $1,182. The mileage rate remained at $14 per loaded mile.
2. Effective July 1, 2017 the BLS rate was increased to $588, the ALS1 rate to $698 the ALS2 to $1,011, and the Skilled Care Transport to $1,194. The mileage rate increased to $15 per loaded mile.
3. Effective July 1, 2018 the BLS rate was increased to $595, the ALS1 rate to $706 the ALS2 to $1,023, and the Skilled Care Transport to $1,208. The mileage rate increased to $16 per loaded mile.
4. Additional ambulance revenues are being received since calendar year 2020 from GEMT (Ground Transportation Medical Transportation) funding. This funding increased reimbursements for Medicaid patients.
5. Effective July 1, 2019 the BLS rate was increased to $607, the ALS1 rate to $720 the ALS2 to $1,043, and the Skilled Care Transport to $1,232. The mileage rate was maintained at $16 per loaded mile.
6. Effective July 1, 2020 the BLS rate was increased to $620, the ALS1 rate to $735 the ALS2 to $1,065, and the Skilled Care Transport to $1,258. The mileage rate increased to $17 per loaded mile in 2020. These rates remained the same for 2021 and 2022.

LONG-TERM FINANCIAL PLANS -

MAJOR FUNDS

City of Muscatine
Long-Term Financial Plans for Major Funds

The 2021/2022 Budget was the first budget that included long-term financial plans for each of the City's major funds. These plans have been updated for the 2022/2023 Budget.

For the City's most recently completed fiscal year (2020/2021), the City's major operating funds were determined to be the funds listed below and these funds are expected to continue to be the City's major funds in upcoming years:

Governmental Funds:
General Fund
Debt Service Fund
Employee Benefits Special Revenue Fund
Local Option Sales Tax Special Revenue Fund
Road Use Tax Fund

Business-Type/Enterprise Funds:
Water Pollution Control Fund
Transfer Station Fund
Refuse Collection

Long-Term Financial Plans – General Information

1. Each of the long-term financial plans include three years of actual historical information (fiscal years 2018/2019, 2019/2020, and 2020/2021), the revised estimate for the current year (2021/2022), the approved budget for 2022/2023, and projections for the following four years (2023/2024 through 2026/2027). The 2018/2019 fiscal year was the last full fiscal year prior to the COVID-19 pandemic.
2. The assumptions used for each fund are listed in the footnotes to these schedules.
3. The General, Debt Service, and Employee Benefits Fund long-term plans have been updated to reflect action taken by the State legislature to phase out the State reimbursement for the Commercial and Industrial Rollback that the City had been receiving each year. These reimbursements will be reduced by 12.5% each year over the next eight years until they are eliminated.
4. The American Rescue Plan Act (ARPA) was enacted and effective on March 11, 2021. The City of Muscatine's ARPA allocation is over $3.5 million and the General Fund long-term plan reflects using a portion of these funds to offset revenue losses in the General fund due to the COVID-19 pandemic in fiscal years 2021/2022, 2022/2023, and 2023/2024.
5. These schedules generally reflect current tax rates for governmental funds and current (or already approved) rates for enterprise funds for the future years in these schedules. The City contracts for multi-year sewer rates studies and reviews all rates for enterprise funds as part of the annual budget process. Future year sewer rate increases will be based on the rate study scheduled to be completed in 2022/2023.
6. While the General Fund and Employee Benefits Fund show funding gaps in future years based on the assumptions used in these schedules, actual results will likely vary based on actual increases in taxable valuations, and actual changes in other revenues and expenditures.
7. The Transfer Station enterprise fund shows operating deficits beginning in 2023/2024 based on assumptions used in the Plan. One of the significant assumptions is that revenues are based on 40,000 tons of waste each year. Waste volumes vary each year and waste volumes were impacted by the

pandemic in 2019/2020 and 2020/2021. It is anticipated that waste volumes should begin to increase in upcoming years, but the amount of the increases and timing is not easily determined.

8. The Refuse Collection enterprise fund shows operating deficits for the last two years of the Plan, primarily due to capital outlay items in the department's replacement schedule. The need and timing of these purchases will be reviewed as part of upcoming budgets and refuse rates can be adjusted, if needed, to provide funds for needed capital purchases.
9. These Long-Term Financial Plans are for planning purposes only and do not represent budgets for the upcoming years. These schedules include numerous assumptions and estimates that will vary from year to year. These schedules will be updated as part of each future annual budget.
10. Special Note on the Utility Franchise Fee – the City reduced the Utility Franchise Fee rate from 5% to 3% effective February 1, 2022 due to significant increases in gas prices. Actual franchise fees will be higher than the estimates in the General Fund long-term plan if the higher gas prices continue. If gas rates return to previous rates, the City Council can consider increases in the franchise fee rate up to 5% by giving a 90-day notice to Alliant Energy, the provider of natural gas service to the community.

City of Muscatine
Major Governmental Fund Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

General Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projections: Preliminary Projection 2024/2025	Preliminary Projections: Preliminary Projection 2025/2026	Preliminary Projections: Preliminary Projection 2026/2027	Revenue/ Expenditure/ Other Footnotes
General Fund										
Revenues and Transfers In										
Taxes:										
General, Ag Land, & Mobile Home Property Taxes	$ 7,125,421	$ 7,198,681	$ 7,378,114	$ 7,669,694	$ 7,669,961	$ 7,823,400	$ 7,979,900	$ 8,139,500	$ 8,302,300	(1)
Tort Liability Levy	240,999	283,477	286,436	317,444	327,195	337,000	347,100	357,500	368,200	(2)
Transit System Levy	50,183	50,575	108,628	0	0	50,000	50,000	50,000	50,000	(3)
Hotel/Motel Taxes	494,951	398,588	374,449	365,000	375,000	400,000	425,000	450,000	475,000	(4)
Cable Franchise Tax	158,717	143,166	132,287	132,000	132,000	132,000	132,000	132,000	132,000	(5)
Utility Franchise Fees	220,448	440,654	456,312	350,000	270,000	270,000	270,000	270,000	270,000	(6)
ST - Taxes	**8,290,719**	**8,515,141**	**8,736,226**	**8,834,138**	**8,774,156**	**9,012,400**	**9,204,000**	**9,399,000**	**9,597,500**	
Licenses and Permits:										
Construction Permits	308,175	168,177	167,473	240,000	170,000	200,000	225,000	250,000	275,000	(7)
Other Licenses and Permits	134,946	137,519	58,301	95,700	121,900	121,900	121,900	121,900	121,900	
ST - Licenses and Permits	**443,121**	**305,696**	**225,774**	**335,700**	**291,900**	**321,900**	**346,900**	**371,900**	**396,900**	
Fines and Forfeitures:										
Automated Traffic Enforcement Fines	286,939	479,861	565,265	480,000	565,000	500,000	500,000	500,000	500,000	
Court Fines	169,746	135,565	132,337	150,000	150,000	150,000	150,000	150,000	150,000	
Other Fines and Forfeitures	44,030	34,966	53,259	38,300	28,300	28,300	28,300	28,300	28,300	
ST - Fines and Forfeitures	**500,715**	**650,392**	**750,861**	**668,300**	**743,300**	**678,300**	**678,300**	**678,300**	**678,300**	
Intergovernmental:										
State Commercial and Industrial Reimbursement	325,287	330,880	336,424	329,784	281,161	281,161	281,161	281,161	281,161	(8)
Phase-Out of Backfill (FY 23 through FY 30)	0	0	0	0	0	(40,166)	(80,332)	(120,498)	(120,498)	(8)
Library County and Illinois Contracts	131,390	134,729	135,089	137,900	142,100	146,400	150,800	155,300	160,000	
Police Grants	291,947	285,945	313,959	373,600	395,700	395,700	395,700	395,700	395,700	
Art Center State Grant	10,000	13,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	
Housing - Payment in Lieu of Taxes	31,743	33,140	32,791	35,600	36,900	38,000	39,100	40,300	41,500	
Non-Recurring Grants/Reimbursements										
FEMA and State Match Reimbursements	0	113,149	6,300	0	0	0	0	0	0	
Federal Grant - SCBAs	0	0	243,104	0	0	0	0	0	0	
Other Grants and Reimbursements	9,623	4,814	0	9,500	4,600	0	0	0	0	
ST - Intergovernmental	**799,990**	**915,657**	**1,077,667**	**901,384**	**875,461**	**836,095**	**801,429**	**766,963**	**772,863**	
			243,104							
Charges for Essential Services										
Nuisance Reimbursements/Administrative Fees	74,957	75,688	118,313	110,000	120,000	120,000	120,000	120,000	120,000	
Cemetery Burial Charges	44,675	45,790	57,065	45,000	45,000	45,000	45,000	45,000	45,000	
Engineering Services	96,420	112,710	105,840	210,000	210,000	216,300	222,800	229,500	236,400	
Police Services Agreement	52,104	53,276	54,608	56,100	57,700	59,400	61,200	63,000	64,900	
Fire Department - Various Fees	104,289	103,871	108,168	95,300	102,800	102,800	102,800	102,800	102,800	
Housing Accounting Fees	62,700	64,600	66,500	68,400	70,400	72,500	74,700	76,900	79,200	
Housing Management Fee	10,589	4,494	12,372	13,500	13,500	13,500	13,500	13,500	13,500	
Various Other Fees	37,169	40,017	43,566	36,500	35,000	35,000	35,000	35,000	35,000	
ST - Charges for Essential Services	**482,903**	**500,446**	**566,432**	**634,800**	**654,400**	**664,500**	**675,000**	**685,700**	**696,800**	

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	Revenue/ Expenditure/ Other Footnotes
Charges for Optional Services (Parks, Art Center, Misc.)	**219,317**	**137,414**	**161,047**	**218,900**	**234,000**	**234,000**	**234,000**	**234,000**	**234,000**	
Use of Money and Property:										
Interest Income	$ 106,130	$ 97,991	$ 13,260	$ 1,000	$ 1,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	(10)
Parks Shelters, Riverview Center, Pearl City St.	29,175	24,725	43,265	35,500	35,500	35,500	35,500	35,500	35,500	
Lease - Cemetery Cell Towers	19,595	21,558	23,562	23,900	23,900	23,900	23,900	23,900	23,900	
Lease - Public Safety Cell Tower	26,946	26,946	29,977	31,000	31,000	31,000	31,000	31,000	31,000	
Other - Commissions, Rentals, etc.	34,307	22,115	34,163	34,100	37,300	37,300	37,300	37,300	37,300	
ST - Use of Money and Property	**216,153**	**193,335**	**144,227**	**125,500**	**128,700**	**177,700**	**177,700**	**177,700**	**177,700**	
Other Revenues:										
Cemetery Lot and Niche Sales	$ 27,424	$ 16,516	$ 44,096	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 250,000	
Parks Administrative Fees	26,100	26,900	27,700	12,200	12,500	12,900	13,300	13,700	14,100	
Public Works Administrative Fees	68,300	70,300	72,400	74,500	76,600	78,900	81,300	83,700	86,200	
General Administrative Fees	387,600	399,200	398,300	397,300	405,200	417,400	429,900	442,800	456,100	
Information Technology Administrative Fee	31,000	39,000	41,000	43,000	45,100	46,500	47,900	49,300	50,800	
Communications Admin Fee (Exc. TIF Portion)	54,000	59,600	62,800	65,500	68,000	70,000	72,100	74,300	76,500	
Support Foundation Contributions	21,837	22,585	24,423	32,600	32,200	33,200	34,200	35,200	36,300	
Friends of the Art Center Contributions	23,305	22,259	25,053	29,200	28,100	28,900	29,800	30,700	31,600	
Various Other Contributions and Reimbursements	112,456	255,300	266,585	117,800	88,200	83,100	83,100	83,100	83,100	
ST - Other Revenue	**752,022**	**911,660**	**962,357**	**797,100**	**780,900**	**795,900**	**816,600**	**837,800**	**1,084,700**	
Transfers In:										
Employee Benefits Fund	$ 4,311,411	$ 4,131,873	$ 4,534,057	$ 4,838,329	$ 4,997,312	$ 5,147,200	$ 5,301,600	$ 5,460,600	$ 5,624,400	
Emergency Levy	0	0	0	139,735	349,917	270,300	277,100	284,000	291,100	
Road Use Tax	2,660,045	2,709,941	2,598,645	3,204,400	3,169,900	3,265,000	3,363,000	3,463,900	3,567,800	
Perpetual Care Interest	17,873	19,326	10,872	500	500	18,000	18,000	18,000	18,000	(10)
Health Insurance Fund (Wellness)	54,673	54,842	56,516	66,000	68,000	70,000	72,100	74,300	76,500	
Ambulance Enterprise Fund	1,047,200	1,195,700	1,437,800	1,485,600	1,578,200	1,625,500	1,674,300	1,724,500	1,776,200	
Tax Increment/Economic Dev Admin and Legal	161,566	164,200	158,974	170,400	174,500	179,700	185,100	190,700	196,400	
Tax Increment Economic Development	38,000	38,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	
Transfer from Capital Project - Fire Equipment	0	0	22,793	0	0	0	0	0	0	
ST - Transfers	**8,290,768**	**8,313,882**	**8,862,657**	**9,947,964**	**10,381,329**	**10,618,700**	**10,934,200**	**11,259,000**	**11,593,400**	
Total Revenues and Transfers In	**$ 19,995,706**	**$ 20,443,623**	**$ 21,487,248**	**$ 22,463,786**	**$ 22,864,146**	**$ 23,339,495**	**$ 23,868,129**	**$ 24,410,363**	**$ 25,232,163**	(9)
Expenditures and Transfers Out										
Salaries and Wages	$ 10,650,893	$ 10,877,634	$ 11,266,782	$ 12,164,600	$ 12,758,800	$ 13,141,600	$ 13,535,800	$ 13,941,900	$ 14,360,200	(1)
Employee Benefits - Pension and Insurance	4,735,083	4,583,475	4,983,733	5,385,300	5,568,700	5,735,800	5,907,900	6,085,100	6,267,700	(2)
Commodities	909,658	960,329	904,257	1,162,500	1,102,850	1,135,900	1,170,000	1,205,100	1,241,300	(3)
Contractual Services	2,456,573	2,469,190	2,587,228	2,770,500	2,811,250	2,895,600	2,982,500	3,072,000	3,164,200	(4)
Capital Outlay	572,229	1,115,859	819,515	1,066,300	789,200	800,000	800,000	800,000	800,000	(5)

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projections: Preliminary Projection 2024/2025	Preliminary Projections: Preliminary Projection 2025/2026	Preliminary Projections: Preliminary Projection 2026/2027	Revenue/ Expenditure/ Other Footnotes
Transfers Out:										
Computer Replacement Fund	40,000	50,000	50,000	50,000	40,000	50,000	50,000	50,000	50,000	(6)
Equipment Replacement Fund	250,000	200,000	202,000	250,000	250,000	250,000	250,000	250,000	250,000	(7)
Transit Tax Levy	52,386	51,982	113,807	0	0	50,000	50,000	50,000	50,000	(8)
Airport Subsidy	28,251	200	0	17,104	20,500	30,000	30,000	30,000	30,000	(9)
CVB Fund Transfer	130,498	123,738	99,647	93,600	91,200	100,000	106,300	112,500	118,800	(10)
Other	113,891	43,648	54,180	16,400	17,000	17,500	18,000	18,500	19,100	(11)
Total Expenditures and Transfers Out	**$ 19,939,462**	**$ 20,476,055**	**$ 21,081,149**	**$ 22,976,304**	**$ 23,449,500**	**$ 24,206,400**	**$ 24,900,500**	**$ 25,615,100**	**$ 26,351,300**	
Fund Balance Increase/(Funding Gap) before State and Federal Funding for COVID Relief	**$ 56,244**	**$ (32,432)**	**$ 406,099**	**$ (512,518)**	**$ (585,354)**	**$ (866,905)**	**$ (1,032,371)**	**$ (1,204,737)**	**$ (1,119,137)**	
State COVID Relief Funds	0	0	0	300,000	261,600	0	0	0	0	(1)
American Rescue Plan Federal Funding (Estimate)	0	0	0	222,000	324,200	400,000	0	0	0	(2)
Fund Balance Increase/(Funding Gap) with State and Federal Funding	**$ 56,244**	**$ (32,432)**	**$ 406,099**	**$ 9,482**	**$ 446**	**$ (466,905)**	**$ (1,032,371)**	**$ (1,204,737)**	**$ (1,119,137)**	(3)

Note Funding Gaps Based on Assumptions Used

Revenue Footnotes and Assumptions:

1. The City of Muscatine is at the General Fund tax levy limit of $8.10 per $1,000 of valuation. As a result, any growth in general property tax revenue will be due to new growth or increases in taxable valuation. The growth in property tax revenue shown is based on estimated 2.0% annual increases in taxable valuation for FY 24 through FY 27).
2. Tort Liability Tax Levy - assumes 3% annual increases in this levy.
3. Transit Tax Levy - will be based on funding needs in the Transit fund; passed through the General Fund to Transit.
4. Hotel/motel tax - assumes annual increases to closer to pre-pandemic levels.
5. Cable Franchise Fee - no annual increase or decrease is expected.
6. Utility Franchise Fee - assumes continuation of the 3% rate and gas prices returning to closer to previous rates (higher prices, however, may continue).
7. Building Permit revenues were negatively impacted by the COVID-19 pandemic. Assumes annual increases to closer to pre-pandemic levels.
8. After the City's FY 2021/2022 budget was adopted, legislation was adopted that will phase out the State Commercial and Industrial Reimbursement over the next eight years (FY 23 - FY 30) at 12.5% per year.
9. Most other revenue sources are shown as either flat amounts for FY 24 through FY 27 or with 3% annual increases.
10. The highlighted items above are the revenue sources most impacted by the COVID-19 pandemic. This includes hotel/motel taxes, building permits, interest on the General Fund balance, and Perpetual Care interest. Future year projections show these revenues incrementally increasing to pre-pandemic levels. The reduction in the State Commercial and Industrial Reimbursement, while not directly linked to the pandemic, is also highlighted since it will have an impact on future year budgets.

Expenditure Footnotes and Assumptions:

1. Salaries and Wages - allows for 3% annual increases which include union, non-union, and step changes.
2. Employee Benefits - assumes 3% annual increases in General Fund employee benefits for FY 24 through FY 27.
3. Commodities - assumes 3% annual increases in commodities.
4. Contractual Services - assumes 3% annual increases in contractual services.
5. Estimated annual capital outlay from operating budgets; excludes any extraordinary purchases.
6. Computer Replacement Fund - returns to previous $50,000 level; no annual increases reflected.
7. Equipment Replacement Fund - no annual increases expected; actual to be determined.
8. Transit Tax Levy Transfer - will equal Transit Tax levy revenues above; no net impact on General Fund balance.
9. Airport Subsidy - average of 5 years prior to the CARES Act funding in FY 20, FY 21, and FY 22.
10. CVB Fund Transfer - 25% of estimated Hotel/Motel taxes; transfers to the CVB Enterprise fund.
11. Other Transfers - primarily Communications Admin fee for Public Works - assumes 3% annual increase.

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projections: Preliminary Projection 2024/2025	Preliminary Projections: Preliminary Projection 2025/2026	Preliminary Projections: Preliminary Projection 2026/2027	Revenue/ Expenditure/ Other Footnotes

Funding Gaps and State and Federal Funding (Preliminary Estimates)

1. In October of 2020, the City received $561,628 in COVID-19 Local Government Relief funds from the State. These funds were credited to the Emergency Tax Levy / Emergency Fund. In FY 22, $300,000 is budgeted to be transferred to the General Fund with the balance of $261,600 transferred in FY 23.

2. On March 11, 2021 the American Rescue Plan of 2021 was signed into law. This Act provides funding to all cities, counties, and States to assist the country in recovering from the impacts of the COVID-19 pandemic. The City's allocation totals $3,533,376.69 with the first half of this allocation received in FY 22 and the other half to be received in FY 23. These funds are required to be expended or obligated by the end of the 2024 calendar year. The amounts shown in FY 22 and FY 23 are the amounts needed to balance the General Fund budget. The $400,000 in FY 24 is a preliminary estimate. The City has identified other uses for the remaining ARPA funding allocation.

3. While significant funding gaps are shown in FY 24, FY 25, FY 26, and FY 27, assumptions used for this Plan can vary significantly from year to year. This 5-Year Plan/Forecast will be updated annually.

City of Muscatine
Major Governmental Fund Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Debt Service Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projections: Preliminary Projection 2024/2025	Preliminary Projections: Preliminary Projection 2025/2026	Preliminary Projections: Preliminary Projection 2026/2027	
Debt Service Fund										
Revenues										
Taxes:										
General, Ag Land, & Mobile Home Property Taxes	$ 2,387,744	$ 2,507,287	$ 2,321,731	$ 2,363,505	$ 2,238,119	$ 2,303,569	$ 2,463,466	$ 2,476,268	$ 2,556,407	(1)
(Memo Only - Percent Change in Property Taxes Based on the Assumptions in this Preliminary Plan)						**(2.92% Inc.)**	**(6.94% Inc.)**	**(.52% Inc.)**	**(3.24% Inc.)**	
Intergovernmental:										
State Commercial and Industrial Reimbursement	102,819	106,112	91,478	90,883	92,016	92,016	92,016	92,016	92,016	
Phase-Out of Backfill (FY 23 through FY 30)	-	-	-	-	(11,502)	(23,004)	(34,506)	(46,008)	(57,510)	(2)
Interest	24,886	17,471	1,896	500	500	500	500	500	500	
Transfers In:										
Tax Increment Funds	207,100	206,250	347,734	352,900	357,000	357,000	355,900	354,700	353,400	(3)
Water Pollution Control Fund	95,105	92,500	90,550	92,950	95,150	95,150	91,400	92,650	93,650	(3)
Total Revenues	**$ 2,817,654**	**$ 2,929,620**	**$ 2,853,389**	**$ 2,900,738**	**$ 2,771,283**	**$ 2,825,231**	**$ 2,968,776**	**$ 2,970,126**	**$ 3,038,463**	
Expenditures										
Paying Agent Costs	$ 2,600	$ 2,900	$ 2,700	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	(4)
Bonds	2,470,000	2,630,000	2,475,000	2,555,000	1,860,000	1,910,000	1,555,000	1,600,000	1,160,000	(4)
Interest	406,783	341,691	409,316	342,738	281,368	228,318	175,463	128,213	83,950	(4)
Estimated Costs for New Issues:										
Bonds and Interest - Estimated Spring 2022 Issue	-	-	-	-	666,386	-	-	-	-	(5)
Bonds and Interest - Actual Spring 2022 Issue	-	-	-	-	-	683,913	735,313	738,913	791,513	(6)
Bonds and Interest - Estimated Spring 2024 Issue	-	-	-	-	-	-	500,000	500,000	500,000	(7)
Bonds and Interest - Estimated Spring 2026 Issue	-	-	-	-	-	-	-	-	500,000	(7)
Total Expenditures	$ 2,879,383	$ 2,974,591	$ 2,887,016	$ 2,900,738	$ 2,810,754	$ 2,825,231	$ 2,968,776	$ 2,970,126	$ 3,038,463	
Fund Balance Increase/(Funding Gap)	**$ (61,729)**	**$ (44,971)**	**$ (33,627)**	**$ -**	**$ (39,471)**	**$ -**	**$ -**	**$ -**	**$ -**	
Beginning Fund Balance	244,470	182,741	137,770	104,143	104,143	64,672	64,672	64,672	64,672	
Ending Fund Balance (Actual or Estimated)	**$ 182,741**	**$ 137,770**	**$ 104,143**	**$ 104,143**	**$ 64,672**	**$ 64,672**	**$ 64,672**	**$ 64,672**	**$ 64,672**	

Footnotes and Assumptions:

1. Debt service tax levies for FY 24 through FY 27 are those needed to pay projected principal and interest payments included in this long-term plan. This may require increases in the debt service tax levy rate and will depend on taxable property valuations each year, the actual amounts of the May 2024 and May 2026 bond issues, and interest rates on those bond issues.
2. After the City's FY 2021/2022 budget was adopted, legislation was adopted that will phase out the State Commercial and Industrial Reimbursement over the next eight years (FY 23 - FY 30) at 12.5% per year.
3. Transfers from Tax Increment and Water Pollution Control funds are based on currently outstanding debt issues.
4. Principal and interest on outstanding bond issues at the time the FY 23 Budget was adopted (prior to the May 2022 bond issue).
5. Preliminary estimate of debt service requirements based on a $6.2 million 10-year bond issue in May of 2022. The actual FY 23 debt payments on the May 2022 issue are $670,656.
6. Actual annual debt service requirements for FY 24 through FY 27 are shown for the May 2022 bond issue.
7. Information is not yet available for the bond issues in May of 2024 and May of 2016; amounts shown are place-holders for actual bond issue debt requirements.

Comments:

Actual debt service tax levy increases will depend on increases in taxable valuations, the actual bond issue amounts for the May 2024 and May 2026 bond issues, and interest rates on those issues.
The City can choose to use a portion of the fund balance to lessen the impact on the debt service tax levy, if needed.

City of Muscatine
Major Governmental Funds Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Employee Benefits Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projections: Preliminary Projection 2024/2025	Preliminary Projections: Preliminary Projection 2025/2026	Preliminary Projections: Preliminary Projection 2026/2027	
Employee Benefits Fund										
Revenues										
Taxes:										
General, Ag Land, & Mobile Home Property Taxes	$ 4,134,194	$ 4,080,502	$ 4,356,826	$ 4,500,900	$ 4,766,720	$ 4,862,100	$ 4,959,300	$ 5,058,500	$ 5,159,700	(1)
Intergovernmental:										
State Commercial and Industrial Reimbursement	181,487	179,345	186,363	186,768	186,768	186,768	186,768	186,768	186,768	
Phase-Out of Backfill (FY 23 through FY 30)	-	-	-	-	(18,580)	(42,607)	(66,634)	(90,661)	(114,688)	(2)
Total Revenues	**$ 4,315,681**	**$ 4,259,847**	**$ 4,543,189**	**$ 4,687,668**	**$ 4,934,908**	**$ 5,006,261**	**$ 5,079,434**	**$ 5,154,607**	**$ 5,231,780**	
Expenditures and Transfers Out:										
Transfers Out for General Fund Employee Benefit Costs	$ 4,311,411	$ 4,131,873	$ 4,534,057	$ 4,838,329	$ 4,997,312	$ 5,147,231	$ 5,301,648	$ 5,460,697	$ 5,624,518	(3)
Total Expenditures and Transfers Out	$ 4,311,411	$ 4,131,873	$ 4,534,057	$ 4,838,329	$ 4,997,312	$ 5,147,231	$ 5,301,648	$ 5,460,697	$ 5,624,518	
Fund Balance Increase/(Funding Gap)	**$ 4,270**	**$ 127,974**	**$ 9,132**	**$ (150,661)**	**$ (62,404)**	**$ (140,970)**	**$ (222,214)**	**$ (306,090)**	**$ (392,738)**	(5)
Beginning Fund Balance	71,689	75,959	203,933	213,065	62,404	-	-	-	-	(4)
Ending Fund Balance (Deficit) (Actual/Estimated)	**$ 75,959**	**$ 203,933**	**$ 213,065**	**$ 62,404**	**$ -**	**$ (140,970)**	**$ (222,214)**	**$ (306,090)**	**$ (392,738)**	(5)

Footnotes and Assumptions:

1. Growth in property tax revenue assuming the Employee Benefits Tax Levy rate would remain the same. Growth in taxable valuation assumptions based on estimated 2.0% increase for FY 24 thru FY 27.
2. After the City's FY 2021/2022 budget was adopted, legislation was adopted that will phase out the State Commercial and Industrial Reimbursement over the next eight years (FY 23 - FY 30) at 12.5% per year.
3. Assumes 3% annual increases in General Fund employee benefits for fiscal years 2023/2024 through 2026/2027.
4. While zero beginning balances are shown for each of the years from 2023/2024 through 2026/2027, there would normally be a beginning balance due to savings in employee benefits due to vacancies. These amounts would reduce the annual funding gaps.
5. While increasing funding gaps are shown each fiscal year from 2023/2024 through 2026/2027, cities in Iowa can increase the Employee Benefits tax levy to fund actual General Fund employee benefit costs. The actual funding gaps will be based on actual pension and insurance rates which can vary significantly from year to year (especially Police and Fire pension contribution rates and health insurance rates).

Comments:

While fiscal years 2023/2024 through 2026/2027 show operating deficits based on the assumptions used in this schedule, actual results will likely vary based on actual increases in taxable valuations, actual pension contribution and health insurance rates, and any beginning balances that would be available due to prior year vacancies. The City can consider offsetting increases in the employee benefit tax levy rate with decreases in other levy rates.

City of Muscatine
Major Governmental Fund Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Local Option Sales Tax Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	
Local Option Sales Tax Fund										
Revenues										
Taxes:										
Local Option Sales Tax - State Scheduled Payments	$ 3,057,910	$ 2,936,861	$ 3,208,926	$ 3,419,592	$ 3,419,600	$ 3,470,900	$ 3,523,000	$ 3,575,800	$ 3,629,400	(1)
Local Option Sales Tax - Prior Year Reconciliation	253,497	28,658	484,665	455,108	-	-	-	-	-	(1)
Use of Money and Property:										
Interest	4,716	3,224	1,731	100	100	500	500	500	500	
Total Revenues	**$ 3,316,123**	**$ 2,968,743**	**$ 3,695,322**	**$ 3,874,800**	**$ 3,419,700**	**$ 3,471,400**	**$ 3,523,500**	**$ 3,576,300**	**$ 3,629,900**	
Expenditures and Transfers Out										
Transfers Out:										
West Hill Sewer Separation Project	$ 2,355,054	$ 2,684,352	$ 2,203,375	$ 3,810,900	$ 2,735,800	$ 2,777,100	$ 2,818,800	$ 2,861,000	$ 2,903,900	(2)
Pavement Management Projects	661,892	593,104	738,718	774,900	683,900	694,300	704,700	715,300	726,000	(2)
Total Expenditures	$ 3,016,946	$ 3,277,456	$ 2,942,093	$ 4,585,800	$ 3,419,700	$ 3,471,400	$ 3,523,500	$ 3,576,300	$ 3,629,900	
Fund Balance Increase/(Funding Gap)	**$ 299,177**	**$ (308,713)**	**$ 753,229**	**$ (711,000)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
Beginning Fund Balance	267,314	566,491	257,778	1,011,007	300,007	300,007	300,007	300,007	300,007	(3)
Ending Fund Balance (Actual or Estimated)	**$ 566,491**	**$ 257,778**	**$ 1,011,007**	**$ 300,007**	**$ 300,007**	**$ 300,007**	**$ 300,007**	**$ 300,007**	**$ 300,007**	(3)

Footnotes and Assumptions:

1. Each fiscal year the Iowa Department of Revenue makes estimated local option sales tax payments to the City. The following fiscal year the City receives an additional payment which reconciles actual local option sales tax amounts to the estimates previously remitted to the City. The 2022/2023 budget amount is the State's estimate for the 2021/2022 year without a reconciliation amount. Projected local option tax revenue for 2023/2024 through 2026/2027 reflect estimated annual 1.5% increases with no reconciliation amounts, for conservative estimates.
2. The most recent local option sales tax referendum was held on March 6, 2018 and voters approved the extension of this tax for an additional 15 years to fund future sewer (80%) and street (20%) improvement projects. The 15 year extension (through June 30, 2034) was again approved by voters with 88% voting in favor of the extension. Transfers out are based on 80% of the local option tax being transferred to the West Hill Sewer Separation project and 20% to the Pavement Management project fund.
3. A $300,000 ending balance is the approximate amount of the accrued Local Option Tax at the end of each fiscal year. (If this would be transferred to the West Hill Sewer project or Pavement Management project, there would be a deficit cash balance at fiscal year end.)

Comments:

In 2007 the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. The West Hill Sewer Separation project is the final project mandated by the Consent Order and it is being done in multiple phases to meet the mandated deadline. The Pavement Management Program provides for street and alley resurfacing projects and full depth concrete patching projects each fiscal year. Local option taxes are the primary funding source for the West Hill Sewer Separation project. Road Use Taxes supplement the local option sales tax allocation for the annual Pavement Management program.

City of Muscatine
Major Governmental Fund Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Road Use Tax Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	
Road Use Tax										
Revenues										
Intergovernmental:										
Road Use Tax	$ 3,078,675	$ 3,122,915	$ 3,504,858	$ 3,086,500	$ 3,110,300	$ 3,110,300	$ 3,110,300	$ 3,110,300	$ 3,110,300	(1)
Total Revenues	**$ 3,078,675**	**$ 3,122,915**	**$ 3,504,858**	**$ 3,086,500**	**$ 3,110,300**	**$ 3,110,300**	**$ 3,110,300**	**$ 3,110,300**	**$ 3,110,300**	
Per Capita Road Use Tax Actual/Estimated	$ 129.25	$ 131.11	$ 147.28	$ 129.70	$ 130.70	$ 130.70	$ 130.70	$ 130.70	$ 130.70	(1)
Expenditures and Transfers Out										
Transfers Out:										
General Fund Public Works Operations	$ 2,660,045	$ 2,709,941	$ 2,598,646	$ 3,204,400	$ 3,169,900	$ 2,927,300	$ 2,985,800	$ 3,045,500	$ 3,106,400	(2)
Pavement Management Capital Project	119,897	449,262	406,396	225,100	316,100	100,000	100,000	100,000	25,000	(3)
New Sidewalk Program	135,595	-	18,858	192,500	154,500	100,000	100,000	100,000	100,000	(4)
Other Capital Projects	115,120	455	82,539	100,000	210,000	-	-	-	-	(5)
Total Expenditures	$ 3,030,657	$ 3,159,658	$ 3,106,439	$ 3,722,000	$ 3,850,500	$ 3,127,300	$ 3,185,800	$ 3,245,500	$ 3,231,400	
Fund Balance Increase/(Funding Gap)	**$ 48,018**	**$ (36,743)**	**$ 398,419**	**$ (635,500)**	**$ (740,200)**	**$ (17,000)**	**$ (75,500)**	**$ (135,200)**	**$ (121,100)**	
Beginning Fund Balance	1,317,754	1,365,772	1,329,029	1,727,448	1,091,948	351,748	334,748	259,248	124,048	
Ending Fund Balance (Actual or Estimated)	**$ 1,365,772**	**$ 1,329,029**	**$ 1,727,448**	**$ 1,091,948**	**$ 351,748**	**$ 334,748**	**$ 259,248**	**$ 124,048**	**$ 2,948**	

Footnotes and Assumptions:

1. Road Use Tax revenues are generally based on Iowa Department of Transportation (IDOT) per capita estimates. However, based on prior year actual road use tax amounts and payments received to date in 2021/2022, the IDOT's per capita estimates were each increased by $100,000 for the 2021/2022 revised estimate and the 2022/2023 budget. The City is cautiously using these higher estimates but will continue to monitor actual road use tax payments as they are received each month. The 2023/2024 through 2026/2027 estimates continue the 2022/2023 budget estimate.
2. Road Use Tax transfers to the General Fund for Public Works operations have generally been increased by 2.0% annually for 2023/2024 through 2026/2027. Since the 2022/2023 transfer included $300,000 in extraordinary capital outlay items, the base amount for 2022/2023 was reduced by that amount prior to computing increases for future years.
3. Transfers for the Pavement Management Program are amounts estimated to be available based on the revenue assumptions used.
4. Assumes the annual $100,000 allocation for new sidewalks continues in upcoming years.
5. Any additional Road Use Tax funding for other street projects not yet known.

Comments:

Based on revenue and expenditure assumptions, the Road Use Taxes available for the Pavement Management Program are expected to decrease over the upcoming years as shown above.

City of Muscatine
Major Business-Type Funds Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Water Pollution Control Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	
Water Pollution Control Fund										
Revenues										
Charges for Services:										
Sewer Charges - Residential and Commercial	$ 3,382,071	$ 3,398,965	$ 3,467,096	$ 3,555,000	$ 3,650,000	$ 3,650,000	$ 3,650,000	$ 3,650,000	$ 3,650,000	(1)
Sewer Charges - Industrial	1,257,230	1,433,375	1,480,917	1,610,000	1,545,000	1,545,000	1,545,000	1,545,000	1,545,000	(1)
Charges for Fats, Oils, and Grease (FOG)	102,945	245,436	418,398	400,000	300,000	300,000	300,000	300,000	300,000	(2)
Charges for High Strength Waste	-	15,926	89,872	96,000	100,000	100,000	100,000	100,000	100,000	(2)
Wastewater Discharge Permits	2,475	2,375	1,600	2,400	1,600	1,600	1,600	1,600	1,600	(2)
Analytical (Lab) Charges	155,816	104,779	96,235	105,000	100,000	100,000	100,000	100,000	100,000	(2)
Use of Money and Property:										
Interest	29,535	29,725	4,310	500	500	1,000	1,000	1,000	1,000	(2)
Other Revenues:										
Miscellaneous Revenue	88,273	107,991	73,444	92,700	73,500	73,500	73,500	73,500	73,500	(2)
Total Revenues	**$ 5,018,345**	**$ 5,338,572**	**$ 5,631,872**	**$ 5,861,600**	**$ 5,770,600**	**$ 5,771,100**	**$ 5,771,100**	**$ 5,771,100**	**$ 5,771,100**	
Expenditures and Transfers Out										
Operating Budgets										
Operating Expenditures	$ 2,649,451	$ 2,926,670	$ 3,434,999	$ 3,422,200	$ 3,490,200	3,594,900	3,702,700	3,813,800	3,928,200	(3)
Capital Outlay	260,264	178,349	129,099	475,800	300,700	400,000	400,000	400,000	400,000	(4)
Transfers Out:										
Administrative Fees	195,400	204,500	211,200	218,000	224,800	231,500	238,400	245,600	253,000	(5)
Plant Replacement Reserve	700,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	(6)
Sewer Bond Sinking Fund	978,341	922,970	932,015	941,515	950,618	960,240	970,360	980,875	991,017	(6)
West Hill Sewer Long-Term Financing Reserve	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	(6)
Debt Service Fund	95,105	92,500	90,550	92,950	95,150	91,400	92,650	93,650	90,250	(6)
Project Funds	-	109,389	17,026	16,700	-	-	-	-	-	
Total Expenditures	$ 5,078,561	$ 5,034,378	$ 5,414,889	$ 5,767,165	$ 5,661,468	$ 5,878,040	$ 6,004,110	$ 6,133,925	$ 6,262,467	
Fund Balance Increase/(Funding Gap)	**$ (60,216)**	**$ 304,194**	**$ 216,983**	**$ 94,435**	**$ 109,132**	**$ (106,940)**	**$ (233,010)**	**$ (362,825)**	**$ (491,367)**	(7)
Beginning Fund Balance	1,833,808	1,773,592	2,077,786	2,294,769	2,389,204	2,498,336	2,391,396	2,158,386	1,795,561	
Ending Fund Balance (Actual or Estimated)	**$ 1,773,592**	**$ 2,077,786**	**$ 2,294,769**	**$ 2,389,204**	**$ 2,498,336**	**$ 2,391,396**	**$ 2,158,386**	**$ 1,795,561**	**$ 1,304,194**	

Footnotes and Assumptions:

1. The most recent sewer rate study was completed in 2018 and sewer rates were set for the following five years (FY 2018/2019 through 2022/2023) with 3% annual increases. A new rate study is budgeted to be completed in FY 23 which would set the rates for the following 5 years. For purposes of this long-term financial plan, no rate increases have been shown for the FY 24 through FY 27 fiscal years, pending the rate study.
2. The remaining revenue amounts have been continued at the 2022/2023 budgeted amounts; actual changes to be determined, if any.
3. Assumes 3% annual increases in operating expenditures for 2023/2024 through 2026/2027.
4. Allows for $400,000 of annual capital outlay purchases from operating budgets in 2023/2024 through 2026/2027.
5. Assumes 3% annual increases in administrative fees for 2023/2024 through 2026/2027.
6. The remaining transfers are either flat or reflect actual debt service-related amounts.
7. Based on revenue and expenditure assumptions, operating deficits are projected for 2023/2024 through 2026/2027 fiscal years.

Comments:

This long-term financial plan reflects the assumptions listed above for revenues, expenditures, and transfers. The next rate study will be an in-depth planning document and will identify specific capital outlay needs for upcoming years, updated operating expenditure estimates, include any recommended changes in transfers to Reserve funds, and the rate changes to fund these items.

City of Muscatine
Major Business-Type Funds Long-Term Financial Plans
Actual 2018/2019, 2019/2020, and 2020/2021, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Transfer Station Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	
Transfer Station Fund										
Revenues and Transfers In										
Charges for Services:										
Transfer Station Tipping Fees - Regular Waste	$ 2,318,615	$ 2,151,697	$ 2,091,764	$ 2,069,900	$ 2,069,900	$ 2,069,900	$ 2,069,900	$ 2,069,900	$ 2,069,900	(1)
Transfer Station Other Waste fees	20,059	22,789	32,426	27,500	27,500	27,500	27,500	27,500	27,500	(1)
Use of Money and Property:										
Recycling Center Rental Fees	22,021	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	(1)
Interest	144	536	529	-	-	-	-	-	-	(1)
Other Revenues:										
Miscellaneous Revenue	27,120	12,021	12,278	8,200	8,200	8,200	8,200	8,200	8,200	(1)
Transfers In:										
Landfill Surcharge Reserve	46,669	41,619	40,980	42,000	42,000	42,000	42,000	42,000	42,000	(1)
Total Revenues	**$ 2,434,628**	**$ 2,288,662**	**$ 2,237,977**	**$ 2,207,600**	**$ 2,207,600**	**$ 2,207,600**	**$ 2,207,600**	**$ 2,207,600**	**$ 2,207,600**	
Expenditures and Transfers Out										
Operating Budgets										
Operating Expenditures	$ 2,180,105	$ 1,941,050	$ 1,961,890	$ 2,068,900	$ 2,163,200	2,228,100	2,294,900	2,363,700	2,434,600	(2)
Capital Outlay	118,981	94,539	17,278	159,900	44,000	75,000	75,000	75,000	75,000	(3)
Transfers Out:										
Administrative Fees	3,100	3,700	3,900	4,100	$ 4,300	4,400	4,500	4,600	4,700	(4)
Payments on Internal Loan for Capital Purchases	75,800	72,696	40,141	-	-	-	-	-	-	
Capital Project Fund - Tipping Floor Resurfacing	-	-	-	200,000	-	-	-	-	-	
Total Expenditures	$ 2,377,986	$ 2,111,985	$ 2,023,209	$ 2,432,900	$ 2,211,500	$ 2,307,500	$ 2,374,400	$ 2,443,300	$ 2,514,300	
Fund Balance Increase/(Funding Gap)	**$ 56,642**	**$ 176,677**	**$ 214,768**	**$ (225,300)**	**$ (3,900)**	**$ (99,900)**	**$ (166,800)**	**$ (235,700)**	**$ (306,700)**	(5)
Beginning Fund Balance (Deficit)	(60,468)	(3,826)	172,851	387,619	162,319	158,419	58,519	(108,281)	(343,981)	
Ending Fund Balance (Actual or Estimated)	**$ (3,826)**	**$ 172,851**	**$ 387,619**	**$ 162,319**	**$ 158,419**	**$ 58,519**	**$ (108,281)**	**$ (343,981)**	**$ (650,681)**	(5)

Footnotes and Assumptions:

1. Revenue estimates based on 40,000 tons of waste annually at the current $60 per ton regular rate and the current industrial waste contract rates; actual tonnage has varied in recent years.
2. Assumes 3% annual increases in operating expenditures for 2023/2024 through 2026/2027.
3. Allows for $75,000 of annual capital outlay purchases from operating budgets in 2023/2024 through 2026/2027.
4. Assumes 3% annual increases in administrative fees for 2023/2024 through 2026/2027.
5. Based on the estimated waste volume and revenue and expenditure assumptions, operating deficits and deficit fund balances are projected for 2024/2025, 2025/2026, and 2026/2027.

Comments:

This long-term financial plan reflects the assumptions listed above including 40,000 tons of waste annually at the current rates. Waste volumes vary from year to year with the actual waste volumes at 44,447 tons for 2018/2019, 39,637 tons for 2019/2020. and 39,029 tons in 2020/2021. The waste volume decreases in 2019/2020 and 2020/2021 were partially due to the COVID-19 pandemic. It is anticipated that the waste volume will increase over the years shown in this plan; however, it is difficult to project these increases on an annual basis.

City of Muscatine
Major Business-Type Funds Long-Term Financial Plans
Actual 2018/2019, 2019/2020, 2020/21, Revised Estimate 2021/2022, Budget 2022/2023, and Projected 2023/2024 through 2026/2027

Refuse Collection Fund

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Revised Estimate 2021/2022	Budget 2022/2023	Preliminary Projections: Preliminary Projection 2023/2024	Preliminary Projection 2024/2025	Preliminary Projection 2025/2026	Preliminary Projection 2026/2027	
Refuse Collection Fund										
Revenues and Transfers In										
Charges for Services:										
Refuse Collection Charges	$ 2,274,887	$ 2,340,676	$ 2,334,984	$ 2,342,200	$ 2,449,200	$ 2,449,200	$ 2,449,200	$ 2,449,200	$ 2,449,200	(1)
Yard Waste Bag Sales	16,309	15,395	14,566	15,800	15,800	15,800	15,800	15,800	15,800	(1)
Compost Site Non-Resident and Commercial Fees	84	4,919	10,369	11,500	11,500	11,500	11,500	11,500	11,500	(1)
Use of Money and Property:										
Interest	-	1,153	434	-	-	-	-	-	-	
Other Revenues:										
Miscellaneous Revenue	6,394	36,540	49,371	6,800	6,800	6,800	6,800	6,800	6,800	(1)
Transfers In:										
Landfill Surcharge Reserve	46,669	41,619	40,980	-	-	-	-	-	-	
Total Revenues	**$ 2,344,343**	**$ 2,440,302**	**$ 2,450,704**	**$ 2,376,300**	**$ 2,483,300**	**$ 2,483,300**	**$ 2,483,300**	**$ 2,483,300**	**$ 2,483,300**	
Expenditures and Transfers Out										
Operating Budgets										
Operating Expenditures	$ 2,033,741	$ 1,963,079	$ 2,072,162	$ 2,143,100	$ 2,174,600	2,239,800	2,307,000	2,376,200	2,447,500	(2)
Capital Outlay	16,840	185,696	252,460	199,400	81,000	296,000	24,000	206,000	16,000	(3)
Transfers Out:										
Administrative Fees	87,300	91,000	94,100	97,100	$ 100,100	103,100	106,200	109,400	112,700	(4)
Forward Surcharge Funds to Transfer Station	46,669	41,619	40,980	-	-	-	-	-	-	
Total Expenditures	$ 2,184,550	$ 2,281,394	$ 2,459,702	$ 2,439,600	$ 2,355,700	$ 2,638,900	$ 2,437,200	$ 2,691,600	$ 2,576,200	
Fund Balance Increase/(Funding Gap)	**$ 159,793**	**$ 158,908**	**$ (8,998)**	**$ (63,300)**	**$ 127,600**	**$ (155,600)**	**$ 46,100**	**$ (208,300)**	**$ (92,900)**	(5)
Beginning Fund Balance (Deficit)	(113,072)	46,721	205,629	196,631	133,331	260,931	105,331	151,431	(56,869)	
Ending Fund Balance (Actual or Estimated)	**$ 46,721**	**$ 205,629**	**$ 196,631**	**$ 133,331**	**$ 260,931**	**$ 105,331**	**$ 151,431**	**$ (56,869)**	**$ (149,769)**	(5)

Footnotes and Assumptions:

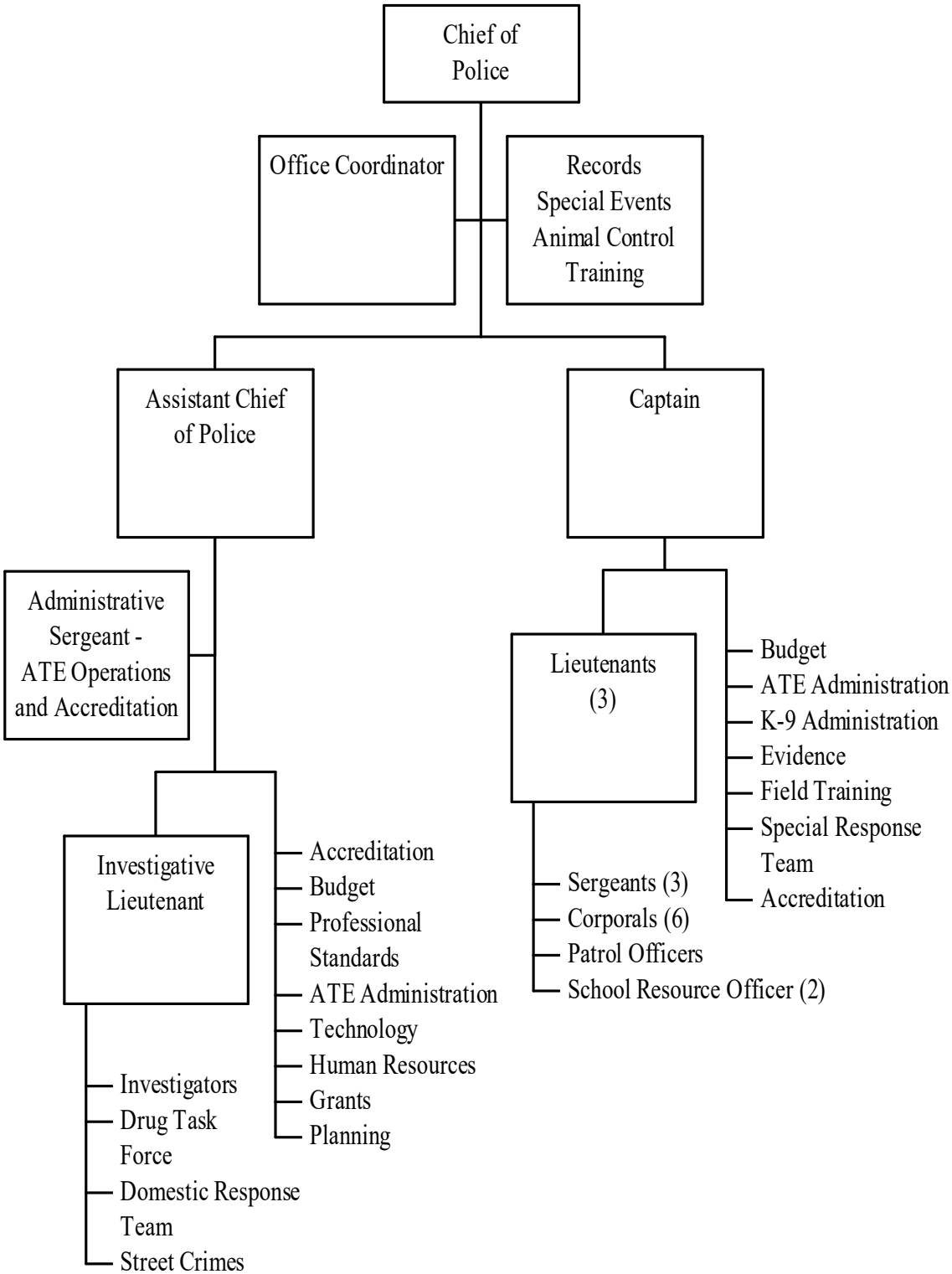
1. Revenue estimates based on FY 23 residential, senior, and commercial rates and customers. It is anticipated that these rates will need to be periodically increased to cover increased operating costs and future capital outlay needs.
2. Assumes 3% annual increases in operating expenditures for 2023/2024 through 2026/2027.
3. Capital outlay amounts from department Future Capital Outlay Projections budget schedule, as adjusted by the Finance department for refuse vehicles every other year.
4. Assumes 3% annual increases in administrative fees for 2023/2024 through 2026/2027.
5. Based on the above assumptions, including capital outlay items projected to be needed in 2023/2024 through 2026/2027, operating deficits and deficit fund balances are projected for 2025/2026 and 2026/2027 if rates would not be adjusted.

Comments:

This long-term financial plan reflects the assumptions listed above including annual increases in operating expenditures and projected future capital outlay needs. While revenues are shown for all years in this schedule using the FY 23 rates, it is expected that periodic rate adjustments will be needed.

DEPARTMENT ORGANIZATIONAL CHARTS

CITY OF MUSCATINE
POLICE DEPARTMENT



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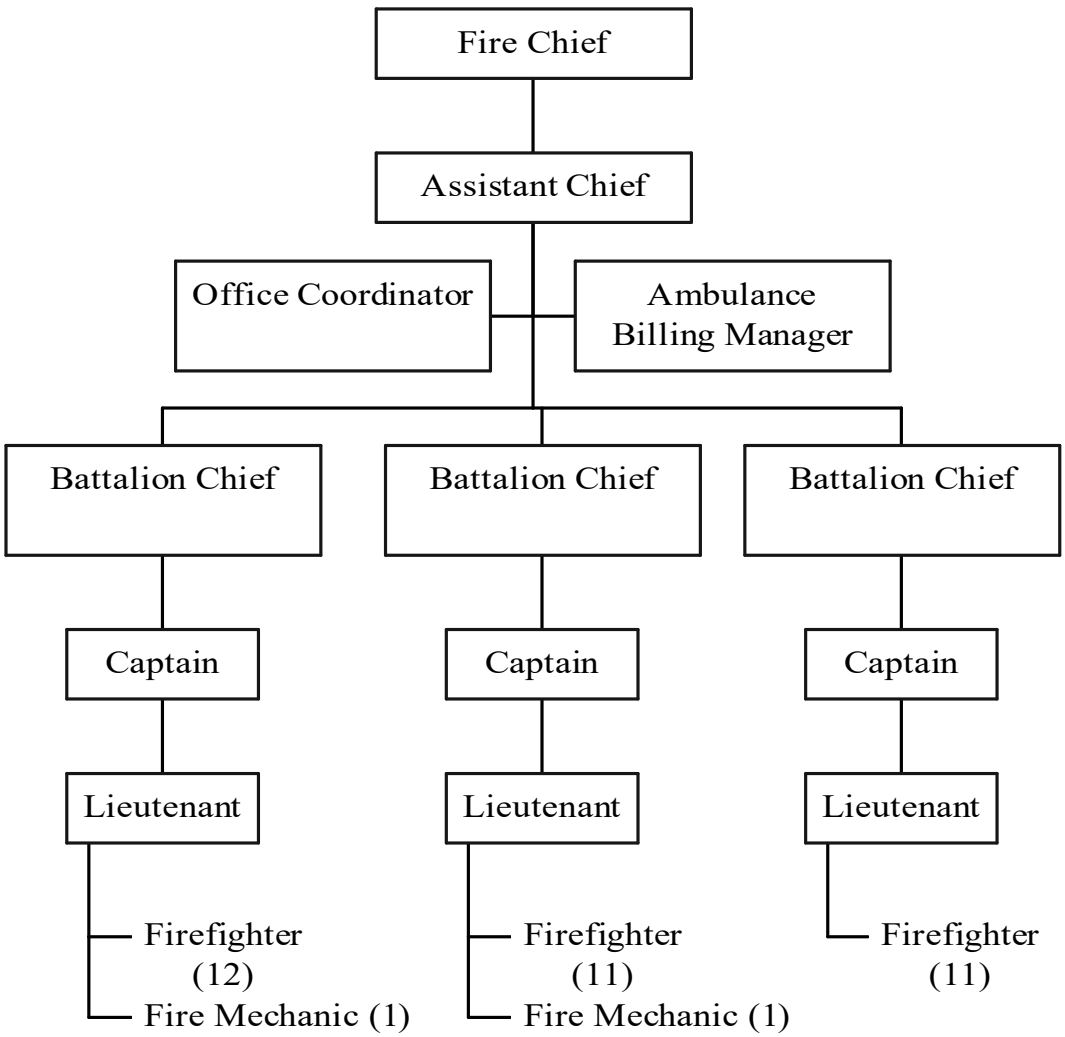
CITY OF MUSCATINE
FIRE DEPARTMENT



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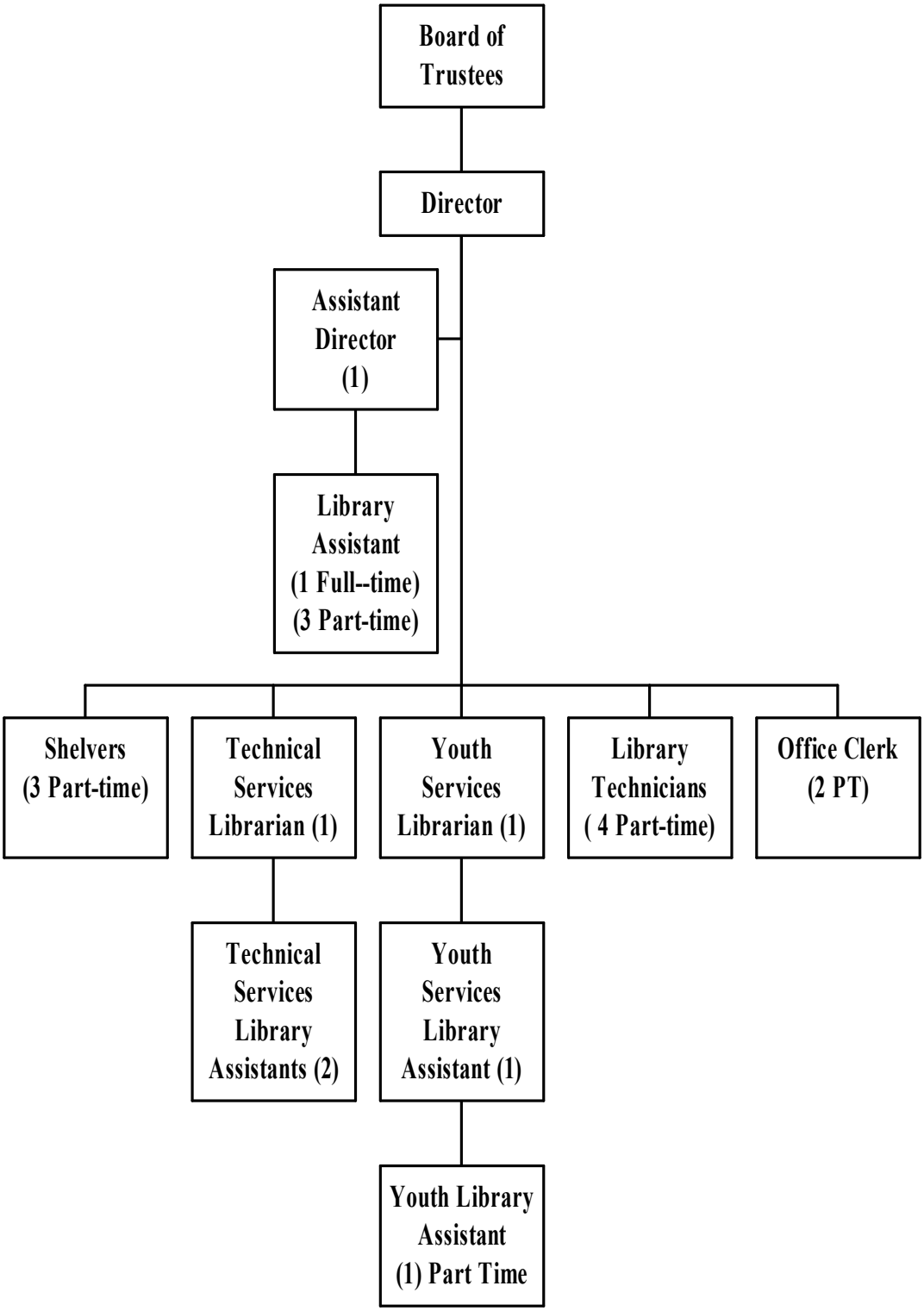
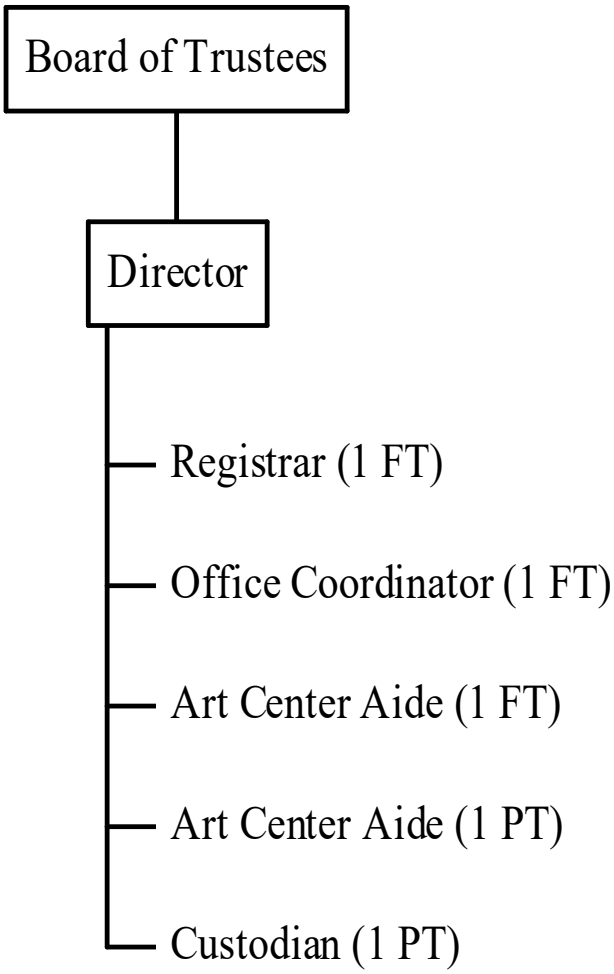
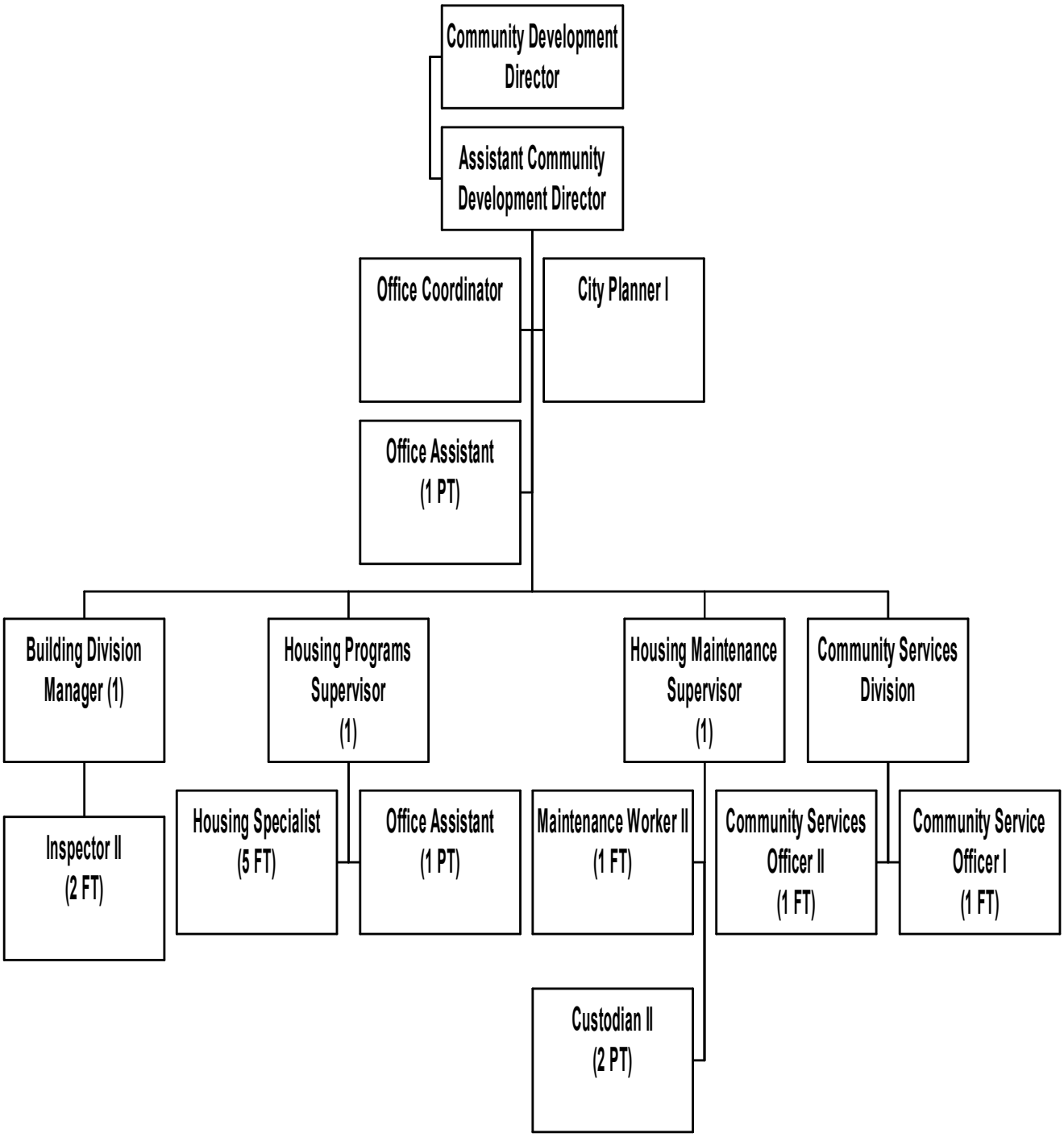
CITY OF MUSCATINE LIBRARY



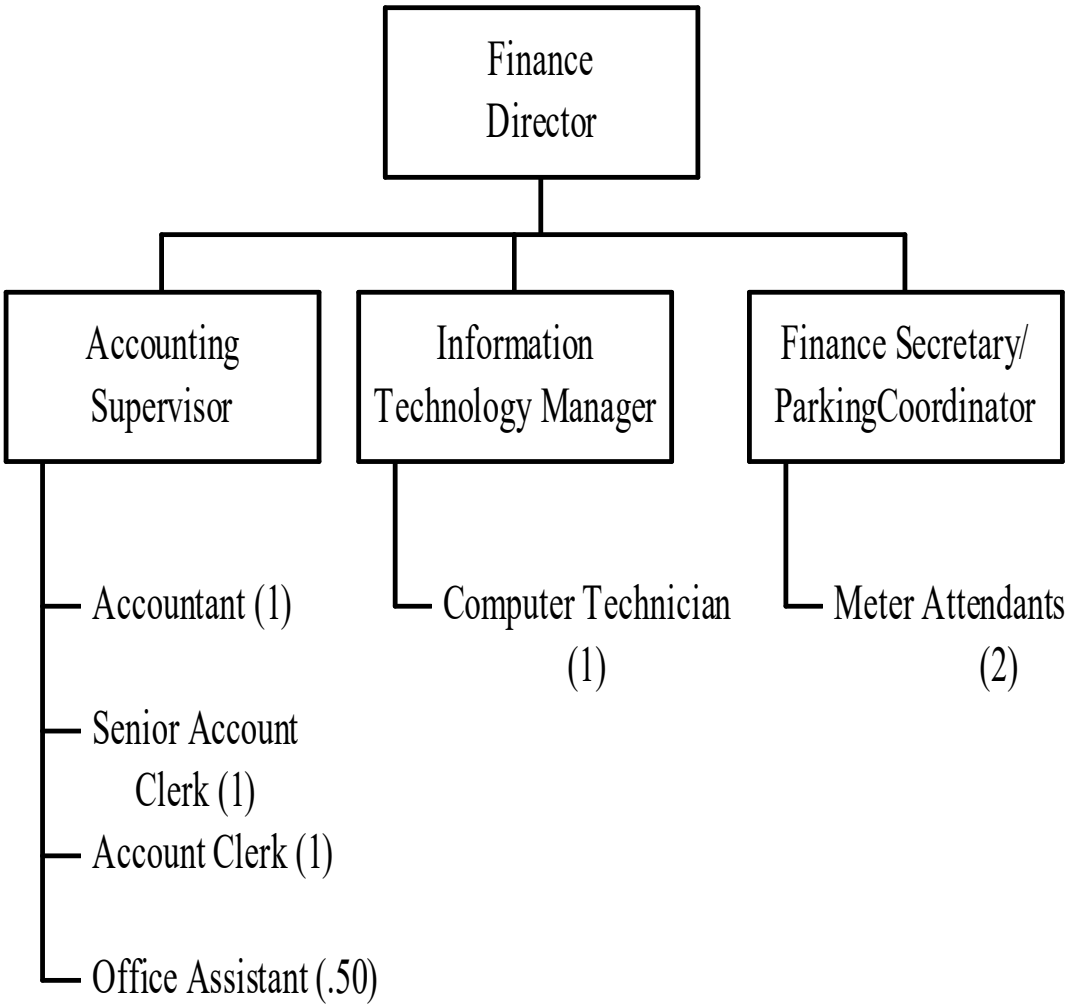
CITY OF MUSCATINE
ART CENTER



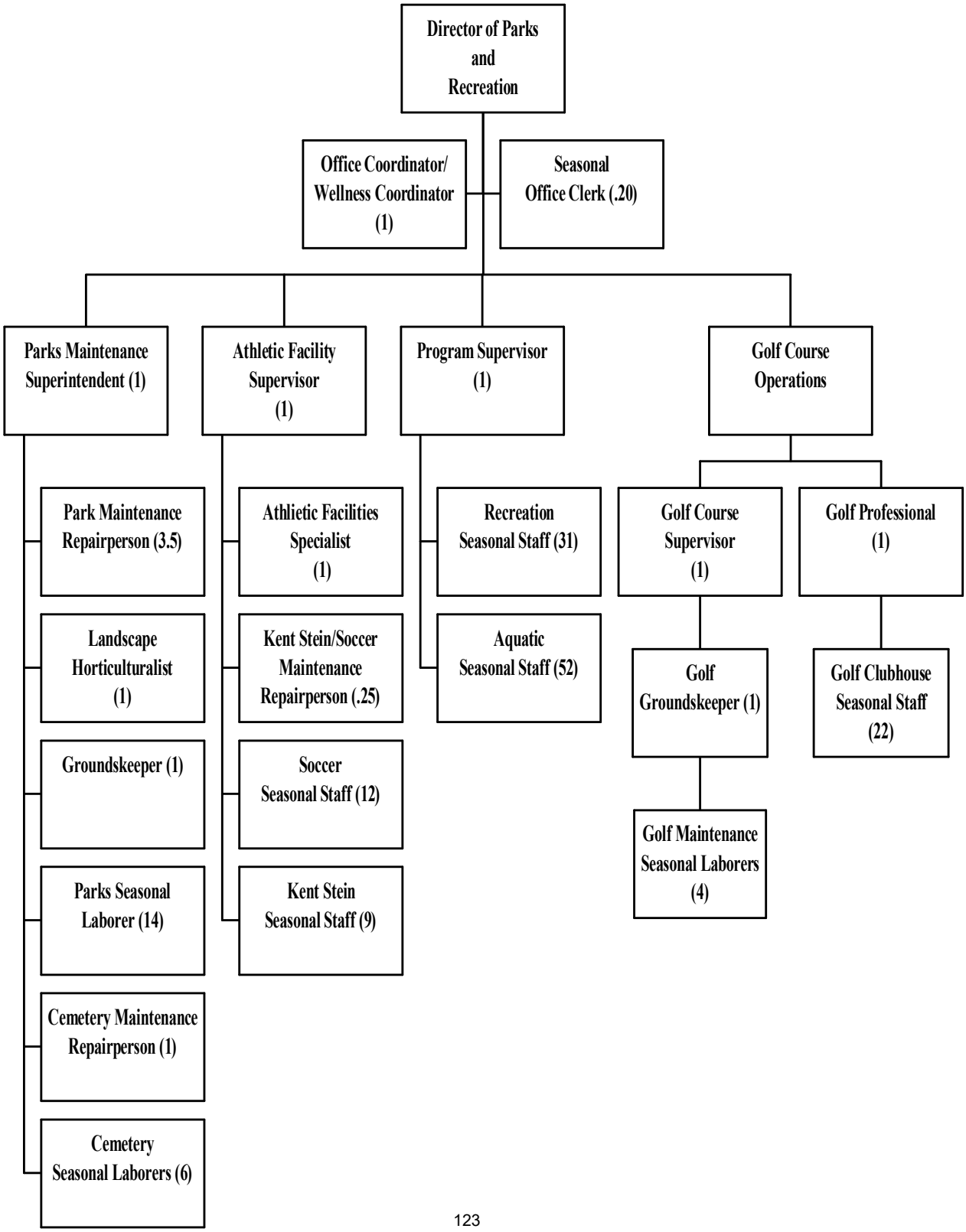
CITY OF MUSCATINE COMMUNITY DEVELOPMENT DEPARTMENT



CITY OF MUSCATINE
FINANCE DEPARTMENT



CITY OF MUSCATINE
PARKS AND RECREATION DEPARTMENT



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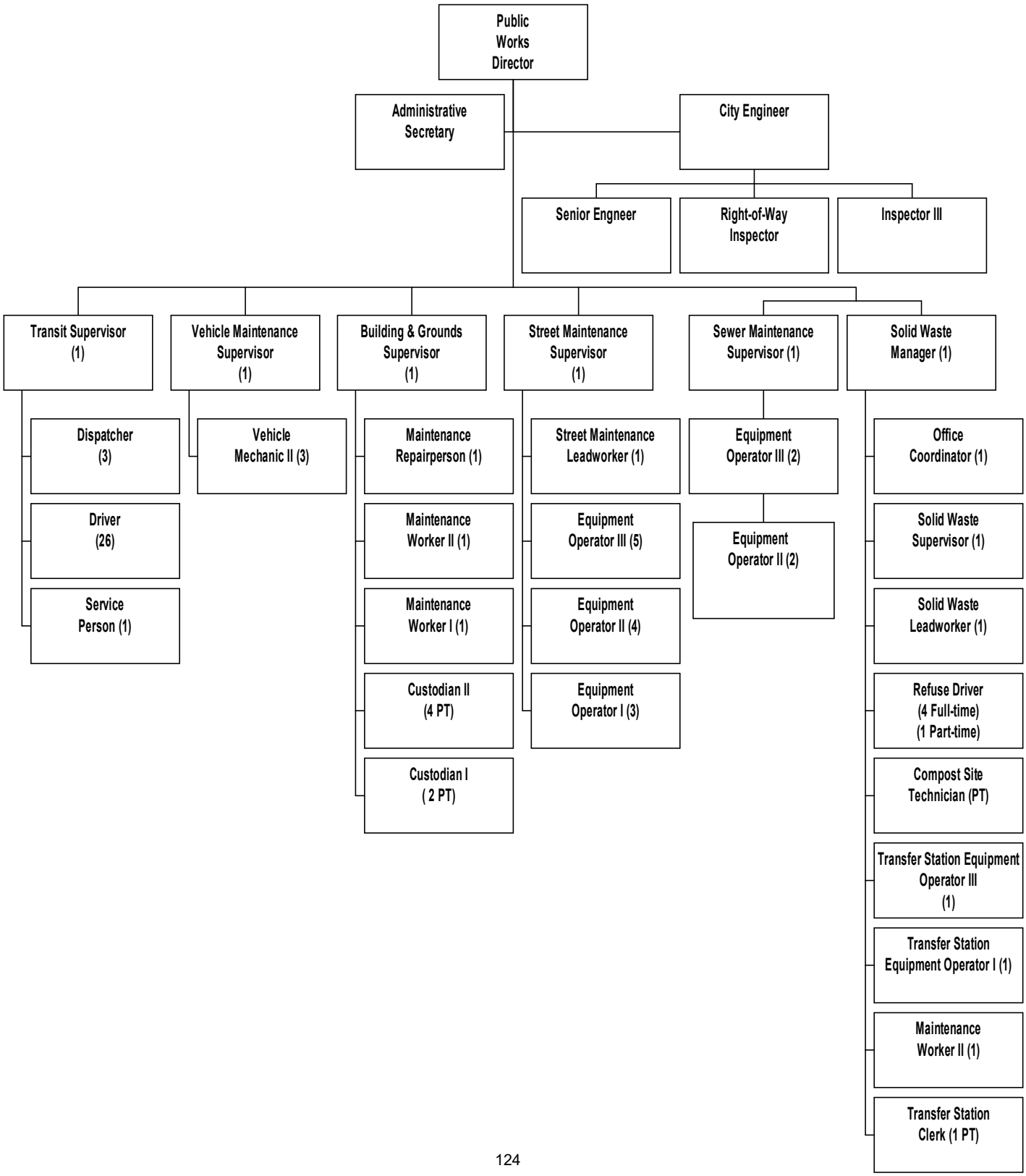
CITY OF MUSCATINE
PUBLIC WORKS DEPARTMENT



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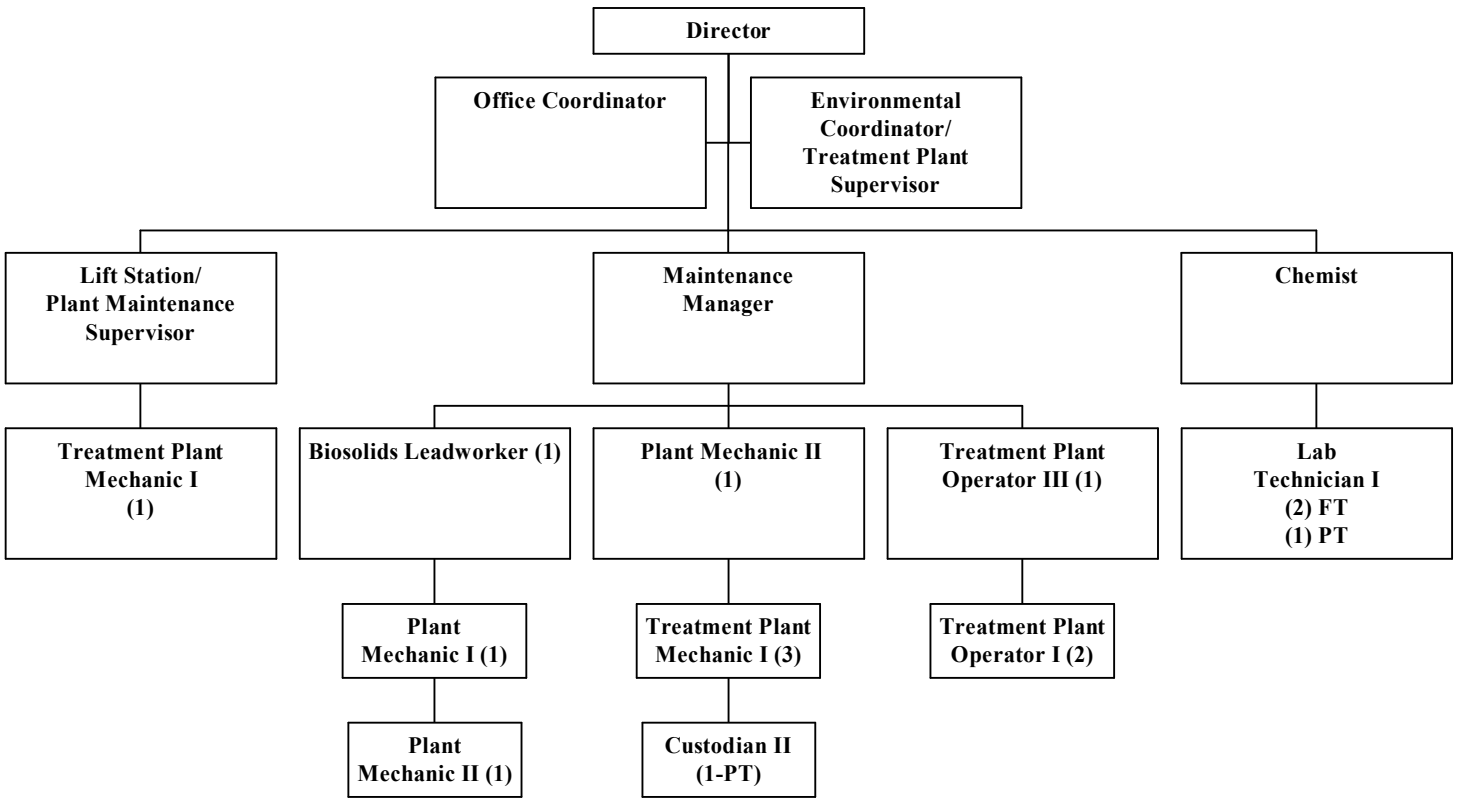
CITY OF MUSCATINE
WATER POLLUTION CONTROL DEPARTMENT



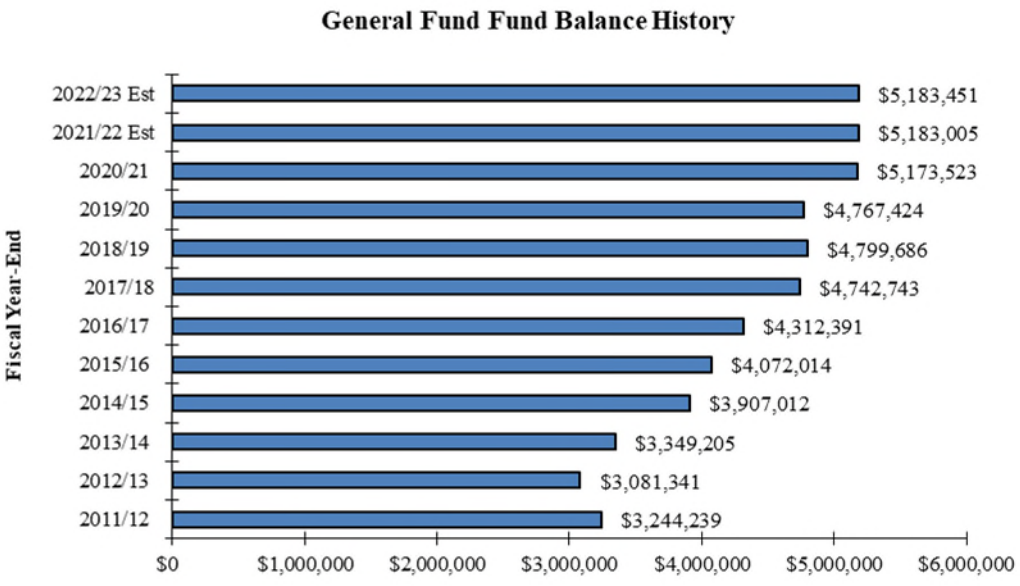
GENERAL FUND

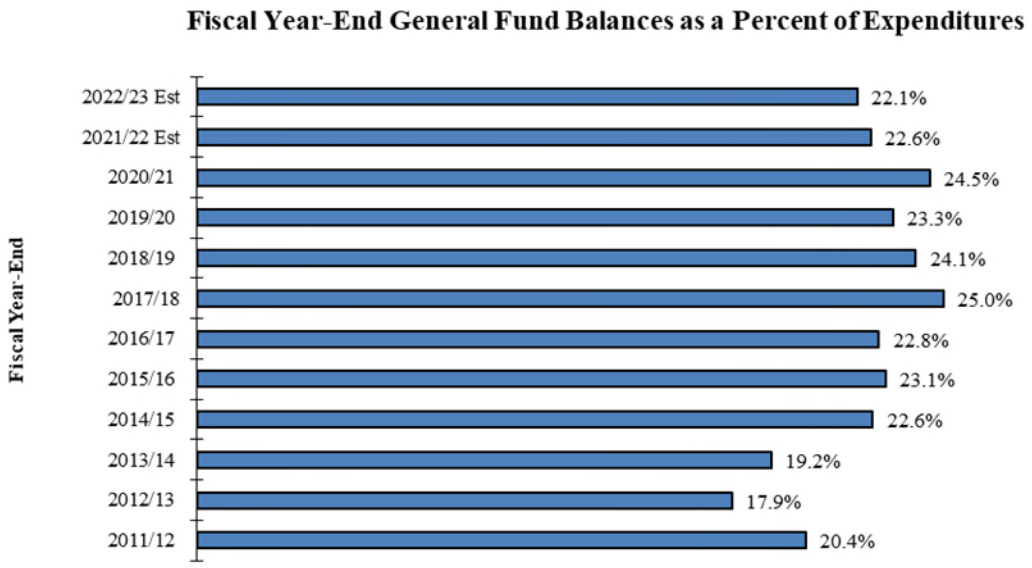
GENERAL FUND

The General Fund for the City of Muscatine accounts for all transactions of the City which pertain to the general administration and services traditionally provided to citizens, except those specifically accounted for elsewhere. Services within the General Fund include police and fire protection, street maintenance, cemetery operations, library and art center, parks and recreation, engineering, building and grounds maintenance, and general administration. The General Fund is the primary source of appropriations to fund costs of providing these services. Consequently, considerable importance is placed upon the fund's financial condition. The City Council and staff's objective is to maintain an acceptable level of services for its citizens within the limitations of revenue sources available to support these activities.

General Fund Balance

To attain the objective of maintaining the General Fund as a self-funding entity, revenues and/or available balances must be provided to support expenditures during the entire fiscal year. In November of 2013, City Council formally adopted a new General Fund Balance Policy which provides for the ending General Fund balance to be at least two months of General Fund expenditures or 16.7%. The Policy further states that balances in excess of the minimum level, up to 20-25%, would further add to the financial stability of the City and allow more latitude in addressing revenue or expenditure fluctuations, disaster situations, and demonstrate credit worthiness to bond rating agencies. The ending balance for 2022/2023 is budgeted at $5,183,451 which is 22.1% of budgeted General Fund expenditures. The new policy and the recent year budgets demonstrate City Council's commitment towards the goal of increasing and maintaining the General Fund balance. Additionally, General Fund revenues are budgeted conservatively and department expenditures are generally less than their approved budgets and it is expected that the actual ending balance may exceed the amount budgeted. The following charts show a history of the General Fund balances:





Key Budget Items

As discussed in the Budget Message, in developing the fiscal year 2022/2023 budget, there were several key issues which had to be addressed during the budget process and which will continue to be concerns during the implementation of the various programs and services during the year. Due to continuing financial challenges, the goals in developing the 2022/2023 budget were to:

1. Maintain service levels
2. Provide departments with the resources needed to continue to provide services to residents
3. Provide funding for continued capital improvements
4. Propose reasonable tax rates and other funding options
5. Balance department budget requests with funding that is available
6. Further the City's Strategic Plan and City Council priorities

Property Tax Rate and Other Budget Challenges

The City tax rate is budgeted to increase from the current $15.67209 per $1,000 of valuation to $15.97054 per $1,000 for fiscal year 2022/2023, an increase of 1.9%. The tax rate increase was needed to address challenges in identifying resources to fund General Fund services including:

1. There was no significant increase in taxable property valuations. In effect, the General fund levy limit of $8.10 per $1,000 of valuation will yield the same tax dollars as the prior year.
2. The State began phasing out their reimbursement (the backfill) for the commercial and industrial rollback in 2022/2023. This reduced the State reimbursement (in total across all funds) by $76,970 in 2022/2023.
3. The City has union contracts that provide for at least a 2.9% increase for the upcoming year. Compensation for non-union employees is also budgeted at 2.9%.
4. A need to increase the compensation for seasonal employees to attract workers for the numerous seasonal facilities and programs of the City.

5. Several non-property tax City revenues continue to be negatively impacted by the COVID-19 pandemic (hotel/motel taxes, building permits, interest, etc.)
6. Significant increases in the cost of operating supplies including fuel, fertilizers and chemicals, vehicle and equipment parts, copy paper, etc.
7. The City has had supply chain issues which make locating certain supplies challenging and has resulted in long lead-times for ordering vehicles and equipment.
8. The fiscal year 2022/2023 impact of the reduction in the Utility Franchise Fee rate from 5% to 3% is not known and is difficult to determine when it is not known if the higher gas rates will continue.

General Fund Expenditure Assumptions

1. The 2022/2023 budget continues the current service levels provided to residents.
2. The budget funds union and non-union wage increases and also increases in the Seasonal Pay Plan.
3. Health insurance rates increased by 5% effective January 1, 2022 and the budget for 2022/2023 allows for the rates to increase by an additional 5% effective January 1, 2023.
4. In 2021/2022, General Fund year-round staff increased by 2.0 fulltime equivalent (FTE) positions from the original budget. The 2021/2022 revised estimate includes hiring of the last two firefighter positions originally deferred for hiring due to expected revenue shortfalls due to the COVID-19 pandemic. The revised estimate also includes increasing the former half-time Community Development Inspector II position to fulltime effective April 1, 2022.
5. For the 2022/2023 budget, fulltime equivalent (FTE) staffing in the General Fund is budgeted to increase by .37 FTE positions compared to the 2021/2022 revised estimate. This is due to a full fiscal year with the Community Development Inspector II position at full time. No other requested position changes were included in the budget due to budget financial constraints.

Balancing the General Fund Budget

With the essentially flat taxable valuations, the phase-out of the State backfill, and other funding reductions, combined with increasing costs of providing services, the budget was balanced by:

1. Using the balance of the State COVID Relief funds received in the previous fiscal year ($300,000 in the Revised Estimate and $261,600 in the 2022/2023 Budget).
2. Spending down the prior year balance of $86,162 in the Emergency Levy fund.
3. Increasing the Emergency tax levy to its maximum rate of $.27 per $1,000 of valuation (this resulted in the 1.9% increase in the overall City tax levy rate).
4. Using American Rescue Plan Act (ARPA) funds to balance the General Fund budget ($220,000 in the Revised Estimate and $324,200 in the 2022/2023 Budget).
5. If the full amount of ARPA funds allowed for is not needed to balance the General Fund budget, these funds will remain in the ARPA fund to be used for other one-time projects or programs.

Departments in the General Fund continue to strive to improve the efficiency of their operations to negate the necessity for any service level reductions. Programs of the General Fund and changes associated with them are outlined in the respective departmental activity budgets which follow.

General Fund

Fund Statement

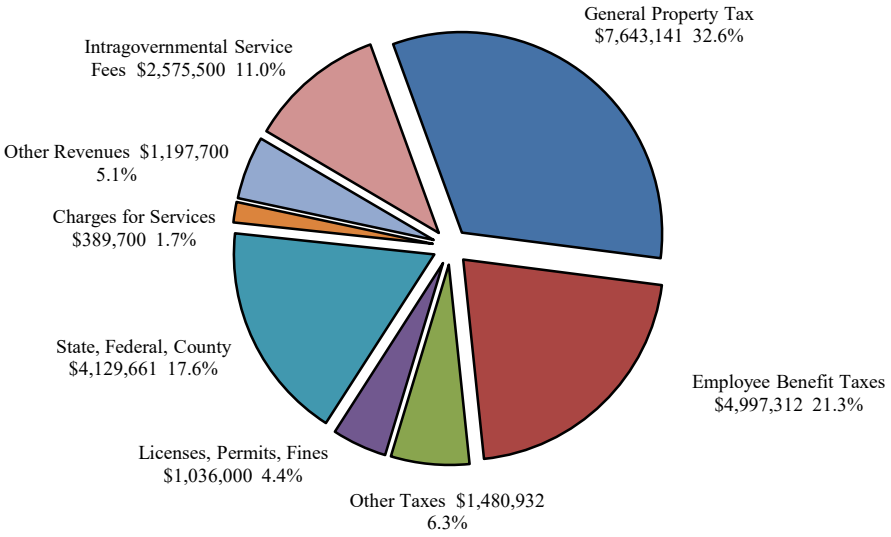
	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 4,799,686	$ 4,767,424	$ 4,738,314	$ 5,173,523	$ 5,183,005
Revenues	20,443,623	21,485,724	22,150,589	22,463,786	22,777,984
Transfer from State COVID Relief/ Emergency Fund	0	0	300,000	300,000	261,600
Transfer Prior Year Balance in Emergency Levy Fund	0	0	0	0	86,162
Transfer from ARPA Fund	0	0	0	222,000 *	324,200 *
Encumbrance Variance	170	1,524	0	0	0
Funds Available	$ 25,243,479	$ 26,254,672	$ 27,188,903	$ 28,159,309	$ 28,632,951
Expenditures	20,476,055	21,081,149	22,437,800	22,976,304	23,449,500
Ending Balance, June 30	$ 4,767,424	$ 5,173,523	$ 4,751,103	$ 5,183,005	$ 5,183,451
Increase (Decrease) in Fund Balance	**$ (32,262)**	**$ 406,099**	**$ 12,789**	**$ 9,482**	**$ 446**
Minimum Fund Balance per policy adopted in November, 2013 (16.7% of General Fund Expenditures)	**$ 3,420,000**	**$ 3,521,000**	**$ 3,747,000**	**$ 3,446,000**	**$ 3,916,000**
Amount Over (Under) Fund Balance Policy Minimum of 16.7%	**$ 1,347,424**	**$ 1,652,523**	**$ 1,004,103**	**$ 1,737,005**	**$ 1,267,451**
Ending Balance as a Percent of General Fund Expenditures	**23.3%**	**24.5%**	**21.2%**	**22.6%**	**22.1%**

* American Rescue Plan Act (ARPA) funds are budgeted to be used to balance the General Fund budget in both the 2021/2022 Revised Estimate and Fiscal Year 2022/2023 Budget. In the event these funds are not needed to balance the budgets, these funds will remain in the ARPA fund and will be used for other projects.

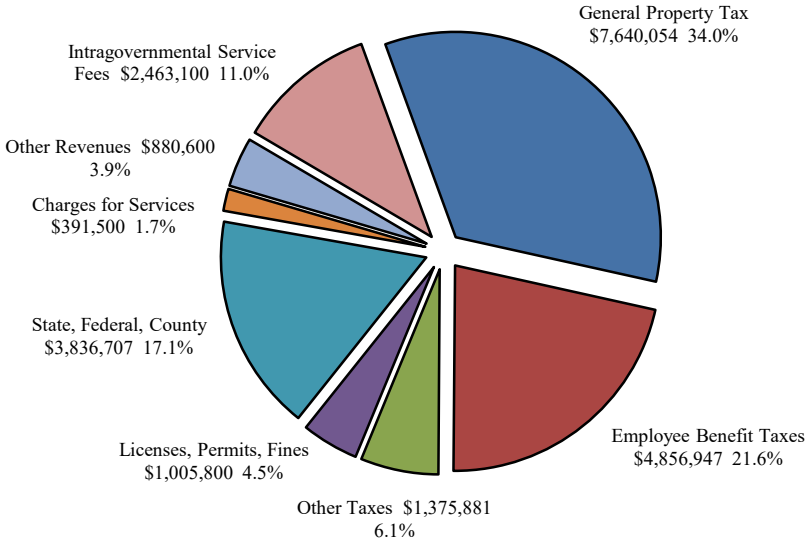
Explanation of Increases or Decreases in Fund Balances:

In prior years the City's financial policies provided that the fund balance of the General Fund be at least 10% of expenditures. The Moody's bond rating report in 2008 stated "Moody's considers the 10% level to be relatively narrow, and higher reserve levels may mitigate any unforeseen one-time expenses that may challenge financial operations". With that in mind, City Council has been budgeting for incremental increases in the General Fund balance as part of the budget process in recent years. In November of 2013 the City Council adopted a new General Fund balance policy providing that the minimum fund balance be at least two months of expenditures which is equivalent to 16.7%. The budget meets this new minimum fund balance target amount. The policy also provides that funds in excess of the policy minimum can be designated by City Council for one-time purchases. There were no one-time expenditures budgeted to be funded from the General Fund balance in 2018/2019, 2019/2020, 2020/2021, 2021/2022, or 2022/2023 budgets.

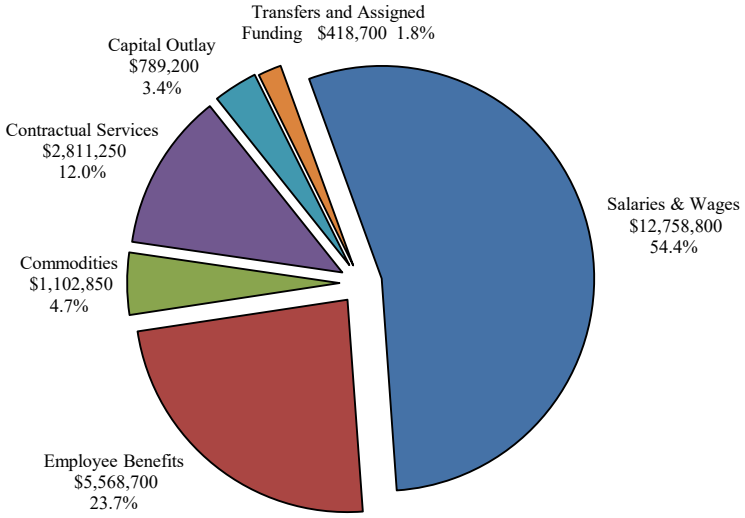
General Fund Revenues By Source
Budget 2022/2023
$23,449,946



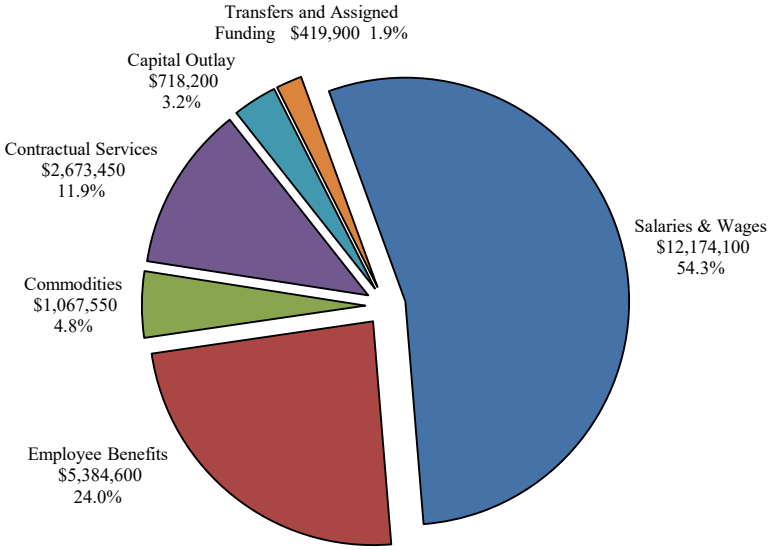
General Fund Revenues By Source
Budget 2021/2022
$22,450,589



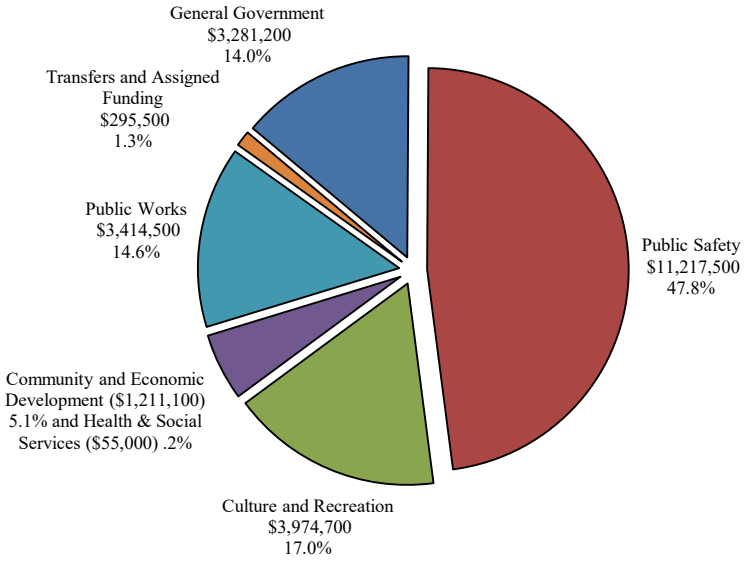
General Fund Expenditures By Type
Budget 2022/2023
$23,449,500



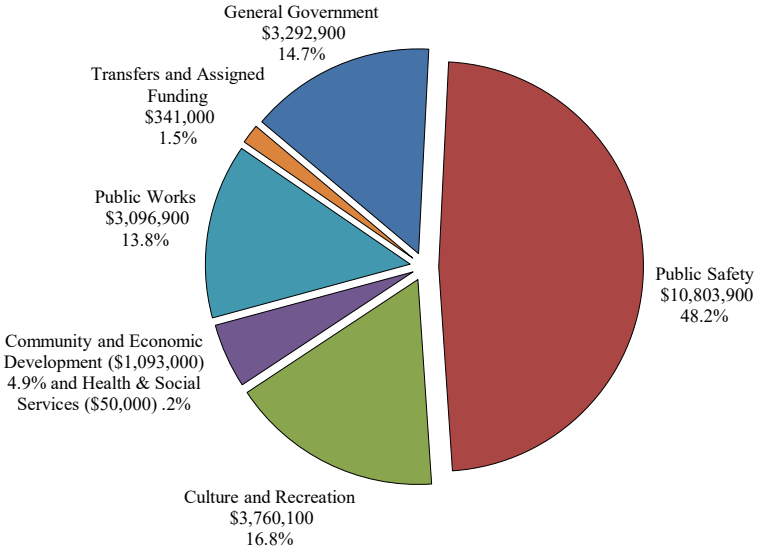
General Fund Expenditures By Type
Budget 2021/2022
$22,437,800



General Fund Expenditures By Function
Budget 2022/2023
$23,449,500



General Fund Expenditures By Function
Budget 2021/2022
$22,437,800



General Fund

Revenues by Type

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change from 2021/2022 Budget
Taxes	$ 8,515,141	$ 8,736,226	$ 8,876,200	$ 8,834,138	$ 8,774,156	-1.1%
Licenses and Permits	305,696	225,774	277,400	335,700	291,900	5.2%
Fines and Forfeitures	650,392	750,861	728,800	668,300	743,300	2.0%
Intergovernmental Revenue	915,657	834,563	834,207	901,384	875,461	4.9%
Charges for Services	637,860	750,115	854,200	853,700	888,400	4.0%
Use of Money and Property	193,335	144,227	147,300	125,500	128,700	-12.6%
Miscellaneous Revenues	911,660	1,181,301	746,500	797,100	780,900	4.6%
Transfers In	8,313,882	8,862,657	9,985,982	10,469,964	10,967,129	9.8%
Total	$ 20,443,623	$ 21,485,724	$ 22,450,589	$ 22,985,786	$ 23,449,946	4.5%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Direct and Indirect						
Property Tax Revenues						
General Property Taxes	$ 7,147,634	$ 7,320,484	$ 7,614,377	$ 7,614,377	$ 7,617,275	0.04%
Ag Land Tax	4,495	3,628	5,177	5,177	5,366	3.65%
Tort Liability Levy	283,285	286,436	317,444	317,444	327,195	3.07%
Transit System Levy	49,477	108,628	0	0	0	
Mobile Home Tax	18,838	19,833	20,500	20,500	20,500	0.00%
Special Revenue:						
Emergency Levy (Current Year)	0	0	139,735	139,735	263,755	88.75%
Emergency Levy (Prior Year Balance)	0	0	0	0	86,162	
Police Retirement	666,908	733,380	795,724	773,636	748,014	-6.00%
Fire Retirement	680,686	749,255	819,734	804,906	789,989	-3.63%
Police and Fire Medical Insurance	56,698	56,698	62,368	60,366	60,366	-3.21%
Additional Employee Benefits	0	0	0	-	0	
Police and Fire Retiree Medical Costs	14,147	70,956	45,000	45,000	45,000	0.00%
Long-term Disability Insurance	12,548	13,171	13,772	13,896	14,429	4.77%
Workers Compensation Insurance	25,733	38,394	37,606	43,686	44,863	19.30%
Unemployment Insurance	54,894	54,908	54,731	59,713	60,091	9.79%
Health Insurance	1,844,858	1,969,099	2,124,136	2,095,520	2,277,158	7.20%
Life Insurance	14,623	13,280	13,415	13,213	14,108	5.17%
Dental Insurance	47,155	46,559	51,965	50,045	54,304	4.50%
Deferred Compensation	600	0	0	0	0	
Post Employment Health Plan	39,528	72,933	35,541	69,904	45,603	28.31%
FICA/IPERS	673,495	715,424	802,955	808,444	843,387	5.04%
Subtotal	$ 11,635,602	$ 12,273,066	$ 12,954,180	$ 12,935,562	$ 13,317,565	2.81%
Non-Property Tax Revenues/Reimbursements						
Hotel/Motel Taxes	$ 398,588	$ 374,449	$ 300,000	$ 365,000	$ 375,000	25.00%
Cable Franchise Tax	143,166	132,287	138,500	132,000	132,000	-4.69%
Utility Franchise Fees	440,654	456,312	450,000	350,000	270,000	-40.00%
Utility Tax Replacement Excise Tax:						
General	27,714	32,424	28,996	28,454	25,715	-11.32%
Tort Liability	1,098	1,265	1,206	1,186	1,105	-8.37%
Transit	192	480	0	0	0	
Commercial/Industrial State Reimbursement:						
General	316,161	315,369	316,992	316,586	269,581	-14.96%
Tort Liability	12,530	12,306	13,215	13,198	11,580	-12.37%
Transit	2,189	4,667	0	0	0	
Other State Contributions - Moneys & Credits	3,814	4,082	0	4,600	4,600	
Subtotal	$ 1,346,106	$ 1,333,641	$ 1,248,909	$ 1,211,024	$ 1,089,581	-12.76%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Intergovernmental Revenues						
Road Use Tax	$ 2,709,941	$ 2,598,645	$ 2,919,800	$ 3,204,400	$ 3,169,900	8.57%
Subtotal	$ 2,709,941	$ 2,598,645	$ 2,919,800	$ 3,204,400	$ 3,169,900	8.57%
Licenses and Permits						
Beer, Liquor, and Cigarettes	$ 36,555	$ 10,162	$ 36,500	$ 36,500	$ 36,500	0.00%
Animal	2,318	3,211	2,500	2,500	2,500	0.00%
Miscellaneous	6,395	4,930	5,000	5,000	5,000	0.00%
Subtotal	$ 45,268	$ 18,303	$ 44,000	$ 44,000	$ 44,000	0.00%
Cemetery Fees						
Lot and Niche Sales	$ 16,516	$ 44,096	$ 19,000	$ 25,000	$ 25,000	31.58%
Lease of Property-Cell Towers	21,558	23,562	23,900	23,900	23,900	0.00%
Burial Fees	45,790	57,065	45,000	45,000	45,000	0.00%
Miscellaneous Charges	15,049	19,663	11,000	11,000	11,000	0.00%
Commissions	14,099	20,244	15,000	15,000	15,000	0.00%
Maintenance Fees (Cemetery Steps)	400	400	400	400	400	0.00%
Perpetual Care Interest	19,326	10,872	4,500	500	500	-88.89%
Subtotal	$ 132,738	$ 175,902	$ 118,800	$ 120,800	$ 120,800	1.68%
Community Development Fees						
Rental Housing Inspection Fees/Registrations	$ 68,855	$ 20,497	$ 60,000	$ 30,000	$ 60,000	0.00%
Section 8 Housing Inspection Fees	9,175	7,840	12,000	12,000	8,200	-31.67%
Construction Permits	168,177	167,473	150,000	240,000	170,000	13.33%
Health Licenses	6,057	5,441	4,000	4,000	4,000	0.00%
Zoning Fees	2,150	550	1,000	2,000	1,000	0.00%
Board of Adjustment Fees	2,500	2,650	1,000	1,000	1,000	0.00%
Site Plan Review Fees	700	500	1,000	1,000	500	-50.00%
Municipal Infractions Penalties	0	0	500	500	500	0.00%
Nuisance Reimbursements/Administrative Fees	75,688	118,313	85,000	110,000	120,000	41.18%
Sale of Property	12,078	22,850	1,000	1,000	1,000	0.00%
Donations - Heart & Soul Grant	0	0	0	10,000	0	
Insurance Reimbursement	0	22,636	0	0	0	
Miscellaneous	1,701	1,103	500	500	500	0.00%
Subtotal	$ 347,081	$ 369,853	$ 316,000	$ 412,000	$ 366,700	12.88%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Parks and Recreation Revenues						
Parks - General						
Shelters	$ 5,335	$ 9,310	$ 10,500	$ 10,000	$ 10,000	-4.76%
Pearl City Station Rentals	5,715	11,430	10,000	10,500	10,500	5.00%
Riverview Center Rentals	13,675	22,525	20,000	20,000	20,000	0.00%
Dog Park Permits	3,734	4,595	4,500	4,000	4,000	-11.11%
Maintenance Fees	130	610	200	100	0	-100.00%
Equipment/Miscellaneous Sales	0	2,148	0	0	0	
Concession Commission	303	0	300	200	200	-33.33%
FEMA - Federal Share	41,991	1,715	0	0	0	
Reimbursement of Damages	28,453	34,761	0	0	0	
Donations	7,470	13,802	0	5,000	0	
Iowa DNR Tree Grant	0	0	0	4,900	0	
Other	100	100	0	0	0	
Transfers In						
Administration Fees	26,900	27,700	12,200	12,200	12,500	2.46%
Subtotal	$ 133,806	$ 128,696	$ 57,700	$ 66,900	$ 57,200	-0.87%
Kent Stein Park						
Maintenance Fees (Inc. Bruner Field)	$ 17,184	$ 26,182	$ 19,000	$ 17,000	$ 20,000	5.26%
Maintenance Fees (Special Services)	0	0	11,000	0	0	
Commission on Concessions	2,768	9,066	10,000	5,000	7,000	-30.00%
Mowing Reimbursement - Housing	7,750	7,750	7,500	7,500	7,500	0.00%
Storage Building Rental	1,600	1,200	1,600	1,200	1,200	-25.00%
Insurance Reimbursements	0	10,100	0	2,800	0	
Other	38	36	0	0	0	
Subtotal	$ 29,340	$ 54,334	$ 49,100	$ 33,500	$ 35,700	-27.29%
Soccer Complex Operations						
Maintenance Fees	$ 10,393	$ 27,450	$ 20,500	$ 31,000	$ 31,000	51.22%
Commission on Concessions	511	2,034	3,000	1,800	2,500	-16.67%
Insurance Reimbursements	0	36,663	0	0	0	
Other	58	961	0	0	0	
Subtotal	$ 10,962	$ 67,108	$ 23,500	$ 32,800	$ 33,500	42.55%
Recreation						
Entry Fees/Admissions	$ 1,461	$ 645	$ 1,500	$ 1,000	$ 1,500	0.00%
Lessons	18,542	20,927	34,000	25,000	32,000	-5.88%
League and Tournament Fees	4,902	3,542	6,800	6,800	7,000	2.94%
Sales Tax	343	248	500	400	400	-20.00%
Commissions	0	0	500	500	500	0.00%
Donations	1,919	1,918	1,500	1,500	1,700	13.33%
Other	447	23	300	300	300	0.00%
Subtotal	$ 27,614	$ 27,303	$ 45,100	$ 35,500	$ 43,400	-3.77%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Aquatic Center						
Admissions	$ 56,913	$ 32,997	$ 82,000	$ 82,000	$ 84,000	2.44%
Season Passes	1,285	8,485	11,000	10,000	10,700	-2.73%
Lessons	849	7,449	12,000	11,000	11,600	-3.33%
Group Sales	4,830	11,520	19,000	15,500	16,200	-14.74%
Room Rental	125	250	700	500	700	0.00%
Locker Rental	233	132	500	500	500	0.00%
Commission on Concessions	2,616	1,167	4,200	4,200	4,500	7.14%
Donations	0	0	0	1,300	0	
Miscellaneous Sales	91	110	200	200	300	50.00%
Other	63	24	100	100	100	0.00%
Subtotal	$ 67,005	$ 62,134	$ 129,700	$ 125,300	$ 128,600	-0.85%
Subtotal - Parks and Recreation	$ 268,727	$ 339,575	$ 305,100	$ 294,000	$ 298,400	-2.20%
Library Revenues						
Fines and Charges	$ 4,668	$ 3,124	$ 3,500	$ 3,000	$ 3,000	-14.29%
County Contributions	123,512	123,592	124,000	126,100	129,900	4.76%
Illinois Contracts	11,217	11,497	11,800	11,800	12,200	3.39%
Printing Charges	3,035	3,802	3,000	3,000	3,000	0.00%
FEMA Reimbursement	0	1,214	0	0	0	
Other	34	14	100	100	100	0.00%
Subtotal	$ 142,466	$ 143,243	$ 142,400	$ 144,000	$ 148,200	4.07%
Art Center Revenues						
Class Fees	$ 3,429	$ 4,603	$ 4,500	$ 4,000	$ 4,500	0.00%
Building Rentals	(140)	0	0	0	0	
State Grant	13,000	10,000	10,000	15,000	15,000	50.00%
Support Foundation Contributions	22,585	24,423	24,900	32,600	32,200	29.32%
Friends of the Art Center Contributions	22,259	25,053	27,000	29,200	28,100	4.07%
Other Contributions	150	0	0	0	0	
Other	360	217	300	300	300	0.00%
Subtotal	$ 61,643	$ 64,296	$ 66,700	$ 81,100	$ 80,100	20.09%
Public Works Services						
Repair and Maintenance Services	$ 16,558	$ 16,558	$ 17,000	$ 17,000	$ 17,000	0.00%
Rental of Equipment	0	70	200	200	200	0.00%
Sale of Equipment	0	3,020	1,000	1,000	1,000	0.00%
Miscellaneous Sales	8	2,904	2,500	2,500	2,500	0.00%
FEMA Reimbursement - Federal Share	71,158	4,585	0	0	0	
Reimbursement for Salt	7,700	8,548	4,000	4,000	4,000	0.00%
Reimbursement of Damages	0	52,381	0	0	0	
Other	7,247	4,282	0	0	0	
Transfers In:						
Engineering Services	112,710	105,840	208,700	210,000	210,000	0.62%
Administrative Fees	70,300	72,400	74,500	74,500	76,600	2.82%
Subtotal	$ 285,681	$ 270,588	$ 307,900	$ 309,200	$ 311,300	1.10%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Police Operations:						
Police Grants	$ 285,945	$ 313,959	$ 322,600	$ 373,600	$ 395,700	22.66%
Court Fines	135,565	132,337	150,000	150,000	150,000	0.00%
Automated Traffic Enforcement Fines	479,861	565,265	550,000	480,000	565,000	2.73%
Parking Violations	16,120	23,710	21,000	21,000	21,000	0.00%
Tobacco Checks/Violations	2,100	3,450	2,000	2,000	2,000	0.00%
Alarm System Charges	1,900	3,000	3,700	3,700	3,700	0.00%
Alarm Permits	755	475	600	600	600	0.00%
False Alarm Charges	1,200	1,050	2,000	2,000	2,000	0.00%
Police Services Agreement	53,276	54,608	56,100	56,100	57,700	2.85%
Animal Ordinance Fees and Fines	1,860	2,595	2,500	2,500	2,500	0.00%
Printing Charges	4,011	4,434	4,500	4,500	4,500	0.00%
Contributions - Mentor Program	3,131	0	0	0	0	
Contributions - Tactical Robot	40,000	0	0	0	0	
Other Contributions	3,750	938	0	500	0	
Lease - Public Safety Cell Tower	26,946	29,977	26,900	31,000	31,000	15.24%
Reimbursements/Miscellaneous Income	53,178	35,503	45,000	45,000	45,000	0.00%
Subtotal	$ 1,109,598	$ 1,171,301	$ 1,186,900	$ 1,172,500	$ 1,280,700	7.90%
Fire Operations						
Fire Hazmat Agreements	$ 26,623	$ 26,623	$ 26,600	$ 26,600	$ 26,600	0.00%
Fire Open Burn Permits	1,275	1,150	1,100	1,100	1,100	0.00%
Fire Inspection Fees	12,475	19,277	15,000	7,500	15,000	0.00%
Fire Plan Review Fees	4,708	535	2,500	2,500	2,500	0.00%
Fire Assessment Fees	330	225	200	200	200	0.00%
Confined Space Fees	39,275	39,275	36,000	36,000	36,000	0.00%
Fireworks Fees	2,400	2,700	1,200	1,200	1,200	0.00%
Fire Protection Contracts	20,460	22,233	21,000	22,500	22,500	7.14%
Federal Grant - SCBAs	0	243,104	0	17,800	0	
Fire Reports	800	651	500	500	500	0.00%
Fire Citations	0	125	800	800	800	0.00%
Alarm Permits	450	600	600	600	600	0.00%
False Alarm Charges	0	50	600	600	600	0.00%
Donations	1,050	1,103	0	0	0	
Reimbursement of Expenses/Other	7,345	1,465	3,500	6,000	3,500	0.00%
Transfer from Aerial Project Fund	0	22,793	0	0	0	
Subtotal	$ 117,191	$ 381,909	$ 109,600	$ 123,900	$ 111,100	1.37%

General Fund
Revenue Summary

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change From 2021/2022 Budget
Other General Revenues						
Interest Income	$ 97,991	$ 13,260	$ 20,000	$ 1,000	$ 1,000	-95.00%
Payment in Lieu of Taxes	33,140	32,791	35,600	35,600	36,900	3.65%
Housing Accounting Fees	64,600	66,500	68,400	68,400	70,400	2.92%
Housing Management Fee	4,494	12,372	13,500	13,500	13,500	0.00%
Long-Term Lease of Right-of-Way	50,230	0	0	0	0	
ICAP Grant	1,000	0	0	0	0	
Insurance Reimbursement	19,989	0	0	0	0	
Other Charges	16,595	19,089	19,000	19,000	19,000	0.00%
Transfers In:						
Administrative Fees	399,200	398,300	397,300	397,300	405,200	1.99%
Health Insurance Fund (Wellness)	54,842	56,516	66,000	66,000	68,000	3.03%
Health Insurance Administrative Fee	3,000	3,000	3,000	3,000	3,000	0.00%
Information Technology Administrative Fee	39,000	41,000	43,000	43,000	45,100	4.88%
Communications Admin Fee (Exc. TIF Portion)	59,600	62,800	65,500	65,500	68,000	3.82%
Ambulance Enterprise Fund	1,195,700	1,205,200	1,253,000	1,253,000	1,345,600	7.39%
Ambulance Enterprise Fund - Additional	0	232,600	232,600	232,600	232,600	0.00%
Tax Increment/Economic Dev Admin Fees	158,060	158,974	170,400	170,400	174,500	2.41%
Tax Increment Economic Development	38,000	43,000	43,000	43,000	43,000	0.00%
Tax Increment - Legal Services	6,140	0	0	0	0	
Emergency Fund - State COVID Relief	0	0	300,000	300,000	261,600	-12.80%
American Rescue Plan Act Funds (ARPA)	0	0	0	222,000	324,200	
Subtotal	$ 2,241,581	$ 2,345,402	$ 2,730,300	$ 2,933,300	$ 3,111,600	13.97%
Total	$ 20,443,623	$ 21,485,724	$ 22,450,589	$ 22,985,786	$ 23,449,946	4.45%

General Fund

Expenditures by Type

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change from 2021/2022 Budget
Personal Services	$ 15,461,109	$ 16,250,517	$ 17,558,700	$ 17,549,900	$ 18,327,500	4.4%
Commodities	960,329	904,257	1,067,550	1,162,500	1,102,850	3.3%
Contractual Services	2,469,190	2,587,226	2,673,450	2,770,500	2,811,250	5.2%
Capital Outlay	1,115,859	819,515	718,200	1,066,300	789,200	9.9%
Transfers and Assigned Funding	469,568	519,634	419,900	427,104	418,700	-0.3%
Total	$ 20,476,055	$ 21,081,149	$ 22,437,800	$ 22,976,304	$ 23,449,500	4.5%

General Fund

Summary of Expenditures

Function/Activity	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change from FY 2022 Budget
General Government						
Mayor and Council	$ 91,039	$ 84,647	$ 97,800	$ 93,400	$ 91,400	-6.5%
Legal Services	104,775	138,739	110,000	122,000	117,000	6.4%
City Administrator	603,329	412,991	447,800	448,700	463,800	3.6%
Human Resources	250,168	192,444	196,700	189,100	188,800	-4.0%
Wellness Program	55,304	56,940	66,000	66,000	68,000	3.0%
Finance and Records	657,550	691,864	736,400	744,100	771,400	4.8%
Information Technology	403,745	348,351	463,400	451,700	440,700	-4.9%
Risk Management	269,535	252,214	351,300	340,000	376,200	7.1%
Building and Grounds	641,034	683,339	823,500	848,400	763,900	-7.2%
Subtotal	$ 3,076,479	$ 2,861,529	$ 3,292,900	$ 3,303,400	$ 3,281,200	-0.4%
Public Safety						
Police Operations	$ 5,095,651	$ 5,084,423	$ 5,376,300	$ 5,381,400	$ 5,567,200	3.6%
Animal Control	152,280	157,229	165,200	147,200	155,000	-6.2%
Fire Operations	4,571,962	5,199,212	5,262,400	5,404,300	5,495,300	4.4%
Subtotal	$ 9,819,893	$ 10,440,864	$ 10,803,900	$ 10,932,900	$ 11,217,500	3.8%
Culture and Recreation						
Library	$ 1,140,600	$ 1,117,660	$ 1,204,700	$ 1,242,800	$ 1,238,700	2.8%
Cable Television Operations	17,385	19,277	25,000	25,000	20,600	-17.6%
Art Center	401,902	430,279	436,100	436,800	443,900	1.8%
Park Administration	202,864	211,610	223,100	229,100	236,000	5.8%
Park Maintenance	767,303	823,067	826,100	886,600	908,900	10.0%
Kent Stein Park	217,675	271,122	266,500	285,500	278,800	4.6%
Soccer Complex	221,360	280,535	261,700	303,700	288,100	10.1%
Aquatic Center	130,155	103,698	184,500	206,700	213,800	15.9%
Recreation	100,766	86,480	137,800	135,200	142,800	3.6%
Cemetery	184,938	179,629	194,600	201,700	203,100	4.4%
Subtotal	$ 3,384,948	$ 3,523,357	$ 3,760,100	$ 3,953,100	$ 3,974,700	5.7%

General Fund

Summary of Expenditures

Function/Activity	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change from FY 2022 Budget
Health and Social Services						
Economic Well-Being	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 55,000	10.0%
Subtotal	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 55,000	10.0%
Community and Economic Development						
Community Development	$ 719,556	$ 880,013	$ 967,500	$ 990,400	$ 1,066,900	10.3%
Economic Development	166,738	142,647	125,500	146,600	144,200	14.9%
Subtotal	$ 886,294	$ 1,022,660	$ 1,093,000	$ 1,137,000	$ 1,211,100	10.8%
Public Works						
Public Works Administration	$ 212,983	$ 212,503	$ 230,600	$ 232,000	$ 236,200	2.4%
Roadway Maintenance	1,628,320	1,446,120	1,523,400	1,756,800	1,819,400	19.4%
Traffic Control	181,259	496,785	198,400	196,100	229,600	15.7%
Snow and Ice Control	476,769	195,286	448,000	463,200	454,500	1.5%
Street Cleaning	176,159	190,101	202,900	200,600	207,900	2.5%
Engineering	330,769	326,137	493,600	484,100	466,900	-5.4%
Subtotal	$ 3,006,259	$ 2,866,932	$ 3,096,900	$ 3,332,800	$ 3,414,500	10.3%
Transfers and Assigned Funding						
Transit System Subsidy	$ 51,982	$ 113,807	$ 0	$ 0	$ 0	
Airport Subsidy	200	0	41,000	17,104	20,500	-50.0%
Equipment Replacement Allocation	200,000	202,000	250,000	250,000	250,000	0.0%
Assigned Funding - Non-Union Merit	0	0	50,000	0	25,000	-50.0%
Subtotal	$ 252,182	$ 315,807	$ 341,000	$ 267,104	$ 295,500	-13.3%
Total	$ 20,476,055	$ 21,081,149	$ 22,437,800	$ 22,976,304	$ 23,449,500	4.5%

.Function:	Department:
General Government	Legislative and Council

Activity:

Mayor and Council

GENERAL INFORMATION

The City Council is the legislative branch of the Muscatine City government. All policy-making decisions affecting City government are determined by the City Council and are adopted by formal ordinance, resolution, or motion. The presiding officer of the City Council is the Mayor. The City Council is responsible for appointing the Boards and Advisory Commissions of the City. There are ten (10) different Boards and Advisory Commissions who assist the City Council in formulating the programs and services provided to the citizens of Muscatine. The City Council hires the City Administrator to carry out the day-to-day administration of the City and to administer and implement the policy directions as adopted by the City Council.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $4,400 less than the original budget. There was a $5,000 decrease in consultant services, and a net $600 increase in other line items.

The 2022/2023 budget is $6,400 (6.5%) less than the 2021/2022 budget. This decrease is primarily due to the 2022/2023 budget not including any capital outlay items (a $2,400 reduction) and a $5,000 reduction in consultant services. Other increases and decreases in this budget resulted in a net $1,000 increase.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Regular Council Meetings	24	24	24	24	24
In-Depth Meetings	11	10	9	11	11
Budget Meetings	8	8	8	8	8
Other Meetings	2	2	2	1	1
Joint Meetings:					
County Board of Supervisors	0	0	2	2	4

RECENT ACCOMPLISHMENTS

The City Administrator developed and conducted an onboarding program for newly elected officials. The Mayor-Elect, Councilmembers-Elect, and several current Councilmembers attended the newly elected officials onboarding session in December 2021.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023 AND FUTURE YEARS

The City Council conducted a goal setting session in December of 2021. The Council identified major accomplishments of the City in 2020/2021, reviewed the most important issues, concerns, and trends facing the City in 2022, and identified potential initiatives, policies, and programs for 2022/2023 and future years that align with the City's strategic plan adopted in 2020.

The Mayor and City Council concluded that the City should continue with the following programs, policies, and initiatives:

- To continue providing forgivable loans for small businesses (Vibrant Community)
- To update ordinances related to pets, exotic animals, dangerous animals, licensing, tethering, and cruelty so they are understandable and easy to enforce, and related changes to the animal services/animal control program (Safe Community)
- To review city services for best practices and to ensure service is being provided as efficiently and cost effectively as possible (Excellent Customer Service)
- To complete installation of new recreational amenities at Taylor, Musser, and Kent Stein parks (Healthy Community)
- To continue responding to requests for TIF (Tax Increment Financing) assistance for housing- related and other economic development projects (Vibrant Community)
- To update the snow emergency policy, plan, and ordinance (Safe Community)
- To continue to assist the County as needed with Levee improvements (Safe Community)
- To continue work on the West Hill Sewer Separation Project (Reliable Public Infrastructure)
- To determine the uses of the ARPA (American Rescue Plan Act) funds (Vibrant Community)
- To complete the Grandview Avenue Reconstruction project (Reliable Public Infrastructure)
- To continue to progress on the Fire Station No. 3 and Riverfront Amphitheater projects (Safe and Vibrant Community)

The Mayor and City Council identified the following initiatives, programs, and projects for 2022/2023 and future years:

- To evaluate the redevelopment of Carver Corner (Vibrant Community)
- To develop and implement uniform enforcement of nuisance ordinances and implement a property maintenance code (Vibrant Community)

- To continue quarterly or semi-annual meetings with County Supervisors, School Board, and possibly other cities in Muscatine County (Excellent Customer Service)
- To conduct an annexation study (Vibrant Community)
- To pursue an aggressive schedule for Riverfront developments (Vibrant Community)
- To conduct a condition assessment and develop preventive maintenance plans for City buildings (Reliable Public Infrastructure)
- To aggressively pursue productive use of vacant, abandoned, and city-owned surplus properties (Vibrant Community)
- To continue to increase economic development efforts and small business support (Vibrant Community)
- To evaluate the City's pay philosophy, total compensation, and Human Resources management (Excellent Customer Service)
- To evaluate the potential use of an Appeals Board for building construction activity and/or nuisance violations (Excellent Customer Service)
- To develop and begin implementation of a Wayfinding Plan for the City (Vibrant Community)
- To extend sewer/water service to all parts of Muscatine annexed in the early 1980's (Reliable Public Infrastructure)
- To evaluate potential improvements to the Weed Park Aquatic Center (Healthy Community)
- To pursue Fulliam Avenue reconstruction (Reliable Public Infrastructure)
- To evaluate the feasibility of over/under passes at train crossings (Safe Community)

Function:
General Government

Department:
Legislative and Council

Activity:

Mayor and City Council

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 41,577	$ 41,721	$ 41,700	$ 41,800	$ 42,100	0.96%
Commodities	1,433	858	2,200	2,300	2,400	9.09%
Contractual Services	48,030	42,068	51,500	46,900	46,900	-8.93%
Capital Outlay	-	-	2,400	2,400	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 91,040	$ 84,647	$ 97,800	$ 93,400	$ 91,400	-6.54%
Funding Sources						
General Revenues	$ 91,040	$ 84,647	$ 97,800	$ 93,400	$ 91,400	-6.54%

Personnel Schedule	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Part Time Positions:						
Mayor	1	1	1	1	1	
Councilmembers	7	7	7	7	7	
Total	8	8	8	8	8	$ 37,800
Employee Benefits						4,300
Total Personal Services						$ 42,100

Function:	*Department:*
General Government	**Legislative and Council**

Activity:

Legal Services

GENERAL INFORMATION

The City Attorney is retained by the City on a part-time basis and paid on an hourly basis. The City's previous long-serving City Attorney retired at the end of October 2010. After soliciting proposals from interested attorneys, Matt Brick of the Brick Gentry Law Firm was selected to serve as the City Attorney at a rate of $150 per hour. The part-time City Attorney is available to the City Administrator and City staff on an "as needed" basis for legal assistance.

With the change in City Attorneys, the City's prosecution function was separated from the City Attorney function. The previous City Prosecutor left her position in 2014 and the City entered into an agreement with the County Attorney's office for city prosecutor services effective July 1, 2014 at an annual cost of $40,000. Having the County Attorney prosecute City cases allowed for a structural change in how these cases are prosecuted and with that change additional court fine revenue is being received by the City.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate for Legal Services is $12,000 more than the original budget. Actual legal costs vary from year to year due to projects and issues that arise. Based on actual legal costs for the first six months of the year, the revised estimate for the City Attorney has been increased by $10,000 for general legal services of the City. The City is also responsible for reimbursing the County Attorney's Office for the cost of serving papers for City court cases. Those costs are estimated at $2,000 in the revised estimate.

The 2022/2023 legal services budget is $117,000, which is $7,000 more than the original 2021/2022 budget. The budget allocation includes $40,000 for the County Attorney's Office for City Prosecutor services, an estimated $2,000 for serving papers, and an estimated $75,000 for City Attorney hours for general legal services. Actual legal costs can vary from this estimate since many projects and issues that need legal assistance cannot be anticipated. Legal services costs for capital projects and enterprise funds are charged to those projects or funds. Legal costs for employment-related projects or issues, including union negotiations, are accounted for in the Human Resources budget.

GOAL STATEMENT

To provide legal services per the City Code to insure that all functions of the City are performed on a legal basis in accordance with the City Code, State Statutes, and Federal laws and regulations; to prosecute City Ordinance violations; and defend the City when involved in lawsuits.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
City Attorney Hours (excluding Human Resources hours) *	1,207	784	788	1,000	1,000

* City Attorney hours include those charged to capital projects and enterprise funds.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

* City staff anticipates researching the option of hiring an in-house attorney and/or re-issuing the Request for Proposals for legal services in 2022/2023.

Function:
General Government

Department:
Legislative and Council

Activity:

Legal Services

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	104,775	138,739	110,000	122,000	117,000	6.36%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 104,775	$ 138,739	$ 110,000	$ 122,000	$ 117,000	6.36%
Funding Sources						
General Revenues	$ 104,775	$ 138,739	$ 110,000	$ 122,000	$ 117,000	6.36%

Function:	*Department:*
General Government	**City Administrator**

Activity:

City Administrator

GENERAL INFORMATION

The City Administrator is responsible for the overall management and administrative coordination of activities of the City of Muscatine. All departments under the City Council report to and are responsible to the City Administrator. All Council matters from the various departments, boards, and commissions are presented by the City Administrator to the City Council with specific recommendations. Upon approval by the City Council of various programs and policies, it is the responsibility of the City Administrator for their implementation according to Council direction.

The City Administrator is also responsible for the preparation of the annual budget for review and adoption by the City Council. Additionally, the City Administrator interacts with both public and private entities to promote community-based projects.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $900 more than the original budget. Personal services costs are $300 and contractual services are $600 more than the original budget.

The 2022/2023 budget is $16,000 (3.6%) higher than the original 2021/2022 budget primarily due to an $18,800 increase in personal services costs. This increase was partially offset by a $2,800 decrease in contractual services costs. This budget continues to include $10,900 for the annual cost of the OpenGov software.

This budget again includes the Communications Manager, which was a position added for the 2015/2016 budget. While 100% of the cost of this position is accounted for in this budget, this position oversees communications in all City departments and transfers from five other funding sources provide 5/6 of the funding for this position. The other funding sources that share equally in the cost of this position are the Water Pollution Control, Refuse Collection, Collection and Drainage, Public Works Administration (Road Use Tax funded), and Tax Increment fund budgets.

GOAL STATEMENT

To improve the service and program capabilities of the City of Muscatine through the effective and efficient forecasting and planning of financial, workforce, and material needs of the City; to assist the City Council in developing the City needs in services and programs; to implement such services and programs established by the City Council through continual evaluation of the organizational structure of the City.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
City Council Agenda Items Presented for Approval	396	471	369	400	400
City Council Agenda Items Approved	394	470	368	399	399
Staff Meetings Held	23	20	36	36	36
Greater Muscatine Chamber of Commerce and Industry (GMCCI) Board Meetings	2	0	4	4	4
Quad City Area Managers Meetings (Bi-State)	5	0	12	12	12
International City/County Management Association (ICMA)	1	0	1	1	1
League of Cities (Board, Committees, Mid-Sized Cities, Annual and Special Meetings)	2	0	2	2	2
GMCCI Committee Meetings	3	0	0	12	12

Communications Metrics

	January 1 – December 31, 2019	January 1 – December 31, 2020	January 1 – December 31, 2021*	2022 Estimated
City of Muscatine				
Facebook Page Likes	6,913	8,388	8,994	10,000
Facebook Average Weekly Reach	N/A	3,689	8,684	9,000
Twitter Followers	1,419	1,505	1,512	1,550
Twitter Average Weekly Impressions	6,655	5,302	2,784	3,000
Instagram Followers	1,100	1,392	1,457	1,700
Instagram Average Weekly Impressions	3,570	3,549	3,191	3,500
YouTube Subscriptions	197	307	356	400
YouTube Average Weekly Watch Time	11:43	9:49	10:40	10:00
Linked-In Followers	126	185	213	250

* Facebook algorithms for metrics were changed during 2021 moving from “likes” to “followers” which also changed how “reach” or “impressions’ was calculated.

* Twitter also saw significant changes due to policy changes beginning in January 2021.

RECENT ACCOMPLISHMENTS

- Created an Agenda Process Manual
- Updated and modified the Boards and Commissions Directory
- Redesigned agenda documents for better continuity of information from all departments
- Updated the City Code as needed and added links to Ordinances amending codes
- Developed a Newly Elected Officials Onboarding Handbook and curriculum
- A total of 220 virtual meetings were conducted through GoToMeeting, both all-virtual and a hybrid of in-person and virtual
- Prepared and published 211 news releases. Additionally, edited and published articles for Parks & Recreation (49), Muscatine Fire (12), Muscatine Police (14), Art Center (15), Musser Library (1), Public Health (9), and Emergency Management (2)
- Published eight blogs on various subjects while also posting 16 articles on LinkedIn
- The Communications Manager worked with the Mayor and City Administrator in the preparation of, production of, and promotion of the first State of the City address
- Moderated 47 City of Muscatine YouTube broadcasts while creating five video features for Muscatine Communications, and promoted three video features for Muscatine Fire Department. Also posted six video features on Instagram and Facebook.
- Monitored various City social media sites including seven Facebook accounts (City of Muscatine, OurCity, Muscatine Fire Department, Muscatine Police Department, Parks and Recreation, Muscatine Municipal Golf Course, and MuscaBus), one Instagram (City of Muscatine), three Twitter (City of Muscatine, Muscatine Fire, Muscatine Parks and Recreation), one LinkedIn (City of Muscatine), and four YouTube (City of Muscatine, OurCity, Muscatine Communications, Muscatine Fire)

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023 AND FUTURE YEARS

VIBRANT COMMUNITY

- To Develop and implement a plan to utilize ARPA (American Rescue Plan Act) funds and other COVID related assistance and grants
- To Evaluate the redevelopment of Carver Corner
- To Initiate scoping of an annexation study
- To Continue to focus on development of the riverfront amphitheater
- To Continue to increase economic development efforts and small business support (Vibrant Community)

- To Develop and begin implementation of a Wayfinding Plan for the City (Vibrant Community)

SAFE COMMUNITY

- To Complete evaluation and changes to Animal/Pet policies including dangerous animals and keeping of pit bulls ordinance

EXCELLENT CUSTOMER SERVICE

- To complete the Attorney RFP (Request for Proposals)/hiring process
- To Update the Rules of Council
- To Follow up on results of the Community Survey
- To Evaluate the City's organizational structure
- To Implement improvements to the agenda management process and the citizen request management system
- To Evaluate the City's pay philosophy, total compensation, and Human Resources management
- To Evaluate potential use of an Appeals Board for building construction activity and/or nuisance violations
- To Continue Iowa City Clerk Training
- To Continue digitizing public records
- To Create an index with hyperlinks for the City Code
- To Explore opportunities for an improved document management system
- To Redesign of City of Muscatine website begins July 2022 and continues through February 2023.
- To Enhance website with SeeClickFix, a citizens communication tool from CivicPlus, along with development of an online Pet Registration Center
- To Use the public relations tools created for the Mayor of Muscatine including a video series in cooperation with the Muscatine Community College video center, and redesigned OurCity Facebook and YouTube pages to promote Muscatine
- To Assist various city departments in the promotion of staff and activities
- To Develop a marketing plan for the City of Muscatine
- To Continue promotional efforts with the Greater Muscatine Chamber of Commerce & Industry, Muscatine School District, Muscatine Community College, and Muscatine County
- To Use results from the Community Survey to develop a series of informational articles on Muscatine
- To Continue to promote a vibrant, healthy, and safe community by keeping citizens informed on public works projects, Healthy Hometown opportunities, and features from the Police and Fire departments on staying safe at home, work, or on the road

Function:
General Government

Department:
City Administrator

Activity:

City Administrator

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 475,004	$ 348,188	$ 401,200	$ 401,500	$ 420,000	4.69%
Commodities	3,740	1,427	3,400	3,400	3,400	0.00%
Contractual Services	124,585	63,376	43,200	43,800	40,400	-6.48%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 603,329	$ 412,991	$ 447,800	$ 448,700	$ 463,800	3.57%
Funding Sources						
Funding Transfers for Communications Manager	$ 74,500	$ 78,500	$ 82,000	$ 82,000	$ 85,000	3.66%
General Revenues	528,829	334,491	365,800	366,700	378,800	3.55%
Total	$ 603,329	$ 412,991	$ 447,800	$ 448,700	$ 463,800	3.57%

Personnel Schedule	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
City Administrator	1.00	1.00	1.00	1.00	1.00	
Communications Manager	1.00	1.00	1.00	1.00	1.00	
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	
Total Full Time	3.00	3.00	3.00	3.00	3.00	$ 299,800
Employee Benefits						120,200
Total Personal Services						$ 420,000

Function:	*Department:*
General Government	**City Administrator**

Activity:

Human Resources

GENERAL INFORMATION

The Human Resources division consists of an allocation of 75% of the Human Resources Manager position and a 50% allocation of the Office Assistant position. The other 25% of the Human Resources Manager position is included in the Risk Management activity budget. The Human Resources division is responsible for the development of a uniform program for all City departments in the areas of hiring, training, risk management, and other personnel related issues. This division also assists departments with the administration of labor contracts and personnel guidelines. The City operates under the Iowa Civil Service Code, which encompasses all employees except department heads, supervisors, confidential and library employees, and part- time employees as specified by the State Code.

Continued updating of the City's Equal Employment Opportunity Plan and Employee Personnel Manual, as well as the sponsoring of workshops and training sessions are responsibilities of the Human Resources Manager. The Human Resources Manager also serves as secretary to the Civil Service Commission and assists the Commission with the implementation of the State Code on Civil Service requirements.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is under the original budget by $7,600. Personal services costs are $10,300 less than the original budget and contractual services are $2,700 more than the original budget. The personal services reduction is due to the new Office Assistant having single health insurance coverage instead of the family coverage budgeted for the previous employee. The contractual services increase is primarily due to increased advertising costs for open positions.

The 2022/2023 budget is $7,900 less than the original 2021/2022 budget. This overall decrease is due to (1) a $2,700 reduction in wages and benefits, which reflects the net effect of the budgeted wage increase with the savings in health insurance costs due to the new Office Assistant having single health insurance, (2) a $5,000 decrease in consultant services, and (3) a $200 net decrease in other line items. This budget continues to include funds for City-wide employee training.

The original budget for 2020/2021 included $73,700 for a new Human Resources Generalist position. Due to the impacts the COVID-19 pandemic has had on General Fund revenues, filling this position was deferred for the 2020/2021, 2021/2022, and 2022/2023 fiscal year budgets.

GOAL STATEMENT

To provide centralized human resources services and technical assistance to City departments and staff, Commissions, City employees, and applicants in an efficient and timely manner, and to maintain and process accurate records and information pertaining to employment-related activities and commission actions.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Full-time Positions Hired	16	25	18	23	20
Permanent Part-time Positions Hired	17	18	24	10	10
Retirements	10	9	12	10	10
Personnel Actions Processed	439	374	460	400	400
Employment Applications Received	393	341	350	360	360
Civil Service Examinations Administered	9	13	11	10	10
Employee Training Programs	5	6	5	5	5
Civil Service Commission Meetings	4	5	5	4	4

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RECENT ACCOMPLISHMENTS

The Human Resources department (HR) has been actively working on accomplishing goals set for this year. In addition to working toward these goals, there are many other activities where HR is actively involved.

This department handles and distributes all applications for employment with the city. This includes advertising open positions, processing the applications, conducting applicable Civil Service processes, assisting as needed in the interview process, conducting pre-employment checks, scheduling required physicals, and completing payroll information and related paperwork with new employees.

HR is also responsible for completing all personnel action forms. These are created for all changes related to employees: hiring, termination, pay increases, promotions, reclassifications, etc. The HR department also tracks and notifies departments when pay raises and performance evaluations are due.

The HR Manager has been actively involved in the Healthy Hometown initiative and made several presentations about this program to various groups this year. Additionally, the City is spearheading the Employer's Council. This is an offshoot group of the Healthy Hometown committee that is working to help employers provide consistent wellness activities and information based on the community's health priorities.

HR also provides assistance to departments in working through personnel matters. Supervisors and departments heads consult with HR on a variety of issues related to human resources policies, procedures, and performance issues. This is an important aspect of the HR function for consistent application of the city's expectations and policies.

Other day to day activities of the HR department include handling worker's compensation claims, benefit enrollments and changes, working with supervisors and department heads on policy, contract, and general management questions, maintaining personnel files, medical files, and some general training records. The department is also available to answer employee questions and assist with benefit issues. Employees order uniforms through Human Resources and HR staff track and distribute these purchases and process the associated bills for payment. HR also assists with the weekly review of payroll timesheets and tracking of various types of leave that are not trackable through the payroll software.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To conduct "stay" interviews with at least 25% of the full-time workforce.
- To evaluate options for and create an updated recruitment plan, with a focus on public safety positions.
- To continue efforts to evaluate and update job descriptions, the compensation plan, and training schedules.
- To implement new job applicant tracking software.
- To assist with the evaluation of the City's pay philosophy, total compensation, and human resources management.

Function:
General Government

Department:
City Administrator

Activity:

Human Resources

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 125,892	$ 134,921	$ 141,300	$ 131,000	$ 138,600	-1.91%
Commodities	628	498	1,400	1,400	1,400	0.00%
Contractual Services	123,648	57,026	54,000	56,700	48,800	-9.63%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 250,168	$ 192,445	$ 196,700	$ 189,100	$ 188,800	-4.02%
Funding Sources						
General Revenues	$ 250,168	$ 192,445	$ 196,700	$ 189,100	$ 188,800	-4.02%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position Allocations:						
Human Resources Manager	0.75	0.75	0.75	0.75	0.75	
Human Resources Generalist	-	- *	- *	- *	- *	
Office Assistant	0.50	0.50	0.50	0.50	0.50	
Total	1.25	1.25	1.25	1.25	1.25	$ 99,600
Employee Benefits						39,000
Total Personal Services						$ 138,600

* Due to financial constraints from the COVID-19 pandemic, hiring of the Human Resources Generalist position added in the original 2020/2021 budget, was deferred and continues to be deferred through the 2022/2023 budget.

Function:	*Department:*
General Government	**Parks and Recreation**

Activity:

Wellness Program

GENERAL INFORMATION

The City's Employee Wellness Program has been funded annually from the City's Health Insurance Fund. Wellness program activities vary a great deal and have included blood screening, physical fitness evaluations, flu shots, recreational activities, and alcohol and drug awareness programs. All full-time and part-time employees are eligible to participate. Spouses are also encouraged to participate. Other programs initiated by the Wellness Program include Smoke Stoppers, Weight Watchers, personal safety classes, stress management, and other health-related seminars and clinics. An ongoing emphasis of the wellness program is to promote a healthy lifestyle for employees and their families.

The program also provides ongoing employee blood pressure screenings as well as the Employee Fitness Scholarship program. This particular program offers partial reimbursement to employees who participate in local fitness centers.

CURRENT TRENDS AND ISSUES

Responsibility for the Wellness Program has been assigned to the Parks and Recreation department. The Program Supervisor is currently leading this program with the assistance of other Parks staff. One-half of the Parks Office Coordinator position is charged to this budget which represents time spent on this program by various park staff. The Wellness Program is also coordinated with Human Resources staff in order to develop and implement employee safety programs as well as providing traditional Wellness programs. Participation in the wellness program continues to elicit positive feedback from employees.

The revised estimate for 2021/2022 is the same as the original budget. The budget for 2022/2023 is $2,000 (3.0%) more than the 2021/2022 budget due to increased personal services costs. The budget for 2022/2023 continues the wellness and health screening programs currently offered through the Wellness program and the Wellmark Wellness Incentive Program. This program gives participants the opportunity to track their daily wellness activities and earn points for specific activities. Accumulated points can then be redeemed for incentive prizes.

GOAL STATEMENT

To provide City of Muscatine employees and spouses with the knowledge necessary to help them become the best they can be physically and emotionally as individuals and as employees of the City, as part of the City's continued effort to improve employee efficiency and productivity.

PERFORMANCE MEASURES

	Actual 2019	Actual 2020	Actual 2021	Estimated 2022	Estimated 2023
Employee Wellness Opportunities (1)	10	14	14	15	16
Employee Wellness Participants	234	285	283	295	315
Employee Assistance Program Participation Levels	8.04%	8.04%	N/A (2)	9%	9.5%
Condition Support Program (previously called Disease Management Program) Participants	59	60	32	55	60

1. New programs offered in 2021 included the Healthiest State Walk and the Healthy Homemade Holiday events.
2. The Employee Assistance Program Participation Levels for 2021 are not available due to Genesis discontinuing their program.

RECENT ACCOMPLISHMENTS

Employee wellness continues to be important to City employees as demonstrated through their participation and continued interest in the wellness offerings as follows:

	THRIVE	Flu Shots	Wellness Screen-ings	Weight Loss Programs	Hearing Tests	Lifestyle Programs	Fitness Scholar-ships	Turkey Trot	Blood Drive
Participants	29	96	55	24	20	40	6	4	15

The Biometric Screenings program continues to be one of the most popular programs offered through the Wellness Program. Participation in 2021 was consistent with previous years at 55. Employees and their spouses were eligible to receive exams and consultations that give them the information they need to make proactive choices to positively impact their health. Trinity/UnityPoint nursing staff provided screenings in March which included reporting on weight, BMI, waist circumference, body fat percentage, blood pressure, total cholesterol, HDL, LDL, triglycerides and glucose levels. For a nominal fee, employees could opt to be tested for prostate-specific antigen, comprehensive metabolic paneling, and complete blood count. Employees who have established their baseline can track their health and wellness in these categories from year to year with their preferred healthcare provider or during follow-up consultations with Trinity/UnityPoint nurses. Result packets were mailed to each participant.

Group data from the Wellness Screening program is made available to the City to better understand employee demographics and assist in tailoring the Wellness Program offerings. This information, along with analyzing the top four health insurance claims, influences the design of the quarterly Thrive Wellness Center activities.

Two new programs were offered in 2021, including the Healthiest State Walk and the Healthy Homemade Holiday events. Employees gathered on October 6 to participate in Iowa's Healthiest State Walk event to walk for 30 minutes with thousands of Iowans. Participants walked together and two winners were chosen to win prizes. The Healthy Homemade Holiday event was an opportunity for employees to gather together, learn about how to make healthier food choices during the holidays, and raise money for local non-profits.

Wellness Wednesday newsletters continue to be sent to staff weekly. Information included in the newsletter spans topics related to safety, fitness, personal health, personal finance, insurance, mental health, nutrition, social connectedness, and more. Wellness program news and human resources-related items are also included.

The flu shot program saw an increase in participants. Two clinics were offered in September at City Hall and Public Works with vouchers available to those who couldn't attend the in-person clinics. Vouchers were valid through November 30 to give employees plenty of opportunity to get their flu shot at their convenience. Coronavirus booster clinics are also planned for employees.

Fitness reimbursement scholarships, hearing tests, 100K Your Way, the Turkey Trot, two semi-annual blood drives, and multiple challenges through the Wellness Center continue to be offered.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To introduce one new program in calendar year 2022 through examining employee wellness trends and the top four health insurance claims.

- To increase overall Wellness Program participation in calendar year 2022 by 15% through expanded new and current programming.

- To increase participation in the Wellness Center in 2022/2023 by 25% through meeting with new full-time employees as part of onboarding and visiting remote locations to assist employees with registration.

Function:
General Government

Department:
Parks and Recreation

Activity:

Wellness Program

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 37,630	$ 38,995	$ 40,800	$ 41,300	$ 42,800	4.90%
Commodities	415	440	2,300	2,300	2,300	0.00%
Contractual Services	17,259	17,505	22,900	22,400	22,900	0.00%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 55,304	$ 56,940	$ 66,000	$ 66,000	$ 68,000	3.03%
Funding Sources						
Health Insurance Funds	$ 55,304	$ 56,940	$ 66,000	$ 66,000	$ 68,000	3.03%

Personnel Schedule	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position Allocation:						
Office Coordinator	0.50	0.50	0.50	0.50	0.50	$ 27,000
Employee Benefits						15,800
Total Personal Services						$ 42,800

Function:	*Department:*
General Government	**Finance**

Activity:

Finance and Records

GENERAL INFORMATION

The Finance department is responsible for managing all financial operations of the City of Muscatine. The primary function of the department is to maintain the City's financial records in accordance with generally accepted governmental accounting principles and to prepare the necessary financial data for the City Council, boards and commissions, the City Administrator, and department heads. The Finance Director oversees all Finance activities as well as the Information Technology and Parking divisions. Separate budgets are prepared for Information Technology and Parking.

CURRENT TRENDS AND ISSUES

The 2021/2022 Revised Estimate for the Finance department is over the original budget by $7,700. This overall increase is due to increased personal services costs due to merit increases. Commodities were decreased by $700 in the Revised Estimate and contractual Services were increased by $700.

The 2022/2023 budget is 4.7% ($35,000) more than the original 2021/2022 budget. This overall increase includes (1) a $34,200 increase in employee wage and benefit costs, (2) a $4,000 decrease since there is no bi-annual election in 2022/2023, (3) a $4,000 increase for the bi-annual OPEB actuarial study in 2022/2023, (4) a $1,500 increase in the annual maintenance costs of the financial software, and (5) a $700 net overall decrease in other line items.

GOAL STATEMENT

Finance - To provide a financial information system which provides City Council, commissions, boards, and staff with pertinent and necessary information in order to make informed decisions.

Records - To provide the City with an accurate and complete set of records which includes all proceedings and actions of the City Council, and to provide an orderly retrieval process for requested information.

Purchasing - To provide a purchasing program for all departments in the City in order to effectively search the marketplace for quality purchases at the lowest possible costs; and to assure that such materials and equipment will assist in performing the activities of the City in an efficient manner.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Finance:					
GFOA Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	Submit Application	Submit Application
GFOA Budget Award	Yes	Yes	Yes	Yes	Submit Application
Moody's Investor Services Bond Rating	Aa2	Aa2	Aa2	Aa2	Aa2
City Vendors Checks Issued	4,756	4,810	4,397	4,800	4,800
City Vendor ACH Payments	189	192	197	200	200
Housing Programs Checks Issued	1,657	1,616	1,552	1,650	1,650
Housing Vendor ACH Payments	538	491	459	500	500
Payroll Checks Issued	1,651	1,427	1,294	1,300	1,300
Payroll Direct Deposit Transactions	7,653	7,902	8,012	8,200	8,200
Accounts Payable Transactions	26,771	25,191	24,798	25,500	25,500
City Receipt Transactions	13,963	12,626	12,479	13,000	13,000
Housing Receipt Transactions	2,403	2,407	2,386	2,400	2,400
Interest Earned	$788,260	$657,132	$97,460	$10,000	$10,000
Records:					
Public Documents Recorded	396	471	429	450	450
Council Minutes Prepared	47	52	50	50	50
Notices Published	51	40	80	65	65
Purchasing:					
Purchase Orders Processed	2,576	2,657	2,899	2,900	2,900

RECENT ACCOMPLISHMENTS

Awards. The City received GFOA's Distinguished Budget Presentation Award for the 2021/2022 Budget. This was the 37th consecutive year the City received this award. The City was awarded its 27th consecutive Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2020.

COVID-19 Pandemic Financial Impact. Finance staff continues to monitor revenue impacts and funding opportunities resulting from the COVID-19 pandemic.

Background

In mid-March of 2020, the Governor ordered all food and beverage facilities to suspend their indoor food and beverage services, and other non-essential businesses were mandated to be closed in an effort to reduce the spread of the coronavirus.

The City Council met several times in May and June of 2020 to discuss the projected impacts of the pandemic on the City's revenues and services. Revenues initially projected to be impacted included hotel/motel taxes,

construction permits, Park department program and facility usage fees, parking fees, Road Use Taxes, and Local Option Taxes. City Council was proactive in addressing these potential revenue shortfalls and took action to address the shortfalls while maintaining essential City services. Council's initial actions included deferring the hiring of four new positions added in the original 2020/2021 budget, deferring the Pavement Management Program, and providing for additional review prior to making capital outlay purchases and filling vacant positions.

Updated Impacts

As the 2020/2021 fiscal year progressed, it was found that Road Use Tax and Local Option Sales Tax revenues were not impacted to the extent originally projected. The $1 million in Pavement Management Projects that were deferred in calendar year 2020 were completed in the spring of 2021.

In October of 2020, the City received $561,628 in COVID-19 Local Government Relief funds from the State.

Actual Results in Fiscal Year 2020/2021

Hotel/Motel taxes were impacted by the pandemic, but not to the extent projected in the revised estimate/amended budget for 2020/2021. The original budget included $500,000 from these taxes and the revised estimate was reduced to $250,000 due to a projected reduction in business travel. The actual hotel/motel taxes were $374,449, which was $125,551 less than the original budget, but $124,449 higher than the revised estimate.

Construction permits were impacted by the pandemic, but not to the extent projected in the revised estimate/amended budget for 2020/2021. The original budget included $310,000 from construction permit fees and the revised estimate was reduced to $150,000. The actual permit fees were $167,473, which was $142,527 less than the original budget, but $17,473 higher than the revised estimate.

Interest rates were significantly impacted by the pandemic and are currently at near-zero rates. The original General Fund budget included $60,000 in interest revenue and the revised estimate/amended budget was reduced to $20,000. Actual General Fund interest was $13,261.

The 2020/2021 revised estimate revenues included using $100,000 of the State COVID Relief funds in the 2020/2021 amended budget. Due to other revenues being higher than projected, these funds were not needed to meet the targeted ending balance in the General Fund.

While there were positive financial results at fiscal year-end in 2020/2021, portions of the economy have not fully recovered, and there are still reasons for using caution going forward.

American Rescue Plan Act of 2021

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021 and provides $1.9 trillion dollars of funding for families, governments, businesses, schools, non-profits, and others impacted by the COVID-19 public health crisis. The allocation for the City of Muscatine is $3,533,376.69. ARPA provides that this funding must be used for the following four general categories of expenditures: (1) Revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency, (2) Premium pay for essential workers, (3) Assistance to small businesses, households, and hard-hit industries, and economic recovery, and (4) Investments in water, sewer and broadband infrastructure. After the budget was adopted, new guidance was received from the Treasury department which allows

government's with allocations less than $10 million to claim all of the funds under category 1 for Revenue Replacement. More information on the ARPA funds is included in the Special Revenue Funds section of the budget.

FEMA Projects - 2019 Flood, 2020 Windstorm, and COVID-19 Assistance:

FEMA 2019 Flood - Work has been completed to repair damages from the 2019 Flood. Finance staff continues to work with FEMA and the Iowa Department of Homeland Security on funding reimbursements. The total federal share of the 2019 flood damages is estimated at $589,990. Of that amount, $350,763 has been received to date and $239,227 is still outstanding. Once the final federal share is approved, the City expects to receive the 10% State matching funds in the amount of $78,665.

FEMA 2020 Windstorm - The City's insurance policy covered the repairs for damages from the 2020 Windstorm with the exception of the $5,000 deductible on the policy. FEMA reimbursed $3,750 of the deductible and the State is expected to reimburse $500.

FEMA COVID-19 Assistance - The City received $19,695 to date in FEMA funding related to the COVID-19 pandemic.

Economic Development Incentive Programs (TIF and Tax Abatement). Three new housing-related development agreements were finalized in 2021 including (1) MVHA Partners (Miller-Valentine) - TIF assistance to construct 51 units of senior housing on Grandview Avenue; (2) MVHA Partners (Miller-Valentine) - TIF assistance to construct 51 units of senior housing on Colorado Street; and (3) JNB Family 1 LP and the Ales Foundation - TIF assistance to construct 42 units of rental housing units on Steamboat Way for low and moderate income individuals and families.

The Housing Demand Study completed in September of 2017, demonstrated a need for the new multi-residential housing projects. Finance staff has assisted in projecting TIF proceeds and rebates based on cost estimates from developers.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

* To submit the City's budget for consideration for the Distinguished Budget Presentation Award from the Governmental Finance Officers Association (GFOA). **(Strategic Plan – Excellent Customer Service – Outreach to Citizens)**

* To submit the City's annual comprehensive financial report for consideration for the Certificate of Achievement for Excellence in Financial Reporting from GFOA. **(Strategic Plan – Excellent Customer Service – Outreach of Citizens)**

* To implement Governmental Accounting Standards Board (GASB) Statements as they become effective. GASB Statements No. 87, 89, 92, 93, and 97 will be effective for the fiscal year ending June 30, 2022. GASB Statements No. 91, 94, and 96 will be effective for the fiscal year ending June 30, 2023. The GASB Statement expected to have the most significant impact to the City of Muscatine is GASB Statement No. 87, *Leases.* **(Strategic Plan – Excellent Customer Service – Outreach to Citizens)**

* To assist in determining funding sources for capital projects identified in the Five-Year Capital Improvement Plan. **(Strategic Plan – Reliable Public Infrastructure and Vibrant Community)**

* To work with the City Administrator, elected officials, and City departments to determine the uses of the ARPA (American Rescue Plan Act) funds and do the required ongoing reporting for these funds. **(Strategic Plan – Reliable Public Infrastructure and Vibrant Community)**

* To continue to work on and work with other departments to close out prior year grants including the Community Attractions and Tourism (CAT) grant for the Pearls of Progress project, the 2019 FEMA Flood project grants, the West Side Trail grant, and the Airport Zoning Ordinance Update grant. **(Strategic Plan – Reliable Public Infrastructure and Vibrant Community)**

* To maintain and enhance the OpenGov transparency tool implemented in 2017; enhancements may include metrics for City departments. **(Strategic Plan – Excellent Customer Service – Outreach to Citizens)**

* To review and draft proposed updates to various City policies including the Purchasing Manual, change order policy, and vacation/sick leave policies. **(Strategic Plan – Excellent Customer Service – Process Improvements)**

Function:
General Government

Department:
Finance

Activity:

Finance and Records

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 561,867	$ 594,119	$ 629,600	$ 637,300	$ 663,800	5.43%
Commodities	8,994	9,754	11,300	10,600	10,800	-4.42%
Contractual Services	86,689	87,991	95,500	96,200	96,800	1.36%
Capital Outlay	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Total Expenditures	$ 657,550	$ 691,864	$ 736,400	$ 744,100	$ 771,400	4.75%
Funding Sources						
Licenses and Permits	$ 45,268	$ 18,303	$ 44,000	$ 44,000	$ 44,000	0.00%
Housing Accounting Fees	64,600	66,500	68,400	68,400	70,400	2.92%
General Revenues	547,682	607,061	624,000	631,700	657,000	5.29%
Total Funding Sources	$ 657,550	$ 691,864	$ 736,400	$ 744,100	$ 771,400	4.75%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Finance Director	0.95	0.95	0.95	0.95	0.95	
Accounting Supervisor	1.00	1.00	1.00	1.00	1.00	
Accountant	1.00	1.00	1.00	1.00	1.00	
Senior Account Clerk	1.00	1.00	1.00	1.00	1.00	
Account Clerk	1.00	1.00	1.00	1.00	1.00	
Finance Secretary/ Parking Coordinator	0.50	0.50	0.50	0.50	0.50	
Office Assistant	0.25	0.38	0.50	0.50	0.50	
Total Full Time	5.70	5.83	5.95	5.95	5.95	$ 466,900
Employee Benefits						196,900
Total Personal Services						$ 663,800

Function:	*Department:*
General Government	**Finance**

Activity:

Information Technology

GENERAL INFORMATION

The Information Technology (IT) activity was established for the purpose of accounting for costs relating to the repair, maintenance, and operation of the City computer systems; to keep up with technological advances; and to meet the ongoing needs for employee computer-related training. This activity includes two positions, the Information Technology Manager and a Computer Technician. These individuals are responsible for all of the City's computer systems.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $11,700 less in total than the original budget due to the cost of budgeted capital outlay items coming in at $11,800 less than budgeted. The capital outlay purchases included Two Factor Authentication (2FA) and costs to implement a Security Information and Event Management (SIEM) and Managed Security Service Provider (MSSP) solution.

The 2022/2023 budget is $22,700 less than the original 2021/2022 budget. The overall decrease is due to (1) an increase of $6,500 in personal services costs, (2) an increase of $46,600 in contractual services costs, (3) a decrease of $65,800 in capital outlay, and (4) a decrease of $10,000 in the annual funding transfer to the Computer Replacement Fund. The contractual services increase is due to increases in annual software subscription and maintenance costs and includes annual costs for the Two Factor Authentication (2FA) and the SIEM and MSSP solutions implemented in the 2021/2022 fiscal year.

The contracted IT staff augmentation service continues to be included in this budget at an estimated cost of $33,600. The budget also continues funding for the annual costs of the enhanced malware software.

The Information Technology budgets in recent years have included $50,000 in transfers to the Computer Replacement Fund to fund computer hardware replacements including networking systems in General Fund departments. All computer-related purchases are coordinated by the Information Technology Manager. Computer-related purchases in enterprise funds are funded from those funds. Due to funding shortfalls in the General Fund for the upcoming year, the transfer was reduced to $40,000 for 2022/2023. This reduction is intended to be for one year only and the higher funding level is anticipated to be restored in future year budgets.

GOAL STATEMENT

To provide maintenance, support, education, and training for the efficient and productive operation of all the computer systems throughout the City organization; to increase the computer literacy of all City employees; and to aggressively pursue using computer technology to enhance communications with citizens.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Personal Computers Maintained	297	212	223	225	225
Network Maintained *	4	3	3	3	3
Training Sessions	8	6	10	19	12

* Beginning in 2020, the MUSCOM (Muscatine City-County Joint Communications) network and related computers are maintained by an MSP (Managed Service Provider) hired by MUSCOM.

RECENT ACCOMPLISHMENTS

IT staff negotiated a new contract with Alphabet Inc. for a significant reduction in cost after the City's email system was adjusted to a new license structure. This change was prompted by the migration to Google Workspace. The initial cost of the system was quoted at $57,240 annually. After the negotiation, the cost for the next three years will be $23,055 annually, which represents a total reduction of $102,555 over the next three years.

Other accomplishments of this division include:

- The current patch compliance for the entire organization currently stands at 99.23%.
- Applied for and received a grant from the Iowa Office of the Chief Information Officer for additional computer replacement.
- All City locations have now been migrated to fiber internet connections following Muscatine Power and Water's FTTH (Fiber to the Home) initiative.
- Additional security cameras have been installed on the exterior of City Hall. This provides coverage of the alley behind the building. One of these cameras assisted the Muscatine Police department in the apprehension of a hit-and-run suspect.
- A presentation computer, including enhanced teleconferencing, was installed in the small conference room at the Public Works facility.
- The equipment that is used for streaming the content of Musser Public Library 5, available on MPW cable channel number 5, has been relocated to the computer room at the Musser Public Library. This allows library staff to upload new content and stream new content directly to the playback unit. The content is then streamed live from this playback system to MPW via a digital VPN.
- The City's current phish-prone percentage resides at 5.9% (lower is better). The industry average for a medium sized (250-1000 users) government operation is 15.4%.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To extend the City's wireless mesh network to include the Muscatine Art Center and the Muscatine Recycling Center and Transfer Station.

- Begin a plan to implement the latest version of the desktop operating system. This plan will include employing TPM version 2.0 for all City owned workstations. This project will take multiple years to complete, but should be finished prior to the end of life for the current desktop operating system which is scheduled for October 14, 2025.

- Evaluate the process and potential benefits of migrating the City's current on-site financial software to a hosted system.

- Complete a Nessus vulnerability assessment of the entire IT infrastructure and remediate as many security liabilities as possible.

- Implement an upgrade of the administrative telephone system at the Public Safety Building. **(Strategic Plan – Safe Community)**

- Consult with the Water Pollution Control department and the existing SCADA system vendor through the software upgrade and installation of the new hardware.

Function:
General Government

Department:
Finance

Activity:

Information Technology

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 213,680	$ 220,631	$ 230,600	$ 229,500	$ 237,100	2.82%
Commodities	1,218	1,219	1,800	1,800	1,800	0.00%
Contractual Services	68,791	69,571	115,200	116,400	161,800	40.45%
Capital Outlay	70,056	6,930	65,800	54,000	-	-100.00%
Transfers	50,000	50,000	50,000	50,000	40,000	-20.00%
Total Expenditures	$ 403,745	$ 348,351	$ 463,400	$ 451,700	$ 440,700	-4.90%
Funding Sources						
IT Administrative Fees	$ 39,000	$ 41,000	$ 43,000	$ 43,000	$ 45,100	4.88%
General Revenues	364,745	307,351	420,400	408,700	395,600	-5.90%
Total Funding Sources	$ 403,745	$ 348,351	$ 463,400	$ 451,700	$ 440,700	-4.90%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Information Technology Manager	1.00	1.00	1.00	1.00	1.00	
Computer Technician	1.00	1.00	1.00	1.00	1.00	
Total	2.00	2.00	2.00	2.00	2.00	$ 163,000
Employee Benefits						74,100
Total Personal Services						$ 237,100

Capital Outlay Funding Transfer

Item:	***Amount***
Funding Transfer to Computer Replacement Fund	$ 40,000

Function:	*Department:*
General Government	**City Administrator**

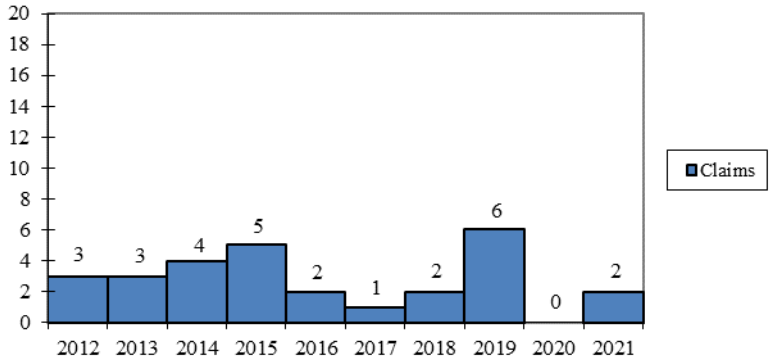
Activity:

Risk Management

GENERAL INFORMATION

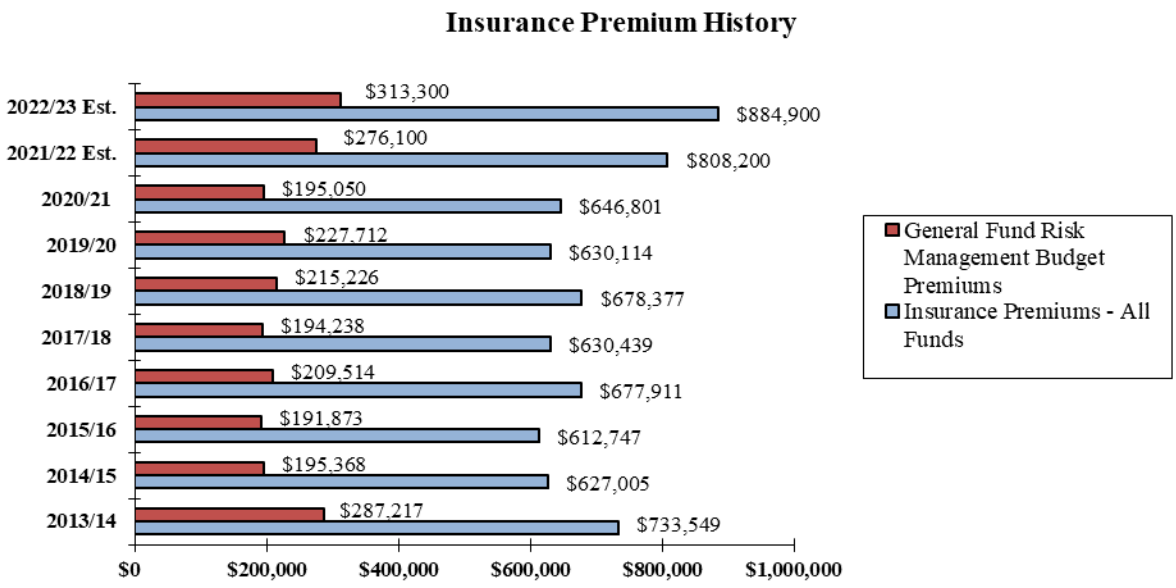
This budget includes the City's Risk Management Program, Insurance Program, and Employee Safety Program. The budget allocates funding for the Human Resources Manager's time for Risk Management and Safety Program responsibilities. The City's Wellness Program is also involved in developing and sharing safety information with City employees. There were two lost time workers compensation claims recorded for the City during calendar year 2021. The history of lost time claims for the past ten years is as follows:

Lost Time Workers Compensation Claims



The goal for 2022/2023 is to have no recordable injuries.

The City's Risk Management Program involves the administration of the City's overall insurance program. A Citizen Insurance Advisory Committee consisting of representatives from various major industries in the community provides a substantial amount of assistance to the City in administering this program. Insurance costs included in this budget for fiscal years 2013/2014 through the budgeted costs for 2022/2023 as well as total City insurance premiums are shown in the following graph:



CURRENT TRENDS AND ISSUES

The City changed insurance carriers to the Iowa Community Assurance Pool (ICAP) for most of the City's insurance policies on July 1, 2014, which resulted in substantial savings to the City. The City changed Workers Compensation carriers to the Iowa Municipalities Workers' Compensation Association beginning July 1, 2015. These policies have remained in effect since that time and will continue in 2022/2023.

The 2021/2022 revised estimate for the Risk Management budget is $11,300 less than the original budget primarily due to actual insurance premiums being $6,400 less than the budgeted amount, and a reduction of $5,000 in the budget allocation for deductibles and damage reimbursements.

The 2022/2023 Risk Management budget is $24,900 (7.1%) higher than the original 2021/2022 budget due to (1) a $30,800 increase in estimated insurance costs, (2) a $5,000 decrease in the amount budgeted for deductibles and damage reimbursements, and (3) a net $900 decrease in other line items.

The estimated insurance costs included in the Risk Management budget total $313,300 for 2022/2023. This is a $30,800 (10.9%) increase from the original 2021/2022 budget of $282,500. The City's Insurance Agent of Record provided the insurance projections for the upcoming year. Increases of 15% are projected for the ICAP policies, 50% increases are projected for the excess liability coverages for the dredge operation, and 10% to 15% increases are projected for most other policies. The increases in the ICAP policies are directly related to the claims of governmental entities covered by ICAP. Claims in the ICAP cities include those from the August 10, 2020 derecho windstorm that resulted in significant damages through a wide area of the state.

The total insurance premiums (excluding employee health, dental, and life insurance) for the entire City are estimated at $884,900 for 2022/2023. This is a $104,100 (13.3%) increase from the original 2021/2022 budget of $780,800 and a $76,700 (9.5%) increase from the 2021/2022 revised estimate of $808,200. Of the $884,900 total budgeted insurance costs, $313,300 is charged directly to the General Fund Risk Management budget with the remainder allocated to various Enterprise and other funds. Worker's Compensation insurance is allocated based on payroll costs to each of the City's departments. The 2022/2023 budget includes an estimated $21,100 for premiums under the National Flood Insurance Program for certain City buildings. This coverage is required for the City to continue to receive FEMA reimbursements for these properties.

The budget for 2022/2023 includes a $.34793 per $1,000 valuation Tort Liability tax levy which is a 3.0% increase from the 2021/2022 tax rate of $.33769. The Tort Liability tax levy provides funding of $15,000 for the fine arts insurance premiums included in the Art Center operations budget as well as the insurance premiums in the Risk Management budget. Insurance premiums continue to be a major cost to the City, which emphasizes the importance the City should continue to place on its risk management program.

GOAL STATEMENT

To develop a program for a safe and healthy environment for the employees of the City and to monitor such program in order to reduce injuries and loss exposure to the City; and to assist all departments with risk management to reduce potential injuries to persons and property to limit the City's exposure to claims against the City.

PERFORMANCE MEASURES

	Actual 2018/2019	**Actual 2019/2020**	**Actual 2020/2021**	**Estimated 2021/2022**	**Estimated 2022/2023**
Workers Compensation Experience Modification Factor	.90	.72	.89	.91	.90
Insurance Premiums Paid - All Funds	$678,377	$630,114	$646,801	$808,200	$884,900
Risk Management Insurance Premiums	$215,226	$227,712	$195,050	$276,100	$313,300
Accident Review Committee Meetings	11	11	11	12	12

RECENT ACCOMPLISHMENTS

This has been a busy year in the risk management area. Safety assessments were conducted in departments by members of the safety committee. Each department was provided a report outlining the results and suggestions for improvement. Additionally, 33 employees attended an in-house OSHA 10-hour certification training class. To follow up on both activities, supervisors are meeting on a regular basis to update policies and to discuss resources needed to comply with various requirements. This work will continue in the upcoming year.

The city participates annually in safety reviews with loss control specialists from both the worker’s compensation carrier (IMWCA) and ICAP, the carrier for most other insurance policies. The loss control specialist from IMWCA attended a safety committee meeting and found the City’s process to be impressive. The process the city uses, along with the accident reporting form and associated procedures, is being shared by this representative with other municipalities.

A monthly safety topic is distributed by Human Resources (HR) to all departments. Supervisors in each department conduct this training and return a sign-in sheet for record keeping, which has resulted in more consistent training throughout the city. HR staff will be working with Parks and Recreation to conduct First Aid/CPR training in departments citywide.

Along with training, the safety incentive program continues to assist employees in remaining focused on safe work practices. The worker’s compensation experience modification factor has reflected a safety record consistently better than the industry average for at least the past decade. This not only results in a healthier workforce; it also provides the city with discounts on the cost of the worker’s compensation premiums.

This division is actively engaged in continuing to improve the city's risk management program by improved training and creation of more standardized policies to assist departments in proper practices and procedures.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To create a process to implement the items in the action plan resulting from the safety assessments.
- To follow up with departments to determine the status of safety assessment recommendations.
- To complete a risk management/safety manual.
- To conduct an OSHA 10-hour class and a First Aid/CPR course.

Function:
General Government

Department:
City Administrator

Activity:

Risk Management

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 33,642	$ 34,653	$ 36,000	$ 36,000	$ 37,100	3.06%
Commodities	3,558	5,935	11,100	11,100	9,100	-18.02%
Contractual Services	232,335	211,926	304,200	292,900	330,000	8.48%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 269,535	$ 252,514	$ 351,300	$ 340,000	$ 376,200	7.09%
Funding Sources						
Tort Liability Taxes	$ 227,712	$ 195,051	$ 282,600	$ 276,100	$ 313,300	10.86%
General Revenues	41,823	57,463	68,700	63,900	62,900	-8.44%
Total Funding Sources	$ 269,535	$ 252,514	$ 351,300	$ 340,000	$ 376,200	7.09%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position Allocation:						
Human Resources Manager	0.25	0.25	0.25	0.25	0.25	$ 26,700
Employee Benefits						10,400
Total Personal Services						$ 37,100

Function:	*Department:*
General Government	**Public Works**

Activity:

Building and Grounds

GENERAL INFORMATION

The Building and Grounds division is responsible for the maintenance of most City buildings including City Hall, Public Safety Building, Southend Fire Station, Library, Art Center and Museum, the Public Works Building, and certain maintenance functions at the Municipal Airport. The division is responsible for maintaining these buildings by providing both day-to-day and preventive maintenance. The division is located in the Public Works building, which offers the necessary space for supply storage and maintenance activities. Costs of maintaining these City buildings are incorporated in this budget including utilities, day-to-day maintenance, and preventive maintenance.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $24,900 more than the original budget due to (1) a $13,700 increase in capital outlay costs due to price increases since last year when the budget was developed, (2) an $11,500 increase in supply costs, again primarily due to increases in these costs, and (3) a net $300 decrease in other line items. The increases in capital outlay were for items at Public Works and this additional amount will be funded from Road Use Taxes.

The 2022/2023 budget is $59,600 (7.2%) less than the original 2021/2022 budget. This overall decrease is due to: (1) personal services costs increased by $15,300 (3.1%), (2) commodities increased by $2,500, (3) contractual services increased by $400, and (4) capital outlay decreased by $77,800. Of the capital outlay allocation of $39,600, $38,100 will be funded from Road Use Tax funds for an electronic gate at Public Works.

GOAL STATEMENT

To provide a quality maintenance program for all City buildings including three (3) types of service: preventive maintenance, regular maintenance, and emergency calls; to provide facilities which are safe to the general public and City employees; and to provide City facilities which permit City employees to operate efficiently in providing services to the residents of Muscatine.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Buildings Maintained	9	9	8 (2)	8	8
Heating, Ventilation, and Air Conditioning (HVAV) and Other Service Contracts	13	13	7 (3)	7	7
Staff Custodians (Full Time and Part Time)	6	6	6	6	6
Grounds Maintained	5	5	5	5	5
Janitorial Supplies Purchased	$16,956	$16,607	$18,491	$18,500	$18,500
Major Maintenance Projects (Above $2,000) (1)	20	26	30	30	30

1. Major maintenance projects include those accounted for in the Deferred Maintenance Capital Project fund.
2. The old Library was sold in 2020/2021.
3. Building and Grounds staff combined the contracts for generators and security/alarm systems in 2020/2021.

RECENT ACCOMPLISHMENTS

The Building and Grounds division has had another busy year. Staff continues to keep City departments supplied with regular supplies as well as hand sanitizer, disinfectant wipes, and disinfectant spray. Many projects were completed in-house this year, including painting of the interior walls at Public Works, ceiling tile replacement at Public Works, and cleaning and painting the wall in the wash bay. Staff also replaced the drinking fountain in the Public Safety Joint Communications area and replaced heat exchangers on the boilers at City Hall and the Art Center. Staff built, plumbed, and installed a kitchenette in the Library break room, cleaned and descaled the ice machines at City Hall, Public Works, and Central Fire, and plumbed and installed a new ice machine at the South Fire station. Staff replumbed four HVAC units, removed everything from the basement of the 8th Street house that was moved, ran a new electric circuit to the computer room at the Library, washed windows at City Hall and the Library, and fabricated and installed stair barriers at the Library. Staff took care of cleaning, mowing, weed eating, spraying, fertilizing, snow and ice removal at city buildings and the transit bus shelters, and repaired the concrete around the handrails at City Hall.

Staff also made repairs to Art Center humidifiers and dehumidifiers and worked on various locks and cut keys for all city departments. Staff took out trees, ground stumps, dug out planters, installed landscape fabric, planted trees, pampas grass, and laid river rock at Public Works and the Library. Staff tested and repaired backflows for buildings maintained by this division as well as for Parks and the Transfer Station (over 50 backflows). Staff fabricated and installed the pit ladder for the public safety elevator shaft and made several repairs at the Airport including hangar lighting upgrades, installing new conduit to a light pole, repairing the front counter, and fixing the airport sign and flag poles. Staff built a roof hatch for the Art Center and repaired or replaced emergency lighting at the Library and Art Center. Staff also started remodeling the former Kum & Go building.

Staff maintained their current certifications and now has a staff member certified in basic air conditioning and heat pumps through the Iowa Association of Building Maintenance Engineers. Additionally, staff had 10-hour OSHA and active shooter trainings.

There were many building improvements this year including new steps and handrails at the Library. Deferred maintenance projects completed were:

- City Hall – oak security doors installed
- Public Works – wash bay repairs
- Morgan Building – tuckpointing and sealing
- Morgan Building – siding, soffit, fascia, windows, and gutters
- Morgan Building – electrical upgrades
- Public Works – parking lot lighting upgrades

Several other projects were started or are scheduled including:

- South Fire - fabricate and install coping cap parapet wall
- Former Kum & Go property – concrete replacement
- Public Safety Building - flag pole replacement
- Former Kum & Go property – exterior renovation and garage door installation
- Library – camera pole
- Public Works – automatic gate installation at lower lot
- Airport – automatic gate operator replacement
- Art Center – air conditioner coil replacements
- Art Center – repairs to porch, soffit, and fascia due to ice and snow
- Art Center – siding repair

These are a few of this division's accomplishments in the last year. Staff will continue to work to save the City money by using the many talents of staff, working with other departments, and by overseeing and holding contractors accountable for repairs.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To complete the deferred maintenance projects. **(Strategic Plan – Reliable Public Infrastructure)**

- To maintain current staff certifications and continue finding training opportunities for staff.

- To continue to work with other departments to maximize efficiencies and resources.

- To continue working on landscaping and beautifying City buildings.

Function:
General Government

Department:
Public Works

Activity:
Building and Grounds

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 451,285	$ 468,474	$ 489,700	$ 489,000	$ 505,000	3.12%
Commodities	50,758	51,279	52,500	64,000	55,000	4.76%
Contractual Services	127,991	134,456	163,900	164,300	164,300	0.24%
Capital Outlay	11,000	29,131	117,400	131,100	39,600	-66.27%
Transfers	-	-	-	-	-	
Total Expenditures	$ 641,034	$ 683,340	$ 823,500	$ 848,400	$ 763,900	-7.24%
Funding Sources						
Charges for Supplies	$ 5,583	$ 7,001	$ 5,500	$ 6,500	$ 6,000	9.09%
Insurance Reimbursement	19,989	-	-	-	-	
Sale of Equipment	221	-	-	-	-	
Road Use Taxes	-	-	105,300	116,800	38,100	
General Revenues	615,241	676,339	712,700	725,100	719,800	1.00%
Total Funding Sources	$ 641,034	$ 683,340	$ 823,500	$ 848,400	$ 763,900	-7.24%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Building and Grounds						
Supervisor	1.00	1.00	1.00	1.00	1.00	
Maintenance Repairperson	1.00	1.00	1.00	1.00	1.00	
Maintenance Worker II	0.50	0.50	0.50	0.50	0.50	
Maintenance Worker I	1.00	1.00	1.00	1.00	1.00	
Total Full Time	3.50	3.50	3.50	3.50	3.50	
Part Time Positions:						
Custodian II	2.07	2.13	2.11	2.11	2.11	
Custodian I	1.12	1.13	1.13	1.13	1.13	
Total	6.69	6.76	6.74	6.74	6.74	$ 354,200
Employee Benefits						150,800
Total Personal Services						$ 505,000

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Window Air Conditioners	3	Yes	$ 1,500
Public Works Automatic Gates (Road Use Tax Funded)		No	38,100
			$ 39,600

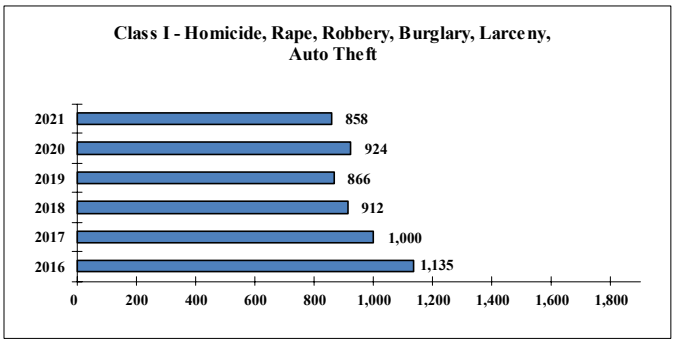
Function:	*Department:*
Public Safety	**Police**

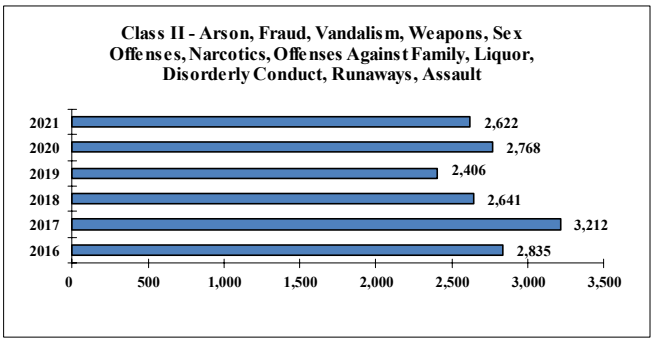
Activity:

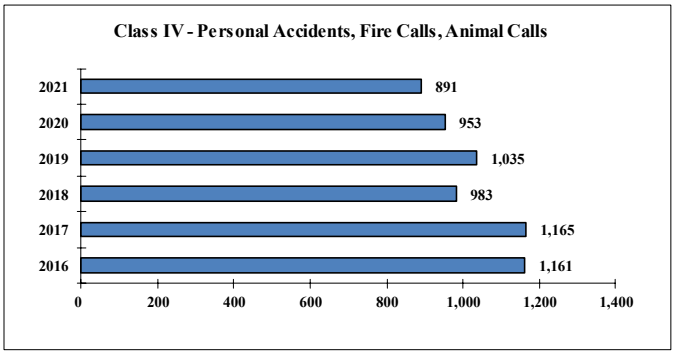
Police Operations

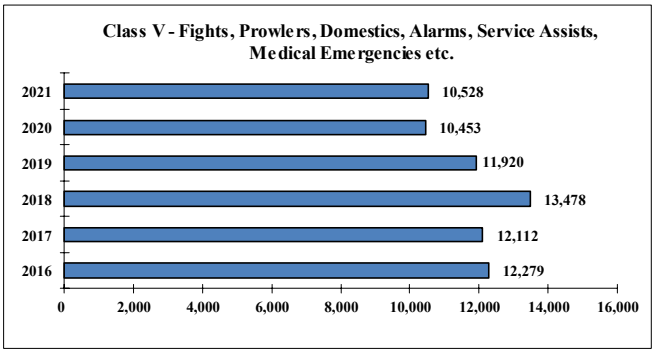
GENERAL INFORMATION

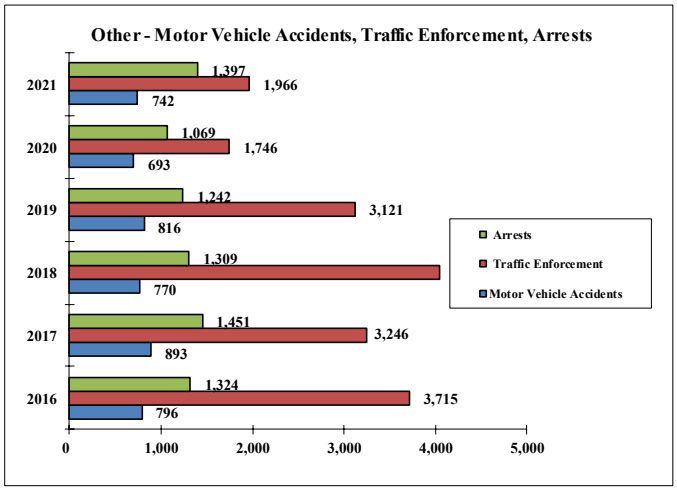
The Muscatine Police department currently includes forty-one (41) sworn officers, two (2) fulltime civilian positions, and one 29 hours per week civilian clerk position. The department is responsible for the protection of lives and property for all individuals within the City. The department currently consists of five (5) divisions: patrol, investigation, general administration, street crimes, and a canine unit. The patrol division operates on three (3) shifts. Following are charts of police incidents by type for the last six years:

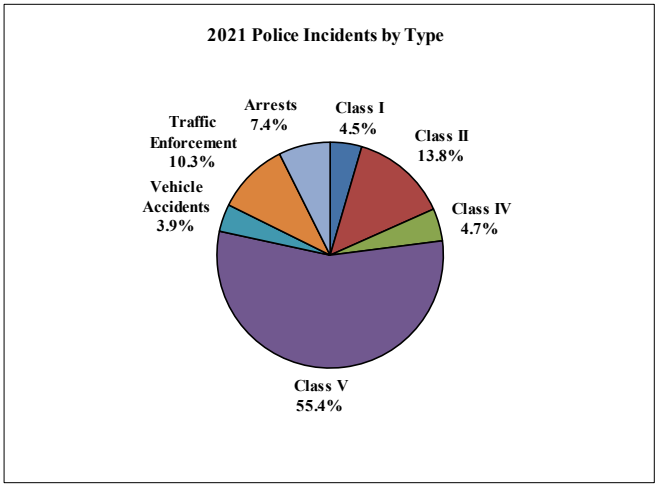












CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $5,100 more than the original budget. This overall increase is due to the net effect of the following: (1) personal services costs are projected to be $140,500 less than the original budget primarily due to vacancy savings and new employees starting at lower steps in the pay plan, (2) commodities are projected to be $15,000 more than the original budget primarily due to increased fuel costs, (3) contractual services are $68,600 more than the original budget primarily due to increased professional services, training costs for new officers, and repair and maintenance costs, and (4) capital outlay is $62,000 more than the original budget due to equipment purchases funded from grant funding ($38,800), the need to replace the canine unit ($20,000), and officer buy-backs of weapons and vests.

The 2022/2023 budget is $190,900 (3.6%) more than the original 2021/2022 budget. Personal services costs increased by $120,400, commodities remained the same, contractual services increased by $64,300, and capital outlay increased by $6,200. While there is minimal capital outlay in the Police operating budget, the Equipment Replacement fund includes $159,000 of funding for three new police patrol vehicles (Tahoes) and $35,000 for a new Drug Task Force vehicle. The increase in contractual services is due to a $65,000 allocation for consultant services that is 100% funded from a Justice Department Law Enforcement Mental Health Act grant. The grant totals $85,000 and $20,000 of the grant revenues and expenditures are included in the 2021/2022 revised estimate

The 2022/2023 budget continues to include expenditures which will be funded from various police grants. The HIDTA (High Intensity Drug Trafficking Area) grant is budgeted to continue in 2022/2023 with grant expenditures of $80,600; $26,000 of Governor's Highway Safety funds are budgeted to be expended; $10,700 of Domestic Violence grant funding is expected to be received and expended; and funding of $34,600 is estimated to be received for the City/County Drug Task Force. The budget continues funding for the two School Resource Officer positions with one at the high school and the other at the middle school. These positions are 75% ($160,800) funded by the school.

GOAL STATEMENT

The Muscatine Police Department will strive to be a model law enforcement agency, nationally accredited, viewed internally and externally as professional and enthusiastic, ensuring the highest possible public trust and security, in order that our citizens may go about their daily lives free from fear of harm or loss of property. We will operate the department with fiscal prudence, striving to employ our resources effectively and efficiently, promote community awareness and communication while providing the highest level of service and protection to all persons within our borders.

PERFORMANCE MEASURES

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
Police Calls for Service	20,806	19,472	18,019	19,408	20,000
Overtime Hours Worked	3,042	3,634	1,949	3,845	3,800
Traffic Enforcement	4,039	3,121	1,746	1,966	2,000
Arrests	1,390	1,242	1,069	1,397	1,300
Parking Tickets Issued	2,343	1,598	1,285	2,118	1,900
Uniform Crime Report Clearance Rate	45%	45%	54%	57%	55%
Investigations Assigned	221	184	190	253	210
Investigations Cleared	68%	71%	72%	85%	80%
Automatic Traffic Enforcement (ATE):					
Red Light Violation Citations	1,943	2,450	3,052	2,732	2,520
Speed on Green Violation Citations	5,979	7,541	9,681	7,943	7,665
ATE Violations – City Residents	2,882	3,229	3,686	3,508	3,300
ATE Violations – Non-Residents	5,040	6,762	9,047	7,167	6,900
Department Revenue – Fiscal Year Basis	$908,748 (FY18/19)	$1,107,738 (FY19/20)	$1,168,706 (FY20/21)	$1,170,000 (FY21/22)	$1,278,200 (FY22/23)

RECENT ACCOMPLISHMENTS

The Police department had a successful year with obtaining grants. The department was awarded an $85,000 mental health and awareness grant for first responders, which will help to educate and improve the quality of life for the City's first responders. Grant application and management duties are divided among different members of the department with members managing their own specific grants. The department was once again the successful recipient of the Bullet Proof Vest grant, which pays 50% of the cost for officers purchasing new vests.

Muscatine Special Operations Response Team (MSORT), Muscatine's multi-jurisdictional tactical team, was able to send fourteen (14) members to this year's National Tactical Operators conference held in Kansas City. This conference provides excellent training and networking opportunities that will serve these officers well throughout their careers. There were twelve (12) incidents in which MSORT was utilized this year, which resulted in the seizure of nine (9) firearms and over $20,000 in cash.

Community policing and problem-oriented policing are two concepts which are continually used in the department. The department actively seeks the public's assistance with policing efforts and seizes any opportunity to interact with the community. The department has been involved in numerous community events. Code Blue continues to be a huge success and fosters positive relations with the community. POP-CAN, which was the program that had officers working with individual housing complexes, is now evolving into the Iowa Crime Free Multi-Housing program. This program is designed to increase safety and reduce crime by working with the housing managers on property improvements, tenant education, and improved police relations.

The department still participates in the juvenile diversion program but no longer has an active role in the classes. This is due to the diversion class moving to an on-line format in 2020 due to the COVID-19 pandemic. A decision was made to keep classes on-line permanently. The program is designed to allow first time low-level offenders to avoid being introduced into the justice system, while working to change their behavior through redirection and education. It is essentially a onetime "do over" allowing juveniles to make that first critical mistake and learn from it rather than be punished for it.

The School Resource Officers (SROs) have been managing the new drug trailer, rolling it out for various events including county fairs. The inside of the trailer is set up to simulate a juvenile's bedroom. It is filled with drug propaganda and paraphernalia. Its purpose is to allow parents to walk through and gain an understanding of things to look for in their own home that may indicate their child is experimenting with drugs.

The patrol division is the backbone of the department and often the first form of contact that the public has with the department. It is patrol officers who perform the essential park and walk program, getting out of their cars for 30 minutes on every shift and making public contacts. There are several patrol officers that participated in "Book with a Badge," greeted the kids with glow necklaces on Halloween, participated in "Shop with a Cop," and support several other programs the department organizes. The department's Open House was held this year and was largely supported by patrol members.

The department continues to collaborate with local businesses on many projects. This collaboration helps make projects obtainable, while providing a huge service to the public. Code Blue, Coffee with a Cop, Shop with a Cop, and the Community Friendship BBQ are all examples of this year's business collaborations.

The department endorsed Project ABLE (Active Bystandership for Law Enforcement) in 2021, providing training for all department personnel. ABLE training is geared toward de-escalation and peer intervention. It uses scenario-based training to teach officers how to intervene when a situation is escalating out of control. It is designed to protect the community, while empowering officers to intervene with their peers.

The department continues to struggle with maintaining adequate staffing levels. Department turnover is created by a number of different factors, which causes a consistent loss of staff every year. In 2021 the department lost (5) officers in total. There were two (2) retirements, two (2) officers left to work for other agencies, and one (1) officer left the profession altogether.

There is a nine to ten month lag time between hiring replacement officers, training them, and having them operate solo to count towards staffing levels. So even though the department can technically be fully staffed, as it is now, the department is actually operating three (3) short, as the three new officers hired in November 2021 will be in training and won't count towards staffing levels until August of 2022. This situation gets compounded when there are officers who are injured and have to be on extended leave and/or light duty while they recover.

These staff shortages can create stress and morale issues for members of the agency. In 2021 several department members had to be temporarily reassigned to help supplement patrol. Access to time off gets restricted due to the staffing shortages and the amount of mandatory overtime increases. The department manages these issues the best it can and has not asked for an increase in officer staffing for several years.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To continue supporting existing positions that receive funding from outside sources: one Drug Task Force Officer funded by the Office of Drug Control Policy; one Drug Task Force Officer funded by the High Intensity Drug Trafficking Area (HIDTA) program; and two School Resource Officers, both being funded 75% by the school system. **(Strategic Plan – Safe Community)**

- To maintain problem and community-oriented policing strategies as a focal point for policing tactics, while continuing to build community relations through trust and respect. This is to be accomplished and measured by programs participated in and implemented in the 2022 calendar year. **(Strategic Plan – Safe Community)**

- To continue efforts to recruit and maintain a diversified workforce, while hiring the most qualified candidates. The department's current work force is considered to be 20% diversified. Maintaining this level of diversity has become a continual challenge as the applicant pool continues to shrink when looking to fill vacancies in the department.

- To maintain a highly effective Investigative unit which includes the Major Crimes Unit (MCU), Street Crimes Unit, and Muscatine County Drug Task Force officers. The investigative unit had a very high clearance rate in 2021. The goal is to maintain that performance throughout 2022. The department is implementing a rotation of assignments within the MCU starting July 2022 The challenge will be bringing someone new into the unit, while losing a more experienced investigator, yet maintaining the unit's current clearance rate. **(Strategic Plan – Safe Community)**

- To pursue grants and other outside funding opportunities that are compatible with department goals and objectives as well as the needs of the community. The department had good success in obtaining grant funding during 2021. The goal will be to seek out a similar number of grant awards for 2022 that will align with both City and department objectives and help to further advance the quality of life and safety within the community. **(Strategic Plan – Safe Community)**

- To keep the new Police Range project moving forward by getting the lead mitigation completed at the department's old range site, identifying a suitable location for a new range, completing site procurement, and determining how the new range will be laid out at the new location.

Function:
Public Safety

Department:
Police

Activity:

Police Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 4,383,570	$ 4,630,436	$ 4,914,500	$ 4,774,000	$ 5,034,900	2.45%
Commodities	138,662	126,779	158,400	173,400	158,400	0.00%
Contractual Services	302,056	292,963	295,600	364,200	359,900	21.75%
Capital Outlay	271,363	32,752	7,800	69,800	14,000	79.49%
Transfers	-	-	-	-	-	
Total Expenditures	$ 5,095,651	$ 5,082,930	$ 5,376,300	$ 5,381,400	$ 5,567,200	3.55%
Funding Sources						
Grants	$ 285,945	$ 313,959	$ 322,600	$ 373,600	$ 395,700	22.66%
Parking Violations	16,120	23,710	21,000	21,000	21,000	0.00%
Court Fines	135,565	132,337	150,000	150,000	15,000	-90.00%
Automated Traffic Enforcement Fines	479,861	565,265	550,000	480,000	550,000	0.00%
Fruitland Agreement	53,276	54,608	56,100	56,100	57,700	2.85%
Alarm System Charges	1,900	3,000	3,700	3,700	3,700	0.00%
Utility Franchise Fees	220,327	228,156	225,000	175,000	135,000	-40.00%
General Revenues	3,902,657	3,761,895	4,047,900	4,122,000	4,389,100	8.43%
Total Funding Sources	$ 5,095,651	$ 5,082,930	$ 5,376,300	$ 5,381,400	$ 5,567,200	3.55%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Chief	1.00	1.00	1.00	1.00	1.00	
Assistant Chief	1.00	1.00	1.00	1.00	1.00	
Captain	1.00	1.00	1.00	1.00	1.00	
Lieutenant	4.00	4.00	4.00	4.00	4.00	
Sergeant	4.00	4.00	4.00	4.00	4.00	
Corporal	6.00	6.00	6.00	6.00	6.00	
Patrol Officer	24.00	24.00	24.00	24.00	24.00	
Office Coordinator	1.00	1.00	1.00	1.00	1.00	
Clerk	1.00	1.00	1.00	1.00	1.00	
Total Full Time	43.00	43.00	43.00	43.00	43.00	
Part Time Position:						
Clerk	0.73	0.73	0.73	0.73	0.73	
Total	43.73	43.73	43.73	43.73	43.73	$ 3,177,900
Employee Benefits						1,857,000
Total Personal Services						$ 5,034,900

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Body Cameras	8	Yes	$ 14,000

Additional Capital Outlay - Equipment Replacement Fund			
Item	***Quantity***	***Replacement***	***Amount***
Police Patrol Vehicles (Tahoes)	3	Yes	$ 159,000
Drug Task Force Vehicle	1	Yes	35,000
			$ 194,000

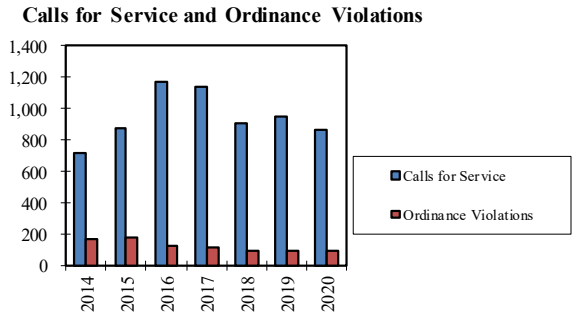
Function:	*Department:*
Public Safety	**Police**

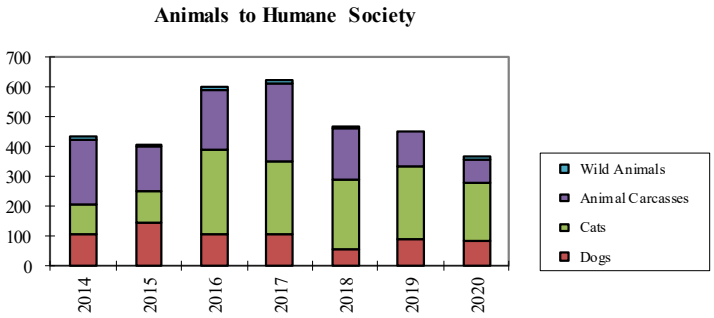
Activity:

Animal Control

GENERAL INFORMATION

The Animal Control activity is under the supervision of the Police department. This budget finances the activities involved in policing the City's Animal Control Ordinance as specified in the City Code. This Ordinance includes regulations to control dangerous and exotic animals and any other animals which are housed by citizens. The Muscatine Humane Society provides shelter facilities for animals picked up by the City.





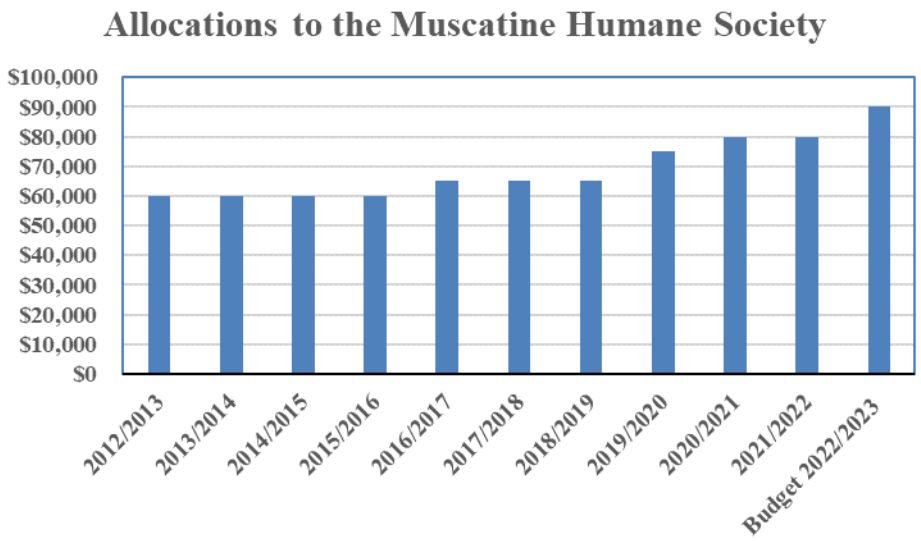
CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $18,000 less than the original budget due to a reduction in personal services costs. A new Animal Control Officer (ACO) was hired in mid-December of 2021 at a lower step in the pay plan and the new ACO waived health insurance coverage

The 2022/2023 budget is $10,200 (6.2%) less than the original 2021/2022 budget primarily due to a decrease in personal services costs. This decrease is again due to the new ACO waiving health insurance coverage.

This budget continues to include an allocation to the Muscatine Humane Society for housing animals picked up by the Animal Control Officer. The allocation for the current 2021/2022 fiscal year is $80,000. The Humane Society requested their allocation be increased to $90,000 for 2022/2023 and that increase was included in the final 2022/2023 budget. That increase was requested by the Humane Society to provide funding for the Humane Society to begin replacing animal kennels.

Following is a history of the City’s allocations to the Muscatine Humane Society:



GOAL STATEMENT

To protect individuals and property against activities and transgressions of animals through the enforcement of the Animal Control Ordinance by establishing a uniform and effective City-wide animal control program which results in an increase of voluntary compliance by citizens as well as a decrease in the number of animal complaints received by the department.

PERFORMANCE MEASURES

	Actual 2018	**Actual 2019**	**Actual 2020**	**Actual 2021**	**Estimated 2022**
Calls for Service	906	941	860	817	750
Ordinance Violations	93	95	100	90	90
Bite Cases	68	72	80	86	75
Animals taken to Humane Society:					
Dogs	59	90	83	65	70
Cats	233	243	204	228	200
Animal Carcasses	168	119	83	40	30
Wild Animals	5	0	0	0	0
County Calls for Service	0	1	1	2	1
Fruitland Calls for Service	12	11	11	13	10
Animal Control Revenue – Fiscal Year Basis	$2,160 (FY 18/19)	$1,860 (FY 19/20)	$2,595 (FY 20/21)	$2,500 (FY21/22)	$2,500 (FY22/23)

RECENT ACCOMPLISHMENTS

There were 817 calls for animal control service in 2021, which resulted in 90 violation notices being issued. The city of Fruitland accounted for an additional 13 calls for service and the Animal Control Officer (ACO) assisted the county with 2 calls. There were 228 cats and 65 dogs taken to the Humane Society. There was a decline in animal carcasses transported to 40 in 2021 resulting in a total of 333 transports in 2021.

In November 2021 the previous ACO resigned. Prior to her departure, she (1) maintained a presence on social media through the Muscatine Animal Control Facebook page, (2) did a great deal of citizen interaction through social media including posting notices about events and lost or recovered pets, and (3) responded to citizen questions and helped them work through problems related to animals.

With the hiring of the new ACO, plans are being made in cooperation with the Muscatine Humane Society, to again offer the "Chip Your Pet" program. An emphasis is being made to have more members of the pet-owning community have their pets microchipped. The intent is to have the new ACO have the ability to identify and reunite pets with their owners at reduced costs to the City or Humane Society.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To complete Level 1 and Level 2 National Animal Care & Control Association (NACA) Training.
- To provide on-line training for the new Animal Control Officer
- To continue to meet or exceed the amount of enforcement actions taken within the city in 2021 by being proactive in enforcement efforts and sensitive to citizen's complaints.
- To continue to maintain positive working relationships with those agencies in which the Animal Control Officer interacts.
- To continue to look for opportunities for public interaction in a non-enforcement setting where pet education and/or services are offered to the public; this will include organizing a "Chip Your Pet" day.
- Explore new opportunities to have pet licensing more attainable with the intent of gaining higher compliance ratings.
- To evaluate current animal citation payment methods to allow for on-line payments.
- To re-evaluate the current fine structure for scheduled violations and administrative costs.
- To assist with updating Title 6, Chapter 8 - Animal Regulations, of the City Code.
- To implement any adopted changes to the City Code.

Function:
Public Safety

Department:
Police

Activity:
Animal Control

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 71,535	$ 74,221	$ 77,700	$ 59,700	$ 57,100	-26.51%
Commodities	2,105	1,919	3,500	3,500	3,500	0.00%
Contractual Services	78,640	81,089	84,000	84,000	94,000	11.90%
Capital Outlay	-	-	-	-	400	
Transfers	-	-	-	-	-	
Total Expenditures	$ 152,280	$ 157,229	$ 165,200	$ 147,200	$ 155,000	-6.17%
Funding Sources						
Animal Enforcement Fines	$ 1,860	$ 2,595	$ 2,500	$ 2,500	$ 2,500	0.00%
General Revenues	150,420	154,634	162,700	144,700	152,500	-6.27%
Total Funding Sources	$ 152,280	$ 157,229	$ 165,200	$ 147,200	$ 155,000	-6.17%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position:						
Animal Control Officer	1.00	1.00	1.00	1.00	1.00	$ 47,300
Employee Benefits						9,800
Total Personal Services						$ 57,100

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Pet Chip Reader	1	No	$ 400

Function:
Public Safety

Department:
Fire

Activity:

Fire Operations

GENERAL INFORMATION

The Fire department is staffed with full time personnel and provides fire protection for the City of Muscatine as well as fire protection for adjacent areas through mutual aid agreements. The primary functions of the department include fire suppression, fire prevention through public education and code enforcement, training of firefighters in the areas of advanced fire suppression and prevention techniques, and emergency medical assistance.

Following an independent analysis of the community's Emergency Medical Services (EMS) system, the City began full EMS delivery on July 1, 2000. As a result of that action, the City has successfully implemented a comprehensive EMS response capability and at the same time continues to respond to a wide variety of fire and emergency requests.

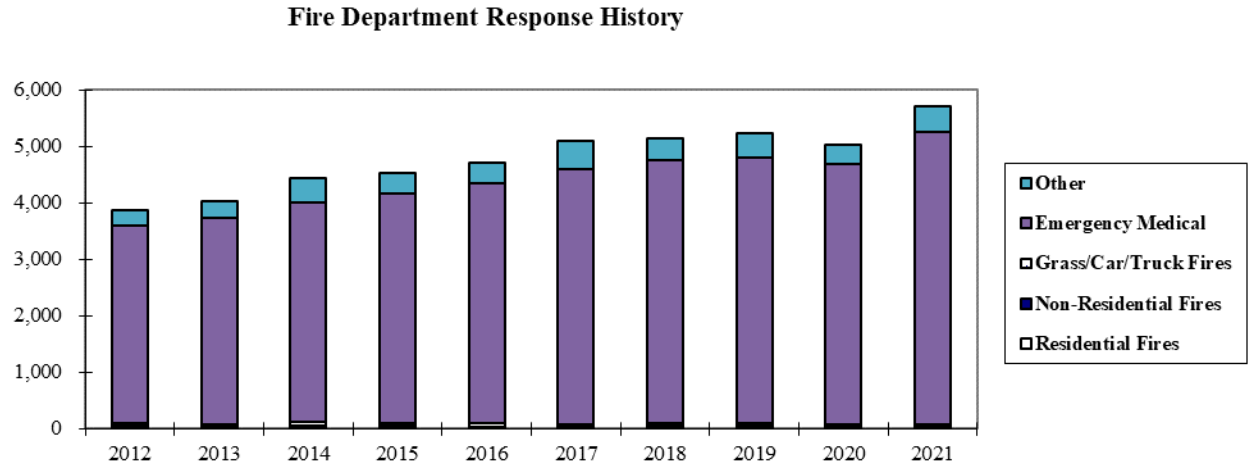
The Fire department continues to participate in a number of "28E" agreements that promote cooperative response activities with surrounding communities and counties. Fire suppression, rescue, and hazardous material responses are examples of these collaborative activities.

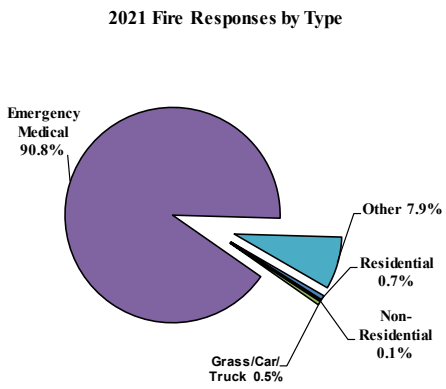
The ambulance service is accounted for in a separate ambulance operations budget included in the enterprise funds section of this budget.

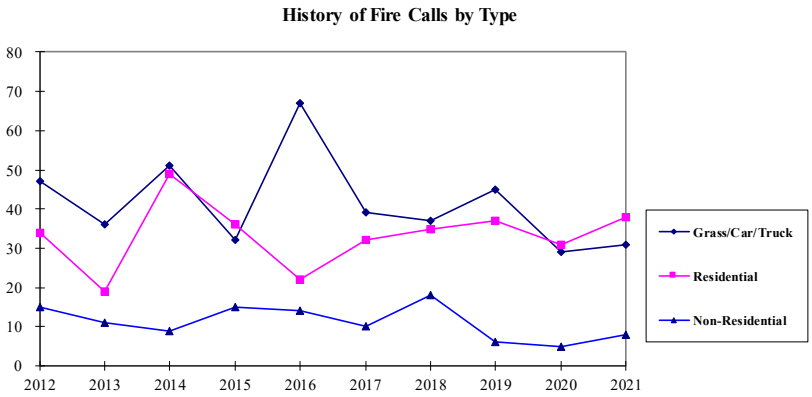
Following are charts and graphs showing fire department responses over the last ten years.

Fire Department Responses

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percent of Total
Residential Fires	34	19	49	36	22	32	35	37	31	38	0.67%
Non-Residential Fires	15	11	9	15	14	10	18	6	5	8	0.14%
Grass/Car/Truck Fires	47	36	51	32	67	39	37	45	29	31	0.54%
Emergency Medical	3,487	3,674	3,897	4,079	4,239	4,510	4,653	4,710	4,625	5,182	90.77%
Other	281	282	427	364	364	509	393	440	344	450	7.88%
Totals	3,864	4,022	4,433	4,526	4,706	5,100	5,136	5,238	5,034	5,709	100.00%







CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is over the original budget in total by $141,900. This overall increase is due to (1) an increase of $113,500 in personal services costs primarily due to increased overtime, (2) a $12,900 increase in commodities primarily for increased fuel and supply costs, (3) a $3,600 increase in contractual services primarily due to annual maintenance costs for training software, and (4) an $11,900 increase in capital outlay. Overtime costs are $142,500 more than the original budget due to overtime to cover vacancies and overtime now mandated for shift supervisors. A portion of the increase in overtime has been offset by vacancy savings. The revised estimate restored funding for the three new firefighters that were added in the original 2020/2021 budget but were deferred for hiring due to revenue shortfalls in the General Fund due to the COVID-19 pandemic. The increase in capital outlay will be funded from the balance of the Assistance to Firefighters Grant used in 2020/2021 to replace the Self-Contained Breathing Apparatuses (SCBAs).

The 2022/2023 Fire department budget is $232,900 (4.4%) higher than the 2021/2022 budget. This increase includes: (1) personal services costs increased by $257,600 (5.2%) compared to the original 2021/2022 budget; the 2022/2023 budget includes funding for the previously deferred firefighters for the full fiscal year

and a $30,000 increase in overtime; (2) commodities increased by $8,500 which includes increased fuel and supply costs, (3) contractual services increased by $3,400, and (4) capital outlay decreased by $36,600.

The 2022/2023 budget continues to include a transfer from the Ambulance Fund to the Fire department budget to fund an allocation of the fire positions used in providing ambulance services. The original 2021/2022 budget included a funding transfer of $1,485,600, which was 30.2% of the personal services costs in the original budget. The funding transfer from the Ambulance Fund in the 2022/2023 budget is $1,578,200, which is 30.5% of the Fire department personal services costs budgeted for 2022/2023. As approximately 90% of Fire department calls are medical, this percentage allocation is appropriate and at the same time maintains an adequate balance in the Ambulance fund.

GOAL STATEMENT

To provide a combination of services directed toward the prevention of, preparation for, and response to occurrences of every magnitude that represent threats to the health, welfare, or prosperity of the citizens, visitors, and properties in and around the City of Muscatine.

PERFORMANCE MEASURES

	Actual 2018	**Actual 2019**	**Actual 2020**	**Actual 2021**	**Estimated 2022**
All Calls for Services	5,027	5,238	5,034	5,709	5,900
Fire Training Hours	3,871	3,812	5,490	6,846	5,900
False Alarms	169	151	129	176	140
Fire Education Presentation Staff Hours	118	250	97	56	250
Number of Residents Attending Public Education Programs	1,933	2,180	199 *	300 *	2,000
Fire Inspections - Total	568	514	433	506	560
Inspections - Initial	298	268	213	265	290
Re-inspections	250	246	220	241	270
Burn Permits Issued	989	1,122	1,238	1,067	1,200
Outdoor Fireplace Permits	930	1,051	1,175	1,006	1,140
Open and Other Burning Permit	48	62	63	61	60
Fireworks Operational Permits Issued	12	10	12	10	10
Fireworks Permit Fees Collected	$4,600	$2,200	$2,400	$2,000	$2,000

*The reduction in attendance in 2020 and 2021 was due to the COVID-19 pandemic.

RECENT ACCOMPLISHMENTS

- Hosted and instructed State certification training and testing for Fire Inspector I certification at the IFSAC/ProBoard standard. This was done in-house and done at no cost.
- Hosted an Advanced HazMat IQ class to improve preparedness for chemical emergencies.
- Held four probationary academies for seven new hires, including over 1,250 hours of recruit training.

- Held two entry-level firefighter application/assessment processes to maintain a current Civil Service list for new hires; held a promotional assessment which lead to the promotion of two members into positions vacated by retirements.

- Updated various equipment from self-contained breathing apparatuses to in-vehicle computers, utilizing grants and funds outside of City sources.

- Continued utilizing a nationally recognized and utilized Wellness/Fitness Initiative to ensure staff are in good health and able to meet or exceed required physical demands; results indicate improvement in seven of the ten fitness categories, including a 3.8% improvement in the key cardiovascular fitness category.

- Witnessed a drop in COVID interactions, down from 590 in 2020 to 175 in 2021.

- Supported the annual Iowa EMS Association conference with members serving as event planning staff and an Honor Guard contingent to assist with the Honoring Our Own memorial ceremony.

- Coordinated and implemented the annual Public Safety Open House, including a live burn demonstration to illustrate kitchen fires, a rope rescue demonstration, and many other educational "stations".

- Saw an increase in run volume of 12.7% from 2020 and 3.9% over the 5-year average; volume has increased by about 975 calls or 20.6% from 5 years ago.

- Saw a 15.4% increase in building fires and 3.5% decrease in all fires as compared to 2020; based on a 5-year average saw an increase of 10.1% in building fires and a decrease of 9.9% in all fires; the trend since 2011 shows an increasing percentage of all fires are building fires.

- Fire permits issued decreased by 9.6% from 2020 and were 4.0% below the 5-year average; new procedures are being implemented in January of 2022 that will enhance the public safety messaging.

- Continued to develop a peer support program to provide additional support to staff members. The group has been utilized to assist members and consists of specially trained fire staff, local fire chaplains, and a therapy K9.

- Worked with the dispatch agency, MUSCOM, to further implement Emergency Medical Dispatching; this includes assisting with quality assurance and helping to adjust the program parameters to implement ongoing improvements for our citizens.

- Provided over 40 out-of-department training opportunities to staff, covering topics from billing to hazardous materials response; this includes 10 grant-funded training events.
  #

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- The Fire department will complete a review of the department's fire prevention efforts prior to the end of the fiscal year. The focus will be on partnerships with educational institutions. This will include a review of preschool station tours, elementary school on-site visits, as well as a discussion

with elementary, middle school, and high school staff to determine potential opportunities, and discussions with community groups to improve educational outreach. The department will reach out to MCSA, Senior Resources, LULAC, and any others who may be able to provide a conduit for communications.

- Community outreach is a key element to reducing unsafe behavior. During the fiscal year the Fire department will develop and plan a rollout of an Explorer program. This group is targeted at 14-21 year-olds who have an interest in firefighting or EMS. The Explorer plan of action will include who will staff the leadership positions, how we will market the program, and a list of meeting topics and activities. We will also develop an action plan to provide a day of instruction for youth, focusing on first aid and fire safety. The instructional day will be focused on younger participants and be coordinated with local youth groups, and will be offered in the fall of 2022.

- A plan to review and assess the resource and program requirements for fire and EMS accreditation will be made and executed prior to June 1, 2023. The Center for Public Safety Excellence has been the accrediting agency for fire departments and the Commission on Accreditation of Ambulance Services is the accreditation body for ambulance services. Both of the accreditation documents will be utilized in this review. It is time to gain an understanding of what resources, time, and staff assets are required for the Department to go through the accreditation processes. From that assessment we will be able to quantify the cost and explain the benefits so that an informed decision can be made on what the accreditation goals should be for the department.

Function:
Public Safety

Department:
Fire

Activity:

Fire Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 4,263,408	$ 4,584,667	$ 4,925,800	$ 5,039,300	$ 5,183,400	5.23%
Commodities	118,731	100,388	111,800	124,700	120,300	7.60%
Contractual Services	155,014	228,452	175,800	179,400	179,200	1.93%
Capital Outlay	34,809	285,705	49,000	60,900	12,400	-74.69%
Transfers	-	-	-	-	-	
Total Expenditures	$ 4,571,962	$ 5,199,212	$ 5,262,400	$ 5,404,300	$ 5,495,300	4.43%
Funding Sources						
Fire Protection Contracts and Hazmat Agreements	$ 47,083	$ 48,856	$ 47,600	$ 49,100	$ 49,100	3.15%
Ambulance Staff Funding Transfer	1,079,400	1,205,200	1,253,000	1,253,000	1,345,600	7.39%
Additional Ambulance Funding Transfer (GEMT) *	116,300	232,600	232,600	232,600	232,600	0.00%
Confined Space Fees	39,275	39,275	36,000	36,000	36,000	0.00%
Fire Inspection Fees & Permits	21,188	23,887	20,000	12,500	20,000	0.00%
Other Fees	1,250	1,426	2,500	2,500	2,500	0.00%
Donations	1,050	1,103	-	-	-	
Federal Grant	-	343,104	-	17,800	-	
Other Reimbursements	7,345	1,465	3,500	6,000	3,500	0.00%
Utility Franchise Fees	220,327	228,156	225,000	175,000	135,000	-40.00%
Transfer from Aerial Project	-	22,793	-	-	-	
General Revenues	3,038,744	3,051,347	3,442,200	3,619,800	3,671,000	6.65%
Total Funding Sources	$ 4,571,962	$ 5,199,212	$ 5,262,400	$ 5,404,300	$ 5,495,300	4.43%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Chief	1.00	1.00	1.00	1.00	1.00	
Assistant Chief	1.00	1.00	1.00	1.00	1.00	
Battalion Chief	3.00	3.00	3.00	3.00	3.00	
Captain	3.00	3.00	3.00	3.00	3.00	
Lieutenant	3.00	3.00	3.00	3.00	3.00	
Mechanic	2.00	2.00	2.00	2.00	2.00	
Firefighter	29.50 *	31.25 **	32.00	34.00 **	34.00	
Total Full Time	42.50	44.25	45.00	47.00	47.00	
Part Time Position:						
Office Coordinator	0.50	0.50	0.50	0.50	0.50	
Total	43.00	44.75	45.50	47.50	47.50	$ 3,196,800
Employee Benefits						1,986,600
Total Personal Services						$ 5,183,400

* Three new Firefighter positions were added January 1, 2020. This addition was subject to receipt of additional ambulance funding from GEMT (Ground Emergency Medical Transportation) funds which increased the reimbursements for Medicaid patients.

** An additional three Firefighter positions were added in the original 2020/2021 budget due to the continued high number of ambulance runs including inter-facility transfers. Hiring of the new positions was deferred due to General Fund revenue shortfalls due to the COVID-19 pandemic. One of these positions was filled effective April 1, 2021, and the other two positions were filled in 2021/2022.

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Forcible Entry Training Prop	1	No	$ 3,500
Fire Hose Roll N Rack System	1	No	8,900
			$ 12,400

Function:	*Department:*
Culture and Recreation	**Library**

Activity:

Library Operations

GENERAL INFORMATION

The Musser Public Library provides the following services to help community residents meet their informational, recreational, educational, and professional needs:

- Circulating collections of current high-demand, high-interest materials in a variety of formats.
- Collections representing a broad spectrum of knowledge on a variety of subjects and in a variety of formats.
- Reference services providing timely and accurate information in a variety of formats with access from diverse locations.
- Programs and services for all ages that encourage reading, learning, and cultural enrichment.
- Public computers and a wireless network to provide access to technology, information, and entertainment.

The materials and services include but are not limited to books, eBooks, audiobooks, large print books, magazines, eMagazines, CDs, eMusic, DVDs, video games, computers, Internet access (Wi-Fi), meeting rooms, audio-visual equipment, photocopier, recorded books on CDs, tax forms and publications, genealogical and local history material, telephone and city directories, information service, home delivery service, children and adult programming, newspapers, maps, RiverShare (consortium) inter-library loan of materials, technology classes, and census data.

Musser Public Library is currently part of RiverShare, an 8-member Quad City area library consortium that shares a catalog. Patrons may request to borrow material from any of the 8 libraries. Items are exchanged through a daily van delivery.

The Friends of the Library provide financial and volunteer support for the Library's operation.

Muscatine County provides a subsidy to the City that allows County residents to use the Library without an additional fee. The amount approved by the County for 2021/2022 is $122,732. An additional $3,365 was received from the contract with the City of Fruitland in 2021/2022. The Library has negotiated similar agreements with townships in Illinois including New Boston, Eliza, Drury, and Buffalo Prairie, which generated $11,842 in revenues. The Library budget for 2022/2023 reflects continuing these agreements with estimated revenues totaling $142,100.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $38,100 higher than the original budget. Personal services are $32,200 higher than the original budget primarily due to employee retirement payouts. Contractual services are $5,900 more than the original budget. The Library is allocated a set amount of funds by the City on an annual basis. The Library Board of Trustees can determine how these funds are expended.

Beginning in fiscal year 2010/2011 a separate Library Computer Replacement Fund was established in which the Library can set aside funds for future computer purchases. Any funds remaining in the Library's operating budget at the end of a fiscal year may be set aside in this fund. The Library may also designate other funding sources (donations or bequests) to be used for computer-related purchases.

The Library budget for 2022/2023 is $1,238,700 which is $34,000 (2.8%) more than the original 2021/2022 budget. This increase is due to (1) a $24,600 increase in personal services, (2) a $3,100 increase in commodities, (3) a $13,600 increase is contractual services, and (4) a $7,300 decrease in capital outlay.

GOAL STATEMENTS

- Fuel Muscatine's Passion for Reading, Personal Growth, and Learning
  - Build the community of Muscatine around services and materials
  - Provide materials and programs to stimulate the intellectual growth and educational potential of Muscatine's youth, while simultaneously supporting pleasure reading and recreational needs

- Expand Muscatine's Access to Information, Ideas, and Local History
  - Develop relevant and quality materials collections to meet the community's evolving needs and expectations

- Build Community Partnerships to Make a Difference in People's Lives
  - Develop sustainable relationships with City and County departments and community groups to benefit Muscatine residents

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
LIBRARY PATRONS	21,860	21,387	19,887	19,500	19,500
CIRCULATION:					
Adult Books	52,556	38,721	39,670	35,000	39,500
Young Adult	3,575	2,493	2,721	2,200	2,200
Juvenile Books	54,436	42,004	48,222	40,000	42,000
Magazines	3,512	2,392	1,904	1,500	2,000
DVDs	58,595	44,513	34,805	31,000	32,000
Audio	13,003	7,428	6,662	6,400	6,600
Video Games	2,571	1,473	1,057	1,000	1,500
Other	495	700	558	400	400
Internet	14,332	10,776	5,687	5,000	5,000
WiFi Usage	51,751	72,674	64,693	70,000	72,000
Databases	201,144	204,741	157,676	150,000	155,000
E Audio	3,388	5,205	5,137	5,000	5,500
E Book	11,762	13,542	10,409	10,500	10,500
E Magazines	10,549	11,750	7,978	10,000	10,500

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
E Music	18,223	13,736	13,679	14,000	15,000
TOTAL	499,892	472,148	400,858	382,000	399,700
PROGRAMMING:					
Juvenile Programs	427	273 in-person; 93 virtual	16 in-person; 233 virtual	290	300
Juvenile Audience	18,448	8,775 in-person; 3,208 virtual	294 in-person 2,481 virtual	9,400	10,000
Young Adult Programs	31	13	2	20	20
Young Adults Audience	1,769	158	28	290	300
Adult Programs	32	18	22	25	30
Adult Audience	654	538	90	150	250
Technology Classes	13	7	12	15	15
Tech Audience	13	7	12	15	15
OTHER MEASURES:					
Facebook Likes	5,489	5,681	5,734	5,750	7,000
Website Visits	35,000	58,422	92,053	95,000	100,000
Rivershare Holds	36,378	32,182	42,597	42,000	50,000
Inter-Library Loans	876	693	675	500	600
Homebound Visits	460	296	508	500	600
Homebound Circulation	5,912	3,221	2,373	2,000	2,100
Reference Questions	2,177	2,455	2,232	2,500	2,600
Building Usage	179,484	140,692	82,224	75,000	80,000
Meeting Room Usage	9,763	9,215	2,293	6,000	7,000

RECENT ACCOMPLISHMENTS

- The COVID-19 pandemic continued to play a role in impacting the Library's ability to offer traditional services in 2021, although to a lesser extent than in 2020.
- The Library resumed normal hours in 2021 and reopened all meeting rooms to the public. The Library continues to be one of the few locations in the City and surrounding bi-state area that offer private meeting room space to the public. Capacity limits were lifted and normal services were restored in line with pre-pandemic offerings.
- In-person programming resumed across age groups while at the same time online programming increased through the continued build out of Channel 5. Channel 5 has continued to grow by leaps and bounds and now has hundreds of hours of on-demand programming available as well as live programming available nearly around the clock.
- Based on continued demand, Curbside Delivery was permanently implemented for patrons who are unable to physically come into the Library building.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To develop a new long-term Strategic Plan as part of the Library accreditation process with the State Library of Iowa. (**Strategic Plan – Excellent Customer Service)**

- Over three years, to develop and implement a LEAN Daily Management System to improve communication and customer service on a tight budget and in a rapidly changing environment. (**Strategic Plan – Excellent Customer Service)**

- To incorporate LEAN/Value Stream Mapping to refine and improve existing services across the entire spectrum of library offerings. Identify LEAN partners to assist in this process. (**Strategic Plan – Excellent Customer Service)**

- Utilizing a new piece of software (LibraryIQ), analyze the library materials collection and determine the most efficient and cost-effective purchasing process for items. (**Strategic Plan – Excellent Customer Service)**

- To develop a branded brochure to share with new patrons and the broader community, showcasing the Library's services, especially new technologies and amenities (room reservations, tablets, etc.). (**Strategic Plan – Excellent Customer Service)**

- To add some materials in French for the growing number of French-speaking African immigrants. (**Strategic Plan – Excellent Customer Service)**

- To continue local cable Channel 5 production to develop and produce programs to broadcast to the public and that are in the public interest with regard to Library services.

- To broadcast programming for the community via Channel 5 and provide informational, cultural, educational, and entertainment services to the community through that same channel. (**Strategic Plan – Excellent Customer Service)**

- To continue to locate additional sources for LENA (Learning Environment Analysis) funding. (**Strategic Plan – Excellent Customer Service)**

- To continue to expand programming across age groups, including Children, Teens, and Adults. (**Strategic Plan – Excellent Customer Service)**

- Inform the public about the Channel 5 app and ease of accessibility through brochures and patron education at the Service Desk as well as through various media channels and publications. (**Strategic Plan – Excellent Customer Service)**

- Coordinate promotion of ongoing Channel 5 productions through weekly review of goals and results. (**Strategic Plan – Excellent Customer Service)**

- Conduct daily maintenance, continual fresh programming and community-focused production through the ongoing addition of new material uploading to Channel 5 for on-demand viewing. (**Strategic Plan – Excellent Customer Service)**

- Complete installation of the EV (Electric Vehicle) charging station in conjunction with Muscatine Power & Water (MP&W) in the east Library parking lot. The first hour of charging will be free each day with the remaining rate set by MPW. (**Strategic Plan – Healthy Community)**

Function:
Culture and Recreation

Department:
Library

Activity:
Library Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 835,191	$ 842,394	$ 949,000	$ 981,200	$ 973,600	2.59%
Commodities	4,253	11,121	10,400	10,400	13,500	29.81%
Contractual Services	121,492	136,806	128,000	133,900	141,600	10.63%
Capital Outlay	153,783	94,746	117,300	117,300	110,000	-6.22%
Transfers	25,881	32,593	-	-	-	
Total Expenditures	$ 1,140,600	$ 1,117,660	$ 1,204,700	$ 1,242,800	$ 1,238,700	2.82%
Funding Sources						
Library Revenues	$ 18,954	$ 19,651	$ 18,400	$ 17,900	$ 18,300	-0.54%
County Contributions	123,512	123,592	124,000	126,100	129,900	4.76%
Hotel/Motel Tax	99,647	93,612	75,000	91,250	93,750	25.00%
General Revenues	898,487	880,805	987,300	1,007,550	996,750	0.96%
Total Funding Sources	$ 1,140,600	$ 1,117,660	$ 1,204,700	$ 1,242,800	$ 1,238,700	2.82%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Library Director	1.00	1.00	1.00	1.00	1.00	
Assistant Director	1.00	1.00	1.00	1.00	1.00	
Librarian	2.00	2.00	2.00	2.00	2.00	
Library Assistant	3.00	4.00	4.00	4.00	4.00	
Total Full Time	7.00	8.00	8.00	8.00	8.00	
Part Time Positions:						
Library Technician	1.54	1.80	1.95	1.80	1.80	
Library Assistant	2.83	1.81	1.94	1.99	2.00	
Library Shelvers	0.82	0.81	0.78	0.58	0.60	
Other Technicians	0.45	0.04	0.25	0.00	0.00	
Security Guard	0.22	-	0.00	0.00	0.00	
Other Assistant	0.35	0.33	0.75	0.67	0.75	
Total Part Time	6.22	4.79	5.66	5.04	5.16	
Total	13.22	12.79	13.66	13.04	13.16	$ 735,500
Employee Benefits						238,100
Total Personal Services						$ 973,600

Capital Outlay

Item	***Amount***
Library Books, Videos, Serials, Database Subscriptions, etc.	$ 110,000

Function:	*Department:*
Culture and Recreation	**City Administrator**

Activity:

Cable Television Operations

GENERAL INFORMATION

In July 1979 the City Council awarded a 15-year cable television franchise to ATC and Muscatine Cablevision Corporation. In 1984 the City approved the transfer of the franchise from ATC and Muscatine Cablevision to Heritage Cablevision. This franchise was later transferred to TCI, then AT&T and then Mediacom. The original franchise required a franchise fee to be paid to the City of Muscatine in the amount of 3% of its annual gross receipts. The original franchise agreement expired in 1994 and it was renewed for another 15 years on September 7, 1994. The new agreement provided for an increase in the franchise fee paid to the City to 5% of the annual gross receipts. In addition, Muscatine Power & Water (MP&W) began offering cable television services in 1999. MP&W also pays a cable franchise fee to the City. In December 2002, MP&W purchased the local Mediacom operation and became the sole cable provider in the City. Under the current arrangement with Muscatine Power & Water, the City receives approximately $132,000 in cable franchise fees annually.

A portion of the funds received from the franchise fee has been utilized to purchase equipment and develop governmental programs to be aired on the government information access channel. The City's cablecasting is provided through a contract with Muscatine Community College's (MCC's) audio-visual department. As part of this contract, regular City Council meetings and other special programs have been broadcast which have informed citizens of available municipal services. Cable broadcast services are also provided by the community college for the Muscatine Community School District and Muscatine County.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is the same as the original budget.

The 2022/2023 budget is $20,600, which is $4,400 (17.6%) less than the 2021/2022 budget. This overall decrease is due to not having a capital outlay allocation in 2022/2023 (a $5,000 reduction). This decrease has been partially offset by a $600 increase in the contract with Muscatine Community College (MCC) for cable broadcasting services. The contract with MCC is budgeted to increase from $19,100 to $19,700 for the upcoming year. The budget also includes $400 for the City's portion of the Government Access Channel program listing on the cable channel guide, and $500 for any repairs that may be needed to the broadcasting equipment in the City Hall Council Chambers.

GOAL STATEMENT

To inform and educate the community about the operation of and services provided by their City government and to offer programs of appeal to specific audiences presently not served by broadcast television.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Cable Franchise Fees	$158,717	$143,166	$132,287	$132,000	$132,000
City Council Meetings Broadcast	35	35	35	35	35
Joint Meeting Broadcast	0	0	2	3	3
State of the City Address Broadcast	0	0	1	1	1
Budget Review Sessions Broadcast	0	0	8	8	8

Local Access Channels Provided by Muscatine Power & Water

Civic-TV (MPW Cable Channel 2) - public access to meetings (i.e., Muscatine City Council, Muscatine School Board, Muscatine County Board of Supervisors).

MPL 5 (MPW Cable Channel 5) - Educational and informative content from Musser Public Library.

Public Access (MPW Cable Channel 9) - Forum for ideas, information, and creative expression originating at the grass roots level. This channel also posts reruns of City Council meetings and is a potential access point for the new Mayor's Show.

RECENT ACCOMPLISHMENTS

Muscatine Community College (MCC) provided significant support to the City Council to continue to offer hybrid meetings (a combination of in-person and virtual meetings) in order to maintain open public meetings as the impacts from the COVID-19 pandemic continue. This support has been critical to supporting transparency and to maintain compliance with open meetings laws.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To continue providing cable television access to Muscatine's residents through Muscatine Power & Water.

- To continue providing Muscatine with public access channels that showcase the many and varied activities and interests in Muscatine.

- To continue finding new ways to bring information and programming to the residents of Muscatine. **(Strategic Plan – Excellent Customer Service and Vibrant Community)**

Function:
Culture and Recreation

Department:
City Administrator

Activity:

Cable Television Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	17,385	19,277	20,000	19,900	20,600	3.00%
Capital Outlay	-	-	5,000	5,100	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 17,385	$ 19,277	$ 25,000	$ 25,000	$ 20,600	-17.60%
Funding Sources						
Cable Franchise Fees	$ 17,385	$ 19,277	$ 25,000	$ 25,000	$ 20,600	-17.60%

Function:	*Department:*
Culture and Recreation	**Art Center**

Activity:

Art Center Operations

GENERAL INFORMATION

The Muscatine Art Center consists of the Laura Musser Museum and the Stanley Art Gallery, which are open and free to the public. A joint building connects the Art Gallery and Musser Museum. Elevators in both the museum and art gallery provide access for the elderly and handicapped.

The Muscatine Art Center Support Foundation continues to provide support to the Art Center. The interest from the Foundation provides an annual appropriation which the Art Center may only use for acquisitions (purchases of objects for the collection), conservation, and exhibitions. The Friends of the Muscatine Art Center also provide funding to support the education department including busing for school field trips and scholarships, Art Center staff hours, and volunteer participation in fundraising events and special programs.

One part-time custodian is charged to this budget, with costs over the regularly scheduled hours reimbursed by the Art Center Support Foundation. These additional hours are primarily related to assisting staff in the set-up and removal of displays and other non-routine labor duties. One part-time custodian is also included in the Buildings and Grounds budget for general maintenance of the facility. The Parks and Recreation department has the responsibility of maintaining the grounds adjacent to the Art Center and Museum due to the nature of the grounds.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $700 more than the original budget. Personal services costs are $19,900 more than the original budget primarily due an employee changing from single to family insurance and additional part time hours for the LEGO exhibit. The additional part time hours will be funded from the Friends of the Art Center and the Art Center Support Foundation. Commodities are $2,400 more than the original budget and contractual services decreased by $21,600 compared to the original budget. The decrease in contractual services is due to a decrease in the fine arts insurance premium. Insurance coverage remained the same under the City's ICAP policies; the decrease is due to a change in premium allocation assumptions.

The 2022/2023 budget is $7,800 (1.8%) higher than the 2021/2022 budget. Personal services costs increased by $28,300 (7.6%), commodities increased by $1,900, and contractual services decreased by $22,400. The contractual services decrease was again due to a decrease in the fine arts insurance premium allocated to the Art Center. The 2022/2023 budgeted expenditures again include those funded from the $15,000 annual grant from the Iowa Department of Cultural Affairs.

Funding from the Art Center Support Foundation and Friends of the Art Center will continue to be received in 2021/2022 and 2022/2023 for the additional costs associated with the staff reorganization implemented in 2010/2011. Budgeted contributions from those organizations total $61,800 in 2021/2022 which includes an additional $4,400 reimbursement for part time wages for the LEGO exhibition. Budgeted contributions from those organizations total $60,300 in 2022/2023.

Again in 2022/2023 one-fourth (1/4) of the Hotel/Motel tax has been appropriated to support the Museum/Art Center operations. This amount is estimated at $93,750.

GOAL STATEMENT

The Muscatine Art Center is a permanent, municipal, non-profit institution. The Art Center collects, preserves, interprets, and exhibits objects of historical and aesthetic importance for the benefit of present and future generations. In addition, through the use of the permanent collection and special exhibitions, education programs are provided for all ages that encourage and promote the advancement, understanding, enjoyment, and diffusion of knowledge of the visual arts.

PERFORMANCE MEASURES

Fiscal Year Basis	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Attendance	15,654	12,451	8,050	20,000	17,000
Number of Classes Offered	169	165	159	168	172
Art Center Events Hosted	24	21	15	24	26
Exhibitions	28	24	17	19	19
Group Tours & Outreach	61	64	43	107	68
City Calendar Website Posts	140	74	78	80	80
Facebook Posts	2,438	2,458	2,211	2,300	2,400
Newspaper Stories - Muscatine Papers and Quad City Times	60	74	57	80	75

RECENT ACCOMPLISHMENTS

General Operations

The Muscatine Art Center staff strives to provide memorable experiences for the public and visitors and is devoted to the ongoing care of the collection which is held in trust for future generations. Despite the challenges presented by COVID-19, the Muscatine Art Center staff continues to manage a large number of changing exhibitions and displays and presents an assortment of educational programs both in-person and online. Staffing at the Muscatine Art Center includes four full-time employees and six part-time employees, some of whom work as few as two hours per week. The budget considers a combination of funding sources to continue staffing at this level in 2022/2023. The Muscatine Art Center Support Foundation Fund provides 25% of the salary and 50% of the benefits for the Registrar. Another 10 hours per week of the Registrar's time and 10 hours per week of the Program Coordinator's time are funded through the Friends of the Muscatine Art Center. 25% of Hotel/Motel Tax for Muscatine is directed towards the Muscatine Art Center's operating budget. An annual competitive grant through the Cultural Leadership Partner (CLP) program (Iowa Department of Cultural Affairs) covers a portion of wages for part-time employees. Without this funding, the Muscatine Art Center would not be able to maintain weekend and Thursday evening hours.

COVID-19

COVID-19 concerns have resulted in participation caps for in-person programs and have led staff to create online content as part of a hybrid option or as an online only presentation for select programs depending upon the level of community spread and the amount of space available for social distancing. Prior to COVID-19, the number of programs presented each fiscal year was nearly 170. In 2020/21, 159 programs were presented. For 2021/22, the staff estimates 168 programs will be presented. While there has not been a significant decrease in the number of programs offered to the general public, the number of group tours, including school

programs, decreased significantly during the pandemic. However, interest in the exhibition, *Sean Kenney's Nature Connects Made with LEGO bricks*, is dramatically increasing the number of school fieldtrips and outreach programs. The exhibition opened in November 2021 and has played a huge role in strengthening the attendance numbers. Steady walk-in visitation, combined with school and youth group programs, has led the staff to estimate attendance for 2021/2022 to reach 20,000 so long as a COVID-19 surge does not dampen visitation.

Muscatine Art Center staff continuously seeks out grant opportunities, and many one-time grant opportunities were made available in response to COVID-19. Staff secured emergency COVID relief funds through the Iowa Department of Cultural Affairs at the end of the 2019/2020 fiscal year. During the 2020/2021 fiscal year, the staff secured a $7,000 grant from the Community Foundation of Greater Muscatine (CFGM). During the 2021/2022 fiscal year, the Iowa Department of Cultural Affairs granted $18,000 for market research as part of strategic planning (American Rescue Plan Act funded) and $15,500 was received for marketing the *Nature Connects* exhibition using the "Re-Imagine, Re-Engage, Reconnect" campaign (CARES Act funded).

Additional Funding

In 2020-2021, Muscatine Art Center staff secured eight grants totaling $152,002. In addition to the annual CLP grant and the $7,000 COVID relief grant from the Community Foundation of Greater Muscatine (CFGM), grants included $122,402 administered through the Iowa Department of Cultural Affairs for the Japanese Garden project, $3,000 from Humanities Iowa for a consultant to research the Japanese Garden, $5,000 from Travel Iowa to market the *Nature Connects* exhibition, $2,000 from Muscatine Charities to supplement the staff while hosting the *Nature Connects* exhibition, $1,600 from Quad City Arts to contract instructors to teach summer programs for kids, and $1,000 from the Greater Muscatine Chamber of Commerce and Industry to market the *Nature Connects* exhibition. Staff also filed six grant reports during the 2020-2021 fiscal year. So far during the 2021-2022 fiscal year, the staff has secured five grants totaling $151,634 including CLP, American Rescue Plan, and CARES Act grants already identified and $100,000 from the Roy J. Carver Charitable Trust for the Japanese Garden project and $3,134 from the CFGM for multicultural performances. One additional grant is currently pending, and the staff expects to receive two to four more grants by the end of the fiscal year. A minimum of eight (8) grant reports are expected to be filed by the end of the current fiscal year, not including the quarterly grant report filings required for the Japanese Garden project.

Muscatine Art Center operations would not be possible without financial assistance from the Friends of the Muscatine Art Center and the Muscatine Art Center Support Foundation. The Friends of the Muscatine Art Center is a non-profit organization with a Board of Directors. The Muscatine Art Center Director meets with the board each month. In addition to securing annual paid memberships, the board raises funds through events, sponsorships, and interest from a small endowment. Nearly all of the Friends′ income is directed towards covering its obligation for wages. The organization also offsets the cost for busing when classes from Muscatine schools travel to the Muscatine Art Center for field trips. The Friends organization occasionally provides a stipend for a summer intern or organizes special events targeted to local teachers.

The Muscatine Art Center Support Foundation Advisory Committee oversees assets held at the Community Foundation of Greater Muscatine for the Support Foundation. The group reviews the prior year′s financials, approves the budget, and plays a role in setting direction for the Muscatine Art Center. Funds through the Support Foundation enable the Muscatine Art Center to present exhibitions, purchase archival materials for collections, make improvements to collections storage conditions, market exhibitions, and enhance the property such as the 2021 landscape improvements and sculpture installation on the former Jayne House property. The budget set for 2021 (calendar year) exceeded $275,000 with this sum including several large projects.

Accreditation
In 2020/2021, the Muscatine Art Center submitted materials for review through the American Alliance of Museum's reaccreditation process. To prepare for the review, several core documents were updated or adopted by the Muscatine Art Center Board of Trustees. Members of the staff, Board of Trustees, Friends Board, and Muscatine Art Center Support Foundation Advisory Committee, as well as volunteers, participated in the two-day Virtual Site Visit conducted by two Peer Reviewers. In response to feedback from the Accreditation Commission, the staff is in the process of rehousing objects. There is a requirement to address rehousing in the short term while also developing a permanent solution to fix the collections storage problem. The Muscatine Art Center Board of Trustees first developed plans for an expansion project in 1995 following the gift of a collection of thousands of objects. That plan was not implemented. In 2004, the Muscatine Art Center and the Musser Public Library developed a concept for a joint facility on the riverfront. That plan was also not implemented. The Muscatine Art Center completed the Collections Assessment for Preservation (CAP) program in 2019 with two outside assessors stating that collections storage areas are overcrowded and an expansion is key to housing collections appropriately and ensuring the long-term care of the permanent collection. A progress report is due to the Accreditation Commission on December 13, 2021 with a final report due in August 2022.

Exhibitions
As part of the response to COVID-19 and the slowdown in visitation during the pandemic, the Muscatine Art Center reduced the frequency rate for changing exhibitions. Prior to COVID-19, 26 to 28 exhibitions would be presented each year. In 2020/21, the actual number was 17. In both 2021/22 and 2022/23, the number of exhibitions is expected to be 19. This is still a large number of changing exhibitions relative to the size of the staff. Exhibitions of note for 2021/22 in the Stanley Gallery include the traveling exhibitions: *Alterations: tailored solutions to climate change* by Nancy Judd of Recycle Runway, *Frida Kahlo: Through the Lens of Nickolas Muray*, *Sean Kenney's Nature Connects Made with LEGO bricks*, and *Where Children Sleep*. During 2020/21, staff curated two large exhibitions using the permanent collection: *Till Death: Wedding and Mourning Traditions* and *Great Cover Ups: Quilts of the 19th and 20th Centuries*. In 2022/23, the staff will curate an exhibition of the Japanese-inspired belongs of Laura Musser McColm and present the traveling exhibitions, *Elephant & Piggie in We Are Art*, *Marc Sijan's life-size figurative sculptures*, and *Birds in Art*. Each fiscal year, the staff works with local schools to present a student art exhibition, partners with the Muscatine County Arts Council on the juried *Art Array* exhibition, presents multiple exhibitions by local or regional artists, highlights an area of the local history collection, and organizes displays to complement Stanley Gallery exhibitions.

Project Updates
The 7.5 foot bronze sculpture, *Expressive Spirit* created by David Zahn, was installed in the summer of 2021 and dedicated to Mary Jo Stanley on September 9, 2021. The sculpture, concrete base, and landscape work were funded by a bequest to the Muscatine Art Center Support Foundation Fund. Several outdoor events were planned for the area in 2021 but only the Step Afrika! performance during the dedication was presented. Weather conditions made it necessary to move indoors for one performance and cancel another performance. In 2022, the staff will organize small concerts and a puppet performance using the space. A grant from the CFGM is funding a portion of the costs to host a multicultural performance series.

In 2019/2020, the Muscatine Art Center staff worked with Iowa State University landscape architect professor, Heidi Hohmann. The goal of the partnership was to gather documentation pertaining to the historic Japanese Garden and to create a plan for the garden. The Japanese Garden was installed by Laura Musser-McColm in 1930 and is a contributing feature for the property's National Register of Historic Places listing. Hohmann developed the Historic Landscape Preservation Plan, and the plan was used to secure two grants to fund its implementation and a third grant to hire a consultant to further research the garden. The plan balances the historic features of the garden with its current use as a public space, including ADA-accessibility. Grant

awards include $122,402 from the federal Paul Bruhn Historic Revitalization Fund administered through the Iowa Department of Cultural Affairs, $100,000 from the Roy J. Carver Charitable Trust, and $3,000 from Humanities Iowa. Staff issued a Request for Proposals in October 2021, and three landscape firms responded by the November 30, 2021 deadline. Staff and consultant Heidi Hohmann are currently reviewing the proposals. The project is on track for completion by the end of May 2023.

The Board of Trustees took action to purchase the property at 1410 Mulberry. This property adjoins land already owned by the Muscatine Art Center. The acquisition of this property is a long-term strategy for the future development of the Muscatine Art Center. The property also meets some shorter-term needs identified during the accreditation process. An anonymous donor provided 50% of the cost to purchase the property. The remaining cost was covered by a bequest from E. Bradford Burns held in trust for the Muscatine Art Center. This fund is also being used for minor repairs and security improvements to the property.

The Muscatine Art Center Board of Trustees adopted a Long-Range Collections Preservation Plan on November 18, 2021, and this plan outlines steps for the expansion project as well as other concerns related to collections care and care of the historic buildings and landscape features.

January – June 2022 Additional Organizational Priorities

The Muscatine Art Center received a grant to fund market research with the goal of gaining a better understanding of the needs of visitors and potential visitors. The feedback gathered from online surveys, focus groups, and executive meetings will be incorporated into the next Strategic Plan. The Board of Trustees is scheduled to develop and adopt a new Strategic Plan in the first half of 2022.

July 2022 – June 2023 Organizational Priorities

The Board of Trustees will play an active role in determining the facility needs and the project scope for the expansion project. By the end of June 2023, the intention is to have a professionally developed plan for the proposed expansion. Prior to that, the staff will arrange collections storage tours, visiting museums in the region, and will hold preliminary discussions with firms that construct museum storage. Staff will also submit grant applications, including those to federal sources, and will develop a capital campaign.

Public Art

The Muscatine Public Art Advisory Commission was established in July 2019. Five community members were appointed by the Muscatine City Council each serving up to two terms of three years. The Muscatine Art Center Director and a member of the Parks and Recreation staff serve as staff liaisons to the Advisory Committee. The group meets quarterly and as needed. In 2021, the group managed the mural project at Houser and Hershey, the concept development process for public art in the roundabout at Mulberry and Second, and the two IDEA dash sessions spotlighting the arts in Muscatine held on November 16, 2021. The Muscatine Art Center Director manages behind-the-scenes needs such as the development of the Call for Organizations (mural project), the Request for Qualifications (roundabout project), IDEA dash logistics, press releases, communication with artists and other City departments, grant writing and reporting, development of the survey tool for the roundabout concept, and responding to inquiries from artists and community members. Community feedback on the proposals for the Mulberry and Second roundabout concluded on January 10, 2022. The Public Art Advisory Commission plans to provide a recommendation to City leadership in mid-January.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To develop the Muscatine Art Center's next Strategic Plan using feedback from a grant-funded market research project and comments from the Accreditation Commission of the American Alliance of Museums. (**Strategic Plan – Excellent Customer Service and Reliable Public Infrastructure**)
- To provide continuity in services and remain engaged with the Muscatine community for the duration of the public health crisis and beyond, meeting the community's needs as those needs evolve. **(Strategic Plan – Excellent Customer Service and Reliable Public Infrastructure)**
- To implement recommendations from the Historic Landscape Preservation Plan for the Japanese Garden and to administer the grants received for the project. **(Strategic Plan – Vibrant Community and Reliable Public Infrastructure)**
- To adjust collections storage arrangements in the short-term while also planning permanent improvements for housing collections. **(Strategic Plan – Reliable Public Infrastructure)**
- To develop an Employee Succession Plan, preparing the organization for the retirement of individuals with decades of experience. **(Strategic Plan – Excellent Customer Service, Vibrant Community and Reliable Public Infrastructure)**

Function:
Culture and Recreation

Department:
Art Center

Activity:

Art Center Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 344,055	$ 363,988	$ 372,400	$ 392,300	$ 400,700	7.60%
Commodities	9,873	4,173	9,300	11,700	11,200	20.43%
Contractual Services	47,973	57,878	54,400	32,800	32,000	-41.18%
Capital Outlay	-	4,240	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 401,901	$ 430,279	$ 436,100	$ 436,800	$ 443,900	1.79%
Funding Sources						
Art Center Revenues	$ 3,289	$ 4,603	$ 4,500	$ 4,000	$ 4,500	0.00%
Art Center Grant	13,000	10,000	10,000	15,000	15,000	50.00%
Support Foundation Contribution	22,585	25,053	24,900	32,600	32,200	29.32%
Friends of the Art Center Contribution	22,259	24,423	27,000	29,200	28,100	4.07%
Other Contributions	510	217	300	300	300	0.00%
Hotel/Motel Tax	99,647	93,612	75,000	91,250	93,750	25.00%
General Revenues	240,611	272,371	294,400	264,450	270,050	-8.27%
Total Funding Sources	$ 401,901	$ 430,279	$ 436,100	$ 436,800	$ 443,900	1.79%

Personnel Schedule	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Art Center Director	1.00	1.00	1.00	1.00	1.00	
Office Coordinator	1.00	1.00	1.00	1.00	1.00	
Art Center Registrar	1.00	1.00	1.00	1.00	1.00	
Art Center Aide	1.00	1.00	1.00	1.00	1.00	
Total Full Time	4.00	4.00	4.00	4.00	4.00	
Part Time Positions:						
Art Center Aide	0.67	0.65	0.65	0.65	0.65	
Custodian	0.32	0.32	0.32	0.32	0.32	
Total Part Time	0.99	0.97	0.97	0.97	0.97	
Total	4.99	4.97	4.97	4.97	4.97	$ 296,900
Employee Benefits						103,800
Total Personal Services						$ 400,700

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

Activity:

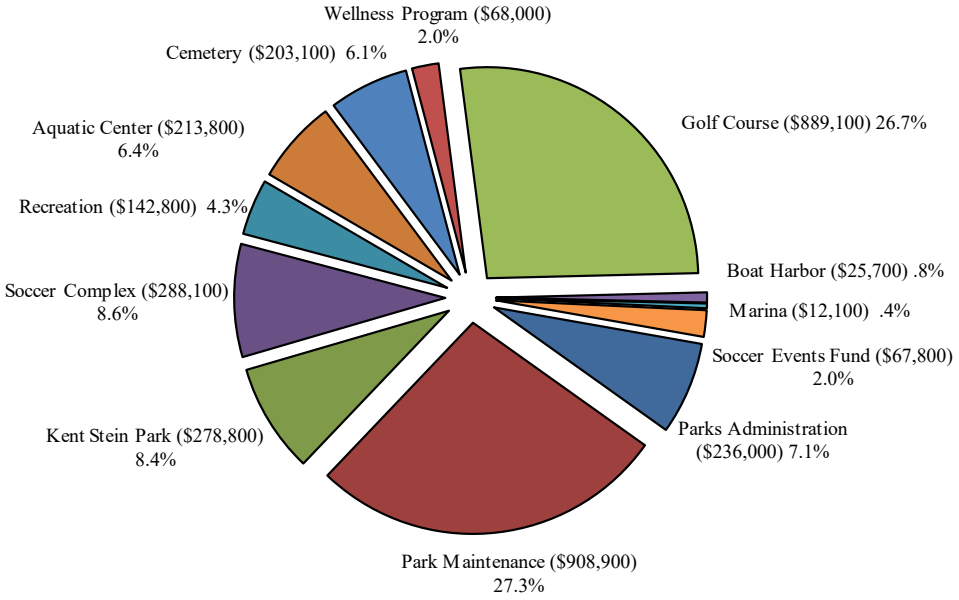
Park Administration

GENERAL INFORMATION

The Parks and Recreation department is responsible for providing leisure time activities and maintaining green space and facilities for the citizens of Muscatine. The department administers programs for outdoor and indoor recreation activities that occur in the City's park facilities, the Weed Park Aquatic Center, and in various buildings owned by the public school system.

The Parks and Recreation Administration budget includes the costs related to the overall coordination of the parks and recreation programs. The office staff includes the positions of director and office coordinator. A part-time clerk is also utilized during peak times of the year. The Director also supervises the Boat Harbor, Marina, Golf Course, and Soccer Events enterprise fund operations in addition to overseeing the Cemetery, Park Maintenance, Kent Stein Park, Soccer Complex, Recreation, Aquatic Center, and Employee Wellness Program activities. An administrative fee has been charged to the Golf Course and Boat Harbor enterprise funds and credited to the Park Administration activity for staff support for these operations. The amount of the administrative fee is $12,500 for 2022/2023. The Director also initiates and oversees capital improvements in the City's parks, golf course, and cemetery and provides administrative support for the Recreation Advisory Commission. Following is a chart of the 2022/2023 budget expenditures by activity for the Parks and Recreation department.

Parks and Recreation Department
Fiscal Year 2022/2023 Budget by Activity ($3,334,200)



CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Park Administration 2021/2022 revised estimate is $600, the 2022/2023 impact will be $1,100. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate is $6,000 more than the original budget. Personal services increased by $2,600 including the seasonal pay plan adjustment, commodities increased by $300, and contractual services increased by $3,100. The contractual services increase is due to publication costs for the seasonal brochure.

The 2022/2023 budget is $12,900 (5.8%) higher than the 2021/2022 budget. Personal services costs increased by $9,500 (4.6%), including the seasonal pay plan adjustment, commodities increased by $300, and contractual services increased by $3,100. The contractual services increase is again due to publication costs for the seasonal brochure.

GOAL STATEMENT

To establish and maintain the most efficient leisure service delivery system possible with the available resources. This system includes the parks, recreation, and cemetery divisions as well as a golf course and a municipal boat harbor.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Recreation Advisory Commission Meetings	7	4	7	7	7
Department Expenditures - All Divisions	$2,724,717	$2,737,602	$2,923,037	$3,260,600	$3,334,200
Internet Receipts Issued	719	435	658	700	700
Office Receipts Issued	1,647	1,024	1,276	1,300	1,300
Pearl City Station Rentals*	69	72 **	86	90	90
Riverview Center Rentals*	63	68 **	80	90	90
Shelters/Rose Garden Rentals	355	204 **	302	375	375
Parks Adopted (Calendar Year Basis)	29 (2019)	29 (2020)	31 (2021)	31 (2022)	31 (2023)
Dog Park Passes	385	246	275	300	300

* Fluctuation in rentals of riverfront facilities is due to floods.
** Fluctuation in rentals of riverfront facilities and shelters in 2019/2020 is due to the COVID-19 pandemic.

RECENT ACCOMPLISHMENTS

All divisions of the Parks and Recreation department have assisted with the Southend Community Improvement Fund Projects. The City received a two-million-dollar donation to improve select park locations in the south end of town.

Additional tree plantings took place due to receiving two tree grants and HNI requesting a special tree planting program.

Parks and Recreation supervisory staff participated in special training programs with Crucial Conversations and Dominance, Influence, Steadiness and Conscientiousness (DISC) personality profile evaluations.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- Recruit and retain seasonal and full-time staff for each division by attending job fairs in collaboration with the Human Resources Department. **(Strategic Plan - Excellent Customer Service)**
- Conduct weekly staff meetings and require each division to perform documented monthly training to improve safety, efficiency, and alignment. **(Strategic Plan - Excellent Customer Service and Reliable Public Infrastructure)**

- Process special event requests to use public property in accordance with the City Code. **(Strategic Plan - Excellent Customer Service, Healthy Community and Vibrant Community)**
- Continue to administer the City Deer Management Program in accordance with the Iowa Department of Natural Resources and City Code. **(Strategic Plan - Excellent Customer Service and Safe Community)**
- Continue to provide assistance to other City departments as requested. **(Strategic Plan - Excellent Customer Service and Reliable Public Infrastructure)**
- Administer the Kent Stein Park, Soccer Complex, Aquatic Center, Golf Course, Boat Harbor and Marina operations within approved budgets. **(Strategic Plan - Excellent Customer Service, Healthy Community and Reliable Public Infrastructure)**
- Continue to develop and promote the Adopt-A-Park and volunteer recruitment programs. **(Strategic Plan - Excellent Customer Service, Healthy Community and Vibrant Community)**
- Continue to promote a positive and active Employee Wellness Program using current workforce health condition indicators. **(Strategic Plan - Healthy Community)**
- Continue to meet monthly with the Parks and Recreation Advisory Commission. **(Strategic Plan - Excellent Customer Service)**
- Continue the Community Reforestation and Tree Management Plans as funding and staff time allows. **(Strategic Plan – Reliable Public Infrastructure)**
- Continue to administer the City-wide Recreation programs for youth, adults, and special events. **(Strategic Plan - Excellent Customer Service and Vibrant Community)**
- Conduct the College Search Kickoff in July for college bound soccer players. **(Strategic Plan - Excellent Customer Service and Vibrant Community)**
- Administer and act as the project manager for the Southend Community Improvement Fund Projects. **(Strategic Plan – Reliable Public Infrastructure)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:
Park Administration

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 191,236	$ 197,477	$ 207,800	$ 210,400	$ 217,300	4.57%
Commodities	1,547	977	1,600	1,900	1,900	18.75%
Contractual Services	10,081	13,156	13,700	16,800	16,800	22.63%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 202,864	$ 211,610	$ 223,100	$ 229,100	$ 236,000	5.78%
Funding Sources						
Park Revenues	$ 78,453	$ 66,235	$ 45,500	$ 54,700	$ 45,000	-1.10%
Administrative Fee	26,900	27,700	12,200	12,200	12,500	2.46%
General Revenues	97,511	117,675	165,400	162,200	178,500	7.92%
Total Funding Sources	$ 202,864	$ 211,610	$ 223,100	$ 229,100	$ 236,000	5.78%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Director of Parks and Recreation	1.00	1.00	1.00	1.00	1.00	
Office Coordinator	0.50	0.50	0.50	0.50	0.50	
Total Full Time	1.50	1.50	1.50	1.50	1.50	
Temporary Part Time Position:						
Office Clerk	0.20	0.20	0.20	0.20	0.20	
Total	1.70	1.70	1.70	1.70	1.70	$ 155,000
Employee Benefits						62,300
Total Personal Services						$ 217,300

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

Activity:

Park Maintenance

GENERAL INFORMATION

The function of the Park Maintenance division is to provide parks and facilities for the recreational pursuit of the residents of Muscatine. Fifteen (15) of the City's sixteen (16) city parks are maintained by Park Maintenance personnel including Brook Street, John Duncan, Eversmeyer, Fourth Street, Fuller Memorial, Longview, Lucas, Mark Twain Overlook, McKee, Musser, Oak Street, Riverside, Taylor, Weed Park, and the recent addition of the Dog Park. This division also maintains Iowa Field, the Mad Creek Greenbelt, and the City's trails.

The City's three (3) major parks are oriented toward different recreational pursuits. Kent Stein Park is a high-density use area utilized for a variety of recreational purposes, with its primary concentration being baseball and softball. A separate budget for the Kent Stein Park operation follows the Park Maintenance activity budget.

Weed Park is a combination of passive and organized activities including the Weed Park Aquatic Center, areas for picnics, a pond for fishing for young children, tennis courts, and a permanent greenhouse. Fuller Memorial Park provides a natural recreational location for hiking, nature trails, picnic areas, a tot lot, and a disc golf course.

CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and it is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Park Maintenance budget for the 2021/2022 revised estimate is $15,300, the 2022/2023 impact will be $28,800. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate is over the original budget by $60,500. Personal services costs are $17,800 more than the original budget including the seasonal pay plan adjustment. Commodities increased by $18,200, which includes increases for building repair supplies and operating supplies. Contractual services decreased by $1,600 and capital outlay increased by $26,100. The capital outlay allocation for the revised estimate includes $1,100 to paint the mini-pitch court, $18,000 for various playground repairs, and $7,000 to replace the doors at Pearl City Station.

The 2022/2023 budget is $82,800 (10.0%) more than the original 2021/2022 budget. Personal services increased by $55,800 (8.2%) including the seasonal pay plan adjustment. The 2022/2023 personal services budget also allows for a pay grade increase for the Maintenance Worker I position to a Maintenance Repairperson. Commodities increased by $8,500, contractual services increased by $6,000, and capital outlay increased by $12,500. The capital outlay allocation of $12,500 includes repairing the steps to the maintenance building at Weed Park ($10,000) and replacing the heater in the park maintenance building ($2,500). The 2022/2023 budget also includes a $30,000 allocation for a truck replacement to be purchased from the Equipment Replacement fund.

GOAL STATEMENT

To provide the residents of the community with a variety of areas and facilities to pursue recreational activities in suitable environments.

PERFORMANCE MEASURES

Focus Maintenance Items:	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Parks (A)	18	18	18	18	18
Park Acres (B)	247	247	247	247	247
Park Shelters	18	18	18	18	20 (1)
Miles of Trail	13.8	15 (2)	15	15.1 (3)	15.1
Playgrounds	12	12	12	12 (4)	12
Buildings	12	13	13	13	13
Basketball Courts	6	6	6	6	6
Tennis/Pickleball Courts (C)	8	8	8	8	14 (5)
Dog Park (D)	1	1	1	1	1
Skate Parks (E)	1	1	1	1	1
Sand Volleyball Courts	3	3	3	3	3
Disc Golf Course	1	1	1	1	1
Right-of-Way Miles	15.4	16.6 (6)	16.6	16.6	16.6
Aquatic Center	1	1	1	1	1
Interactive Fountain	1	1	1	1	2 (7)
Boat Ramps	4	4	4	4	4
Special Gardens	3	3	3	3	3
Street Tree Miles	140	140	140	140	140

1. New shelters are being added at Taylor Park and Kent Stein Park; the shelter at Musser Park is being replaced.
2. The West Side Trail from Kent Stein Park to Discovery Park was added in 2019/2020.
3. The trail extension at Musser Park was added in 2021/2022.
4. All-inclusive playgrounds are being added to the existing playgrounds at Musser and Taylor Parks.
5. Six (6) pickleball courts are being added at Taylor Park in 2022/2023.
6. 1.2 miles of right-of-way mowing was added in 2020 with the completion of the West Side Trail.
7. A new Splash Pad will be added at Taylor Park in 2022/2023.

A. According to the National Recreation and Park Association 2021 Agency Performance Review, the typical Midwestern community has one park per 1,520 residents. Muscatine has one park per 1,321 residents.
B. According to the National Recreation and Park Association 2021 Agency Performance Review, the typical Midwestern community has 12 acres of parkland per 1,000 residents. Muscatine has 23 acres of parkland per 1,000 residents.
C. According to the National Recreation and Park Association 2021 Agency Performance Review, 65% of Midwestern agencies maintain tennis facilities.

D. According to the National Recreation and Park Association 2021 Agency Performance Review, Dog Parks have a 70.2% prevalence in Midwestern communities.
E. According to the National Recreation and Park Association 2021 Agency Performance Review, Skate Parks have a 58.7% prevalence in Midwestern communities.

RECENT ACCOMPLISHMENTS

The 2021 season was a busy year for special events throughout city parks. The Parks and Recreation department coordinated and supported several events including: Hancher Ballet, Almost Friday Fest (May-Sept), Hoover Rally, Walnut Park Baptist Church Ice Cream Social, United Ways Business After Hours, Watermelon Stampede, It Takes A Village Animal Rescue & Resources Event, the Tirena Smith Memorial Car Show, Muscapalooza, Calvary Church Event, Muskies 5K Race, Vineyard Church Event, Food Truck Fight, Love Like Louden 5K Race, Octobrewfest Relay for Life, Walk to End Alzheimer's, and the Vintage Market.

Several volunteer efforts took place this past season to help plant over 550 trees throughout the park system. HNI donated, and volunteered the time to plant, 500 trees in the spring. A local family donated six large maple trees to Weed Park in late spring and assisted with the planting. The City of Muscatine received a $5,000 Alliant Energy Branching Out grant, and the Muscatine Rotary Club volunteered their time to assist with the planting. The City of Muscatine also received a $5,000 Planting Hope grant, in which a local Boy Scout completed his Eagle Scout project by coordinating the volunteers for the planting. A local landscape business also donated 6 trees that were planted at Fuller Park this fall.

Both the Muscatine Aquatic Center and the Mississippi Mist were in full operation in 2021. Following the COVID-19 pandemic, staff provided the necessary measures to ensure safety at both of the facilities, and provided maintenance support throughout the season.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- Complete the platform repairs to the playgrounds at the Weed Park Rose Garden and 4th Street Park. (Subject to funding) **(Strategic Plan - Safe Community and Healthy Community)**
- Continue to provide the downtown streets with quality hanging flower baskets, to hang baskets prior to Memorial Day weekend, and keep them growing through the end of September. **(Strategic Plan - Vibrant Community)**
- Continue to implement the downtown banner program and to change banners as requested by Administration. **(Strategic Plan - Vibrant Community)**
- Complete the Southend Community Improvement Fund Projects and to ensure amenities are operational in 2022. **(Strategic Plan – Reliable Public Infrastructure, Healthy Community, and Safe Community)**
- Continue to help coordinate and support special events taking place throughout the park system and to meet with the coordinator of each organization prior to the event. **(Strategic Plan – Excellent Customer Service and Vibrant Community)**
- Continue to recruit, train, and retain quality seasonal staff for the 15 identified seasonal positions in the Park Maintenance budget. **(Strategic Plan – Excellent Customer Service)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:
Park Maintenance

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 600,614	$ 635,674	$ 683,800	$ 701,600	$ 739,600	8.16%
Commodities	71,734	88,224	72,800	91,000	81,300	11.68%
Contractual Services	92,088	93,282	69,500	67,900	75,500	8.63%
Capital Outlay	-	-	-	26,100	12,500	
Transfers	2,867	5,887	-	-	-	
Total Expenditures	$ 767,303	$ 823,067	$ 826,100	$ 886,600	$ 908,900	10.02%
Funding Sources						
General Revenues	$ 717,167	$ 756,175	$ 800,600	$ 808,300	$ 880,300	9.96%
Grants	-	-	-	4,900	-	
Donations	-	13,802	-	5,000	-	
Insurance Reimbursement	28,453	34,761	-	38,800	-	
Road Use Taxes	21,683	18,329	25,500	29,600	28,600	12.16%
Total Funding Sources	$ 767,303	$ 823,067	$ 826,100	$ 886,600	$ 908,900	10.02%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Park Maintenance Superintendent	0.80	0.80	0.80	0.80	0.80	
Maintenance Repairperson	2.50	2.50	2.50	2.50	3.50	
Maintenance Worker I	1.00	1.00	1.00	1.00	-	
Groundskeeper	0.50	0.63	0.75	0.75	0.75	
Landscape Horticulturalist	1.00	1.00	1.00	1.00	1.00	
Total Full Time	5.80	5.93	6.05	6.05	6.05	
Seasonal Part Time Positions:						
Seasonal Equipment Operator	1.61	1.61	1.61	1.61	1.61	
Seasonal Groundskeeper	1.03	1.03	1.03	1.03	1.03	
Seasonal Lead Groundskeeper	2.14	2.14	2.14	2.14	2.14	
Seasonal Equipment Operator (Right-of-Way Mowing)	0.75	0.75	0.75	0.75	0.75	
Total Seasonal Part Time	5.53	5.53	5.53	5.53	5.53	
Total	11.33	11.46	11.58	11.58	11.58	$ 520,700
Employee Benefits						218,900
Total Personal Services						$ 739,600

Capital Outlay

Item	*Replacement*	*Amount*
Repair Maintenance Steps at Weed Park	Yes	$ 10,000
Heater - Park Maintenance Building	Yes	2,500
		$ 12,500

Capital Outlay - Equipment Replacement Fund			
Item	***Quantity***	***Replacement***	***Amount***
Truck	1	Yes	$ 30,000

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

Activity:

Kent Stein Park Operations

GENERAL INFORMATION

The Kent Stein Park operation consists of a high-density use area for baseball and softball activities. There is a total of 17 diamonds that are available for these activities in Kent Stein Park. The City is responsible for the maintenance and scheduling of the Kent Stein Park operations. Working with the City for operational programming are private groups which organize girls softball and Little League baseball activities. Also available at Kent Stein Park are regulation horseshoe pits and picnic facilities.

CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact to the Kent Stein Operation for the 2021/2022 revised estimate is $8,600; the 2022/2023 impact will be approximately $16,000. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The revised estimate for 2021/2022 is over the original budget by $19,000. Personal services decreased by $3,800 due to the net effect of (1) an $11,300 reduction in part time wages due to elimination of the special preparation service for tournaments, (2) an $8,600 increase due to the new seasonal pay plan, and (3) various payroll benefits being less than budgeted. Commodities for 2021/2022 increased by $10,100, contractual services increased by $1,700, and capital outlay increased by $11,000. The original 2021/2022 capital outlay budget included $12,000 for an infield grooming machine. The revised estimate for the infield grooming machine is $23,000.

The 2022/2023 budget is $12,300 (4.6%) more than the original 2021/2022 budget. Personal services increased by $9,000 and continues (1) the reduction in part time wages due to elimination of the special preparation services for tournaments of approximately $11,500 and (2) the increase due to the new seasonal pay plan of approximately $16,000. Commodities increased by $4,700, contractual services increased by $600, and capital outlay decreased by $2,000.

GOAL STATEMENT

To provide the residents of the community with softball and baseball facilities for recreational and school participation and to provide these facilities for regional events to promote economic development.

PERFORMANCE MEASURES

Calendar Year Basis	Actual 2019	Actual 2020	Actual 2021	Estimated 2022	Estimated 2023
Ball Diamonds Maintained (A) – (E)	20	20	20	20	20
Total Hours of Usage (1)	5,711	5,564	6,135	6,500	7,000
Number of Tournaments (2)	17	29	20	24	24
Number of Leagues/Camps (3)	26	21	33	33	33
Concession Revenue	$2,729	$7,383	$4,177	$5,000	$7,000
Total Revenues	$29,556	$37,497	$20,198	$23,000	$27,000

(1) Total hours of usage are scheduled usage only and does not account for drop-in usage.
(2) The number of tournaments reflects the number of days tournaments are held.
(3) Due to the COVID-19 pandemic, this Park opened in June instead of April in 2020.

A. According to the National Recreation and Park Association 2021 Agency Performance Review, 72% of Midwestern agencies maintain event quality outdoor sports complexes.
B. According to the National Recreation and Park Association 2021 Agency Performance Review, adult baseball fields have a 61.4% prevalence in Midwest communities.
C. According to the National Recreation and Park Association 2021 Agency Performance Review, youth baseball fields have a 77.2% prevalence in Midwest communities.
D. According to the National Recreation and Park Association 2021 Agency Performance Review, adult softball fields have a 79% prevalence in Midwest communities.
E. According to the National Recreation and Park Association 2021 Agency Performance Review, youth softball fields have a 57.9% prevalence in Midwest communities

RECENT ACCOMPLISHMENTS

- Kent Stein Park was open March 29 through November 7 in 2021. Staff continued to maintain additional signage and sanitation practices throughout the park.
- Staff contracted with a new provider of concessions services at Kent Stein Park.
- Staff provided additional ball diamond preparations throughout the tournament season.
- Staff participated in planting trees donated by the HNI Corporation. Kent Stein Park was the recipient of 125 of the 500 donated trees. Approximately 50 volunteers participated in the tree planting activity.
- Staff filled in areas of play in the outfields as well as common areas with dirt and re-seeded for better drainage.
- Staff worked closely with Musco Sports Lighting to identify and replace ball diamond lights throughout the 17 ball diamonds located within the park.
- Staff continued to remove dead and hazardous trees in the park.

- Staff continued to improve the infield playing surfaces by grading them approximately every two weeks.
- Staff continued to install a new mound system park-wide to assist with maintaining the right pitching distances for different usage groups.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To upgrade the appearance of the park by removing the black cinders along the road and replacing them with permeable asphalt (subject to funding). **(Strategic Plan – Reliable Public Infrastructure)**
- Continue to strive for positive relations with all representatives of associations by conducting regular meetings prior to their event. Seek feedback from each organization following an event to identify positive and negative situations to identify strengths and opportunities for improvement. **(Strategic Plan – Excellent Customer Service)**
- Improve the parking lot west of Diamond #5 with an asphalt surface (subject to funding). **(Strategic Plan – Reliable Public Infrastructure)**
- Develop a 2022 turf care plan and evaluate and adjust the field maintenance and turf care programs on a weekly basis to strive for the best quality and the safest turf for play. **(Strategic Plan – Safe Community)**
- Continue to support and assist other departments and city divisions as requested throughout the 2022-2023 season. **(Strategic Plan – Excellent Customer Service)**
- Continue to recruit and train quality seasonal and full-time staff as needed throughout the 2022- 2023 season. **(Strategic Plan - Excellent Customer Service)**
- Improve the parking area by Diamonds 16 and 17 with support from Public Works and city engineer (Subject to funding). **(Strategic Plan – Reliable Public Infrastructure)**
- Improve the safety of the ball diamonds by adding material to the bottom of all fence lines to maintain the high level of care provided to the user groups. **(Strategic Plan – Safe Community and Reliable Public Infrastructure)**
- Continue to install fence caps on ball diamonds funded from a donation and continue installing yellow barriers on top of ball diamond fences to help with the safety of the players on the field. **(Strategic Plan – Safe Community and Reliable Public Infrastructure)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:
Kent Stein Park Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 171,543	$ 187,552	$ 197,700	$ 193,900	$ 206,700	4.55%
Commodities	38,683	44,354	48,600	58,700	53,300	9.67%
Contractual Services	5,706	8,653	8,200	9,900	8,800	7.32%
Capital Outlay	1,743	30,563	12,000	23,000	10,000	-16.67%
Transfers	-	-	-	-	-	
Total Expenditures	$ 217,675	$ 271,122	$ 266,500	$ 285,500	$ 278,800	4.62%
Funding Sources						
Park Revenues	$ 21,590	$ 36,484	$ 41,600	$ 23,200	$ 28,200	-32.21%
Housing Reimbursement	7,750	7,750	7,500	7,500	7,500	0.00%
Insurance Reimbursement	-	10,100	-	2,800	-	
General Revenues	188,335	216,788	217,400	252,000	243,100	11.82%
Total Funding Sources	$ 217,675	$ 271,122	$ 266,500	$ 285,500	$ 278,800	4.62%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Park Maintenance Superintendent	0.10	0.10	0.10	0.10	0.10	
Athletic Facilities Supervisor	0.25	0.50	0.50	0.50	0.50	
Athletic Facilities Specialist	0.50	0.50	0.50	0.50	0.50	
Maintenance Repairperson	0.12	0.12	0.12	0.12	0.12	
Maintenance Worker I	0.25	-	-	-	-	
Total Full Time	1.22	1.22	1.22	1.22	1.22	
Seasonal Part Time Positions:						
Lead Groundskeeper	0.75	0.75	0.75	0.75	0.75	
Seasonal Equipment Operator/ Groundskeeper	1.98	2.46	2.46	1.98	1.98	
Total Seasonal Part Time	2.73	3.21	3.21	2.73	2.73	
Total	3.95	4.43	4.43	3.95	3.95	$ 154,400
Employee Benefits						52,300
Total Personal Services						$ 206,700

Capital Outlay

Item	***Quantity***	***Replacement***	***Amount***
Infield Skin Material Diamond #16	1	Yes	$ 10,000

Function:	*Department:*
Culture and Recreation	**Parks & Recreation**

Activity:

Soccer Complex Operations

GENERAL INFORMATION

In 1992 the City Council was approached by the Muscatine Civic Improvement Foundation which shared with them their intent to privately develop a six-field soccer complex within the City of Muscatine. Further, it was their intention that once the field was developed, it would be given to the City of Muscatine who in turn would be responsible for the scheduling and ongoing maintenance of the facility.

Following a number of public hearings and reviews of this proposal, the City Council agreed to accept the gift and the responsibility for maintenance and scheduling of the facility. The original soccer complex consisted of six fields, two with lighting; administration, concession, and locker room facilities; a separate maintenance facility and storage area; and adequate parking to accommodate users. Two additional fields located adjacent to the original complex were developed and given to the City in 1994. In 2020, the Houser Street Expansion project was completed, which added four fields and a parking lot on the other side of Houser Street. The soccer complex is located on Houser Street between Hershey Avenue and the Sunset Park housing development. Known for its consistent quality and field play, this facility has been named "Soccer Facility of the Year" on two separate occasions.

CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Soccer 2021/2022 revised estimate is $4,400, the 2022/2023 impact will be approximately $9,700. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The management of the soccer complex, including scheduling and maintenance activities, is the responsibility of the City through the Parks and Recreation department. Funding for the maintenance activities associated with the facility is partially from the City's General Fund and partially from other entities within the community who are the primary users of the facility. The Park Maintenance Superintendent has oversight responsibilities for this facility and 10% of his wages and benefit costs are allocated to this budget. In 2019/2020, a new Athletic Facilities Supervisor position was added and allocated 50% to Kent Stein Park and 50% to the Soccer Complex. This new supervisory position oversees both of these operations as well as the Dog Park. With the addition of this position, the Maintenance Worker I position that was allocated 50% to each of these budgets was eliminated. A 12.5% allocation of the Maintenance Repairperson to Soccer continues to be included in this budget. A seasonal Lead Groundskeeper and two part-time seasonal employees are also involved in the maintenance of the soccer complex and additional part-time employees serve as on-site supervisors during special events at the complex.

The 2021/2022 revised estimate is $42,000 more than the original budget due to a $5,600 increase in personal services costs, including the seasonal pay plan adjustment, a $6,100 increase in commodities, a $3,300 increase in contractual services, and a $27,000 increase in capital outlay. The capital outlay increase includes $21,000 for three new goals for the Soccer West fields and $6,000 to complete the Soccer West drainage project.

The 2022/2023 budget is $26,400 (10.1%) more than the 2021/2022 budget due to (1) a $15,700 increase in personal services costs, including the seasonal pay plan adjustment, (2) a $9,050 increase is commodities, and (3) a $1,650 increase in contractual services.

The Soccer Complex is entering its 29th season of operation. The continued quality of the facility is what sets it apart from others across the state.

GOAL STATEMENT

To effectively manage and maintain a municipal soccer facility, to utilize the facility to best serve the growing soccer interest within the community, and to utilize the facility in a manner to attract regional and state-wide soccer activities.

PERFORMANCE MEASURES

Calendar Year Basis	Actual 2019	Actual 2020 (3)	Actual 2021	Estimated 2022	Estimated 2023
Number of Fields Maintained	8	12 (2)	12	12	12
Hours of Use for Games	1,821	617	1,948	2,200	2,200
Number of Tournaments (1)	16	3	13	13	13
Concession Commissions	$2,311	$810	$1,865	$1,800	$2,500
Total Revenues	$23,343	$13,362	$33,411	$32,800	$33,500
Number of Leagues/Camps	23	11	24	24	24
Soccer West Usage	0	343 (2)	1,123	1,400	1,400

1. The number of tournaments reflects the number of days that tournaments are held.
2. The number of soccer fields maintained increased by four in 2020 with the addition of the Houser Expansion project (Soccer West).
3. In 2020 the Soccer Complex was not opened to the public until June due to the Governor's proclamations related to the COVID-19 pandemic.

A. According to the National Recreation and Park Association 2021 Agency Performance Review, 72% of Midwestern agencies maintain event quality outdoor sports complexes.
B. According to the National Recreation and Park Association 2021 Agency Performance Review, adult soccer fields have a 49.1% prevalence in Midwest communities.
C. According to the National Recreation and Park Association 2021 Agency Performance Review, youth soccer fields have a 50.9% prevalence in Midwest communities.

RECENT ACCOMPLISHMENTS

The Soccer Complex was open to the public March 29 through November 7 in 2021. Staff continued to maintain the additional signage and sanitation practices throughout the complex.

The Houser Street Expansion project (Soccer West) was completed and opened to the public in August of 2020. Staff completed the East and West drainage projects to assist users with easier access to the new fields in wet conditions. All rough areas were filled in and re-seeded and the drainage and erosion control continues

to be evaluated and improved. The rough areas will be seeded again this spring to encourage rapid growth and promote high quality turf for the user groups.

The Musco lighting system at Soccer West was utilized for the 2nd Annual Halloween event which had more than 1,200 participants. A light show was provided at the event with the new light system.

The past season was another interesting season for growing turf on athletic fields. Staff maintained quality turf throughout the season. All of the fields were aerified, deep tined, seeded, and fertilized this fall to help promote quality turf and a safe playing environment.

New trees were planted adjacent to the Soccer West parking lot inside the park. The trees were a part of a grant the Parks and Recreation department received. Eagle Scouts planted the trees at the facility in the desired locations. The trees ranged from a 2.5-inch caliber tree to a 4-inch caliber tree. Staff continued to remove dead Ash trees and grind stumps so grass could grow back in the holes.

Staff was able to maintain the gravel area next to the shop for a paint mixing area.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- Complete the Fields #1 through #6 irrigation system replacement capital project by the end of the 2022 soccer season by completing the design and material list and sending it out for bid to area contractors. **(Strategic Plan - Reliable Public Infrastructure)**
- Continue to improve the quality of turf on Soccer West during the 2022 season while maintaining the excellent quality of turf at the main complex and maximizing usage of both areas. **(Strategic Plan – Excellent Customer Service and Safe Community)**
- Continue to strive for positive relationships with all representatives of associations by conducting regular meetings prior to their events. Then following up with the organizations after the event to identify strengths and opportunities for improvement. **(Strategic Plan - Excellent Customer Service)**
- Continue to support and assist other departments as requested throughout the 2022-2023 fiscal year. **(Strategic Plan - Excellent Customer Service)**
- Continue to recruit and train quality staff at the beginning of the 2022 season and provide monthly training throughout the year. **(Strategic Plan - Excellent Customer Service)**
- Develop a 2022 Turf Care Plan and evaluate and adjust the field maintenance and turf care programs on a weekly basis to strive for the best quality turf and the safest for play. **(Strategic Plan – Reliable Public Infrastructure and Safe Community)**
- Continue to improve the maintenance of existing and new equipment during the 2022-2023 fiscal year. Work with the maintenance repairperson and properly document equipment repairs after they have been completed. **(Strategic Plan – Reliable Public Infrastructure)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:
Soccer Complex Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 143,456	$ 163,925	$ 170,300	$ 175,900	$ 186,000	9.22%
Commodities	72,401	81,500	86,300	92,400	95,350	10.49%
Contractual Services	5,504	5,426	5,100	8,400	6,750	32.35%
Capital Outlay	-	29,624	-	27,000	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 221,361	$ 280,475	$ 261,700	$ 303,700	$ 288,100	10.09%
Funding Sources						
Park Revenues	$ 10,962	$ 30,445	$ 23,500	$ 32,800	$ 33,500	42.55%
Insurance Reimbursement	-	36,663	-	-	-	
General Revenues	210,399	213,367	238,200	270,900	254,600	6.88%
Total Funding Sources	$ 221,361	$ 280,475	$ 261,700	$ 303,700	$ 288,100	10.09%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Park Maintenance Superintendent	0.10	0.10	0.10	0.10	0.10	
Athletic Facilities Supervisor	0.25	0.50	0.50	0.50	0.50	
Athletic Facilities Specialist	0.50	0.50	0.50	0.50	0.50	
Maintenance Repairperson	0.13	0.13	0.13	0.13	0.13	
Maintenance Worker I	0.25	-	-	-	-	
Total Full Time	1.23	1.23	1.23	1.23	1.23	
Seasonal Part Time Positions:						
Lead Groundskeeper	0.60	0.60	0.60	0.60	0.60	
On-Site Supervisor	0.41	0.41	0.41	0.41	0.41	
Seasonal Equipment Operator	0.35	0.35	0.35	0.35	0.35	
Seasonal Groundskeeper	0.74	0.74	0.74	0.74	0.74	
Total Seasonal Part Time	2.10	2.10	2.10	2.10	2.10	
Total	3.33	3.33	3.33	3.33	3.33	$ 136,100
Employee Benefits						49,900
Total Personal Services						$ 186,000

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

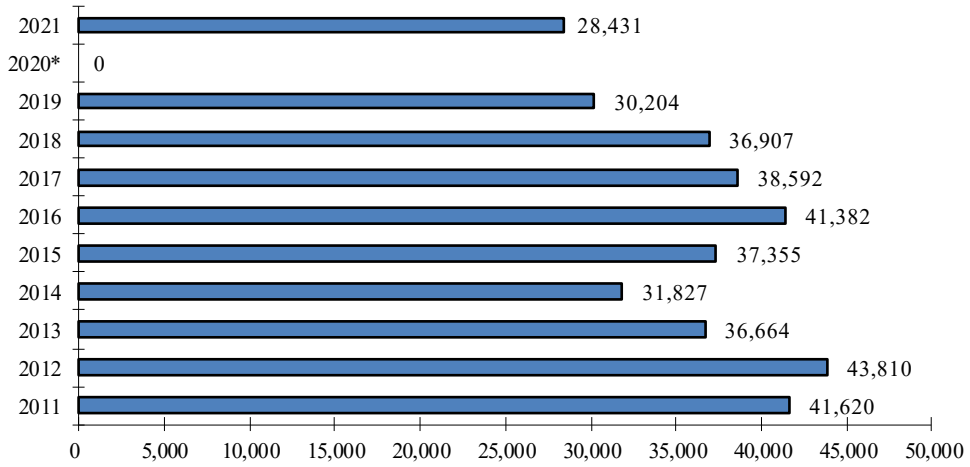
Activity:

Aquatic Center

GENERAL INFORMATION

The Muscatine Aquatic Center at Weed Park first opened on June 3, 2004. Total attendance for the 2004 season was 46,576. In 2005 it increased to 55,948 and in 2006 it decreased to 45,891. Since then, it has varied from approximately 28,400 to 43,800 as shown in the following graph. Much of the fluctuation can be attributed to the weather each summer. The 2012 summer was hot and dry with few rain days which resulted in increased attendance to 43,810. For the 2013 season, however, attendance decreased to 36,664 primarily due to the number of rain days in June. Attendance in 2014 decreased to 31,827, again primarily due to weather conditions. In 2015 attendance increased to 37,355 and in 2016 attendance increased to 41,382 due to minimal rain days. Attendance decreased to 38,592 in 2017 due to a cool summer and decreased again to 36,907 in 2018. The attendance further decreased to 30,204 in 2019 due to a very cool summer. The Aquatic Center did not open for the 2020 season due to the COVID-19 pandemic. The attendance in 2021 was still impacted by COVID-19 concerns, and it decreased to 28,431. In addition to recreational swimming, the Parks and Recreation department provides a diversified instructional program in aquatic activities. All staff and instructors are certified by the American Red Cross and receive periodic training to maintain these standards.

Weed Park Aquatic Center Attendance



* The Aquatic Center was not open for the 2020 season due to the COVID-19 pandemic.

CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Aquatic Center

2021/2022 revised estimate is approximately $11,800, the 2022/2023 impact will be $29,100. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The revised estimate for 2021/2022 is $22,100 more than the original budget. Personal services are $12,200 more than the original budget due to the new seasonal pay plan. Capital outlay increased by $10,000 for deck maintenance caulking that was needed, but not in the original budget.

The 2022/2023 budget is $29,300 (15.9%) more than the original 2021/2022 budget. The increase in the 2022/2023 budget is all in personal services and due to the seasonal pay plan adjustment. The 2022/2023 budget includes a $4,800 capital outlay allocation to replace another lifeguard chair.

The 2022/2023 year will be the 19th full budget year for the Aquatic Center. There has been a trend of increasing maintenance costs as this facility ages.

Beginning in the 2011 season, the City established non-resident rates for Aquatic Center season passes. These rates are $25 higher than the rates for City residents. Non-resident fees for Aquatic Center admissions and other recreational programs were implemented in 2012.

GOAL STATEMENT

To utilize the Weed Park Aquatic Center to maximum potential, and to offer to the Muscatine community a well-balanced program of aquatic activities.

PERFORMANCE MEASURES

	Actual 2019	**Actual 2020***	**Actual 2021**	**Estimated 2022**	**Estimated 2023**
Aquatic Center Attendance (B-C)	30,204	0	28,431	30,000	31,000
Swim Lesson Enrollment (A)	346	0	292	345	365
Season Passes Sold	71	0	73	80	85
Number of Pool Rentals	76	0	82	90	95
Special Events Attendance (A)	1,040	0	993	1,200	1,500
Scholarship Pass Recipients	339	0	166	250	350

* The Aquatic Center did not open for the 2020 season due the COVID-19 pandemic.

A. According to the National Recreation and Park Association 2021 Agency Performance Review, 93% of Midwestern agencies offer aquatic programming.
B. According to the National Recreation and Park Association 2021 Agency Performance Review, 80% of Midwestern agencies operate outdoor swim facilities/water parks.
C. According to the National Recreation and Park Association 2021 Agency Performance Review, outdoor swimming pools have a 40.4% prevalence in Midwest communities.

RECENT ACCOMPLISHMENTS

The Muscatine Parks and Recreation department Park Maintenance and Aquatic Center staff worked diligently to open the Muscatine Aquatic Center in 2021 after an extended closure in 2020 due to the coronavirus pandemic. Increased maintenance was needed at facility start-up and throughout the year to address minor repairs. Extensive pre-season training was completed for all Aquatic Center staff to bring both new and returning lifeguards as well as support staff up to speed. A 30-minute cleaning break and a new staff schedule were implemented to increase safety and sanitation throughout the season.

Aquatic Center lifeguard recruitment was a challenge in 2021, in part due to the precautions placed on certification classes. The Program Supervisor assisted the local YMCA in offering an increased number of classes in 2021, albeit with the fewer students allowed for by the American Red Cross. A late class was offered at the Aquatic Center in June to address the ongoing lifeguard shortage with six guards certified in the class.

The Swim Lesson program was restructured in 2021 to allow for more semi-private instruction and to expand classes geared toward younger swimmers. These changes were in response to trends both throughout the Aquatics field and in our registration numbers. Trained staff instructed 292 children in swimming lessons during the 2021 season.

Musser Public Library staff were treasured partners this summer, particularly during Infant/Toddler Swim at the Aquatic Center. Every other Tuesday the Aquatic Center was opened an hour early to give guardians and children under 5 years old an opportunity to use the facility in a calmer environment. Library staff assisted by conducting poolside story time and other fun activities for the children. We received a great amount of positive feedback and requests to expand the program.

Due to coronavirus-related shortages, the replacement canopies were not shipped to us until July. Maintenance staff tested and properly stored them until they can be used in the 2022 season. A new robotic pool vacuum was received which will assist in facility management throughout the season, particularly during start-up. The shallow area play structure was painted and has greatly improved the aesthetics of the feature.

Professional certification and training have continued for supervisory staff. Both the Superintendent of Parks and the Program Supervisor will have renewed Certified Pool Operator certifications this year. The Program Supervisor has also renewed her National Recreation and Park Association Certified Parks and Recreation Professional, American Red Cross Lifeguard Instructor, American Red Cross Lifeguarding for the Professional Rescuer, and American Red Cross Water Safety Instructor certifications in 2021. Additionally, Golf Course staff were certified in American Red Cross AED use in the Spring of 2021.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To increase the staff retention rate to at least 55% for the 2022 season. **(Strategic Plan – Excellent Customer Service)**
- To increase swim lesson participation by 50 students through increased advertising for the 2022 season. **(Strategic Plan – Safe Community)**
- To add one new special event in the 2022 season with the intent to vary our program mix and increase attendance. **(Strategic Plan – Vibrant Community)**
- To increase the number of after-hour and Multi-Purpose Room rentals at the Aquatic Center by 10% through increased advertising for the 2022 season.

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:

Aquatic Center

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 75,451	$ 44,582	$ 140,600	$ 152,800	$ 169,900	20.84%
Commodities	11,628	13,922	22,700	22,700	22,700	0.00%
Contractual Services	6,185	6,661	16,400	16,400	16,400	0.00%
Capital Outlay	36,891	21,315	4,800	14,800	4,800	0.00%
Transfers	-	-	-	-	-	
Total Expenditures	$ 130,155	$ 86,480	$ 184,500	$ 206,700	$ 213,800	15.88%
Funding Sources						
Swimming Pool Revenues	$ 67,005	$ 62,134	$ 129,700	$ 125,300	$ 128,600	-0.85%
General Revenues	63,150	24,346	54,800	81,400	85,200	55.47%
Total Funding Sources	$ 130,155	$ 86,480	$ 184,500	$ 206,700	$ 213,800	15.88%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Seasonal Part Time Positions:						
Swimming Pool Manager	1	1	1	1	1	
Assistant Pool Manager	2	2	2	2	2	
Lifeguard	27	27	27	27	27	
Lesson Coordinator	1	1	1	1	1	
Swimming Instructor	8	8	8	8	8	
Cashier	4	4	4	4	4	
Slide Attendants	5	5	5	5	5	
Pool Maintenance	2	2	2	2	2	
Total	50	50	50	50	50	$ 154,100
Employee Benefits						15,800
Total Personal Services						$ 169,900

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Lifeguard Chair	1	Yes	$ 4,800

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

Activity:

Recreation

GENERAL INFORMATION

The Recreation division provides leisure time activity programs for the residents of Muscatine. Many of the programs are taught by special instructors and are designed to be self-supporting. Most children's programs, however, are not self-supporting in order to encourage children from all economic and social sectors of the community to participate. The recreation activities are supervised by the Program Supervisor.

CURRENT TRENDS AND ISSUES

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Recreation 2021/2022 revised estimate is $1,300, the 2022/2023 impact will be $5,600. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate is $2,600 less than the original budget. Personal services costs are $900 more than the original budget which includes the seasonal pay plan adjustment, commodities are $1,350 less, and contractual services are $2,150 less than the original budget.

The 2022/2023 budget is $5,000 (3.6%) more than the original 2021/2022 budget. Personal services are $8,500 more which includes the seasonal pay plan adjustment. Commodities decreased by $1,350 and contractual services decreased by $2,150. The budget is based on recreation program offerings and participation in recreation programs returning to near the levels as in the years prior to the pandemic.

GOAL STATEMENT

To provide the residents of Muscatine with the opportunity to participate in a wide variety of quality recreational activities through the provision of programs, facilities, and the cooperation of various community organizations.

PERFORMANCE MEASURES

	Actual 2019	Actual 2020	Actual 2021	Estimated 2022	Estimated 2023
Adult Programs Offered (Including Leagues)	23	30	23	24	25
Children's Programs Offered	42	47	41	42	43
Adult Program Participants	1,632	1,095	1,665	1,700	1,750
Children's Programs Participants	2,256	1,550	2,730	2,900	3,200
New Programs Offered *	1	13	1	1	1
Volleyball League Teams	45	20	36	40	45

1. The new program offered in 2021 was the Weed Park Festival of Lights.

A. According to the National Recreation and Park Association 2021 Agency Performance Review, 53% of Midwestern agencies program running or cycling races (Turkey Trot).

B. According to the National Recreation and Park Association 2021 Agency Performance Review, 62% of Midwestern agencies program cultural history activities (Cemetery Walk).

C. According to the National Recreation and Park Association 2021 Agency Performance Review, 84% of Midwestern agencies program racquet sports (Tennis).

D. According to the National Recreation and Park Association 2021 Agency Performance Review, 36% of Midwestern agencies program preschool-targeted activities (Tot Lot, BlastBall, Sport Shorts, Sport Starters, Smart Start Basketball).

RECENT ACCOMPLISHMENTS

Continuing to adjust programming to meet community needs during a pandemic has been a challenging, essential and rewarding accomplishment for the Recreation Division. Special events and one-day programs continued to be well-attended in 2021 as gathering restrictions lifted and residents became more comfortable in group settings. The Easter Egg Hunt had 517 participants which rivaled previous years. The Fall Festival returned to pre-coronavirus participation with 293 participants, and the outdoor Trunk or Treat event doubled its participation in the second year with 1,400 attendees. The Candy Cane Hunt experienced record participation with 315 attendees and the Elves Workshop is projected to return to pre-pandemic attendance as well. The Cemetery Walk had one of its best years hitting just under 100 history buffs enjoying the day. The Weed Park Festival of Lights is a new special event in 2021, spreading holiday spirit with the support of many local businesses and organizations.

While gymnastics was held throughout the calendar year, many other indoor programming opportunities did not return to pre-pandemic levels until the warmer months. Outdoor activities held strong throughout the year with modifications including tee-ball, blastball, sand volleyball, and football programs. An additional program day for gymnastics was added in order to keep class sizes smaller and to make the program safer for both students and staff.

Activities and special events were offered in conjunction with local organizations, businesses, and volunteer groups, contributing to the overall success of the program mix. The Muskie Youth Soccer Camp, the Cemetery Walk, Trunk or Treat, Turkey Trot, and Weed Park Festival of Lights were all examples of

programs offered in partnership. Parents, the Muscatine High School Key Club, and other local volunteers assisted with several activities as well.

The Parks and Recreation department continues to offer the Muscatine Walking Club, Soccer Skills, Basketball Skills, Baseball Pitching, Baseball Fundamentals, Softball Skills, Winter and Summer BlastBall, a Job Fair, Disc Golf Leagues, Tennis Lessons, Tot Lot, Horseshoe Pitching Leagues, indoor and outdoor Volleyball Leagues, Beginner Sports, Flag Football League, Football Skills, Volleyball Skills and the Turkey Trot Fun Run.

OBJECTIVES TO BE ACOMPLISHED IN 2022/2023

- Offer one new community special event in calendar year 2022. **(Strategic Plan – Vibrant Community)**
- Focus on improving program quality in order to increase revenue by 20% over FY22. **(Strategic Plan – Excellent Customer Service)**
- Attend one special interest group meeting through the Iowa Park and Recreation Association and two in-person conferences in calendar year 2022. **(Strategic Plan – Excellent Customer Service)**
- Continue improving the digital marketing campaign to increase Facebook ad impressions by 15% over FY22. **(Strategic Plan – Excellent Customer Service)**
- Sustain positive relationships with local agencies and associations to provide at least seven (7) recreation programs and special events in calendar year 2022. **(Strategic Plan – Healthy Community)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:
Recreation

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 90,263	$ 95,257	$ 123,300	$ 124,200	$ 131,800	6.89%
Commodities	5,426	3,956	6,750	5,400	5,400	-20.00%
Contractual Services	5,077	4,485	7,750	5,600	5,600	-27.74%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 100,766	$ 103,698	$ 137,800	$ 135,200	$ 142,800	3.63%
Funding Sources						
Recreation Fees	$ 27,614	$ 27,303	$ 45,100	$ 35,500	$ 43,400	-3.77%
General Revenues	73,152	76,395	92,700	99,700	99,400	7.23%
Total Funding Sources	$ 100,766	$ 103,698	$ 137,800	$ 135,200	$ 142,800	3.63%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Program Supervisor	1.00	1.00	1.00	1.00	1.00	
Seasonal Part Time Positions:						
Various Instructors, Supervisors and Program Directors	23.00	23.00	23.00	23.00	23.00	
Total	24.00	24.00	24.00	24.00	24.00	$ 103,200
Employee Benefits						28,600
Total Personal Services						$ 131,800

Function:	*Department:*
Culture and Recreation	**Parks and Recreation**

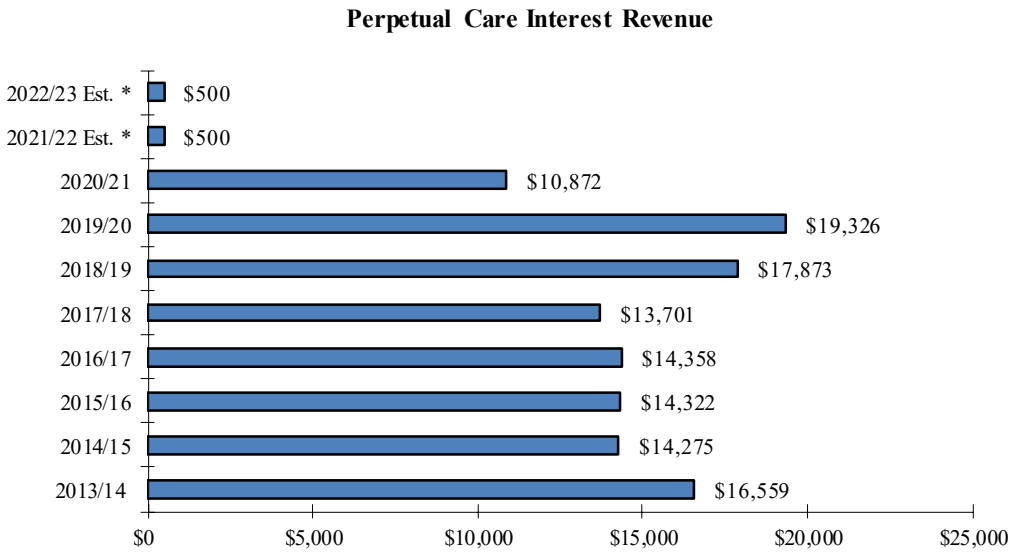
Activity:

Cemetery

GENERAL INFORMATION

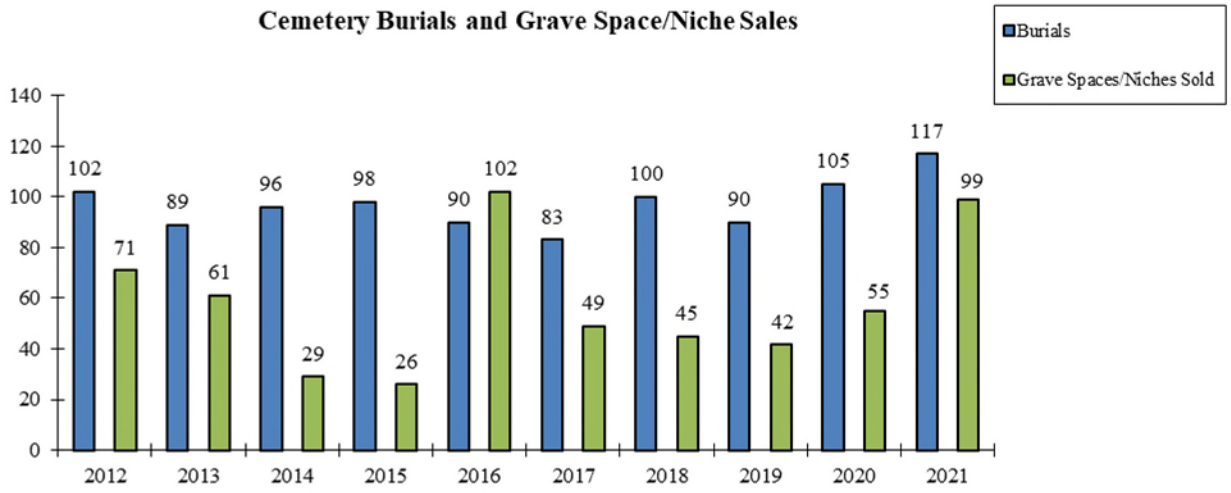
Greenwood Cemetery is a municipally owned and operated cemetery in the City of Muscatine. The Cemetery is a division of the Department of Parks and Recreation. Located on Lucas Street, the cemetery has adequate burial space for at least the next seventy-five (75) years.

Interest earnings from the Perpetual Care Fund are utilized to help support the operation of the cemetery. A percentage of all grave sales by State law are placed in the fund with the interest earnings available to support cemetery operating and improvement costs. The interest transfers from the Perpetual Care Fund to the General Fund from fiscal year 2013/2014 through 2020/2021 and the estimated amounts for 2021/2022 and 2022/2023 are follows:



* The Perpetual Care interest revenue decreases in 2020/2021, 2021/2022, and 2022/2023 are due to the significant decrease in interest rates since the start of the COVID-19 pandemic.

The principal balance in the Perpetual Care Fund on June 30, 2021 was $903,684 but as noted previously, this amount cannot be utilized for cemetery operations, only interest earned on the balance can be used.



CURRENT TRENDS AND ISSUES

Beginning with fiscal year 1991/92, cemetery revenues plus interest earnings on Perpetual Care funds have not been sufficient to fund the operating expenditures of the cemetery with the exception of the 2003/2004, 2007/2008, and 2010/2011 fiscal years. Based on budget projections a General Fund subsidy of $80,900 is expected to be needed to cover the operating costs of the cemetery for 2021/2022 and $82,300 is the estimated subsidy for 2022/2023. The decline in interest rates since the start of the COVID-19 pandemic has reduced interest revenue in the Perpetual Care Fund, which is a contributing factor for these increased subsidies.

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Cemetery budget for the 2021/2022 revised estimate is $7,300, the 2022/2023 impact will be $12,200. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate is over the budgeted amount by $7,100. All of the 2021/2022 revised estimate increase is in personal services and is due to the new seasonal pay plan.

The 2022/2023 budget is $8,500 (4.4%) higher than the 2021/2022 budget due to a $15,500 (10.4%) increase in personal services costs, which includes the seasonal pay plan adjustment. This increase is partially offset by a $7,000 decrease in capital outlay. The Equipment Replacement fund includes an allocation of $15,000 for the purchase of a zero turn mower.

GOAL STATEMENT

To provide a cemetery facility with aesthetic surroundings for the interment of deceased in a manner which meets the needs of the family and relatives.

PERFORMANCE MEASURES

Fiscal Year Basis	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Burials:					
Casket	50	56	64	56	56
Cremains	43	26	51	40	40
County	4	2	4	3	3
Total Burials	97	84	119	100	100
Grave Spaces Sold	39	34	78	50	50
Columbarium Niches Sold	13	2	12	9	9
Acres Maintained	80	80	80	80	80
Perpetual Care Interest (Fiscal Year Ending June 30)	$17,873	$19,326	$10,872	$500	$500
General Fund Subsidy (Fiscal Year Ended June 30)	$28,152	$52,200	$3,727	$80,900	$82,300

RECENT ACCOMPLISHMENTS

The Cemetery Steps opened for the year in March of 2021 and will remain open until the first measurable snow fall. Staff worked diligently on spraying weeds, string trimming on both sides of the steps to keep weeds and grasses from encroaching, and blowing leaves and debris from the steps as needed. The donation bricks for the steps were also treated and maintained throughout the year.

The Muscatine County Girl Scouts celebrated their Silver Award at the Cemetery in May. The presentation took place at the soldier plot in the Cemetery.

Foundations for gravestones were poured three times this past season. Both the spring and fall cleanup weeks were a success. Staff worked hard to prepare the Cemetery for Memorial Day events, the Cemetery Walk that was held in September, and Veterans Day.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To provide maintenance on a weekly, monthly and yearly basis to the cemetery steps for the safety of users. **(Strategic Plan - Healthy Community, Safe Community, Reliable Public Infrastructure)**

- To continue to pour foundations three times/year. **(Strategic Plan – Excellent Customer Service)**

- To continue foundation repairs throughout the Cemetery in coordination with the foundation pours that take place three times/year. (**Strategic Plan – Reliable Public Infrastructure**)

- To build and install an additional columbarium (subject to funding). **(Strategic Plan – Reliable Public Infrastructure and Excellent Customer Service)**

- To continue cross training of other park division staff in the Cemetery operation, specifically with identifying grave spaces and digging for both fulls burial and for cremations. **(Strategic Plan - Excellent Customer Service, Vibrant Community)**

- To continue to recruit and train quality seasonal staff. **(Strategic Plan - Excellent Customer Service)**

Function:
Culture and Recreation

Department:
Parks and Recreation

Activity:

Cemetery Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 138,056	$ 142,414	$ 148,600	$ 155,700	$ 164,100	10.43%
Commodities	18,481	20,152	21,400	21,400	21,400	0.00%
Contractual Services	27,426	17,063	17,600	17,600	17,600	0.00%
Capital Outlay	975	-	7,000	7,000	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 184,938	$ 179,629	$ 194,600	$ 201,700	$ 203,100	4.37%
Funding Sources						
Cemetery Revenues	$ 113,412	$ 165,030	$ 114,300	$ 120,300	$ 120,300	5.25%
Perpetual Care Interest	19,326	10,872	4,500	500	500	-88.89%
General Revenues	52,200	3,727	75,800	80,900	82,300	8.58%
Total Funding Sources	$ 184,938	$ 179,629	$ 194,600	$ 201,700	$ 203,100	4.37%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Maintenance Repairperson	1.00	1.00	1.00	1.00	1.00	
Seasonal Part Time Positions:						
Seasonal Equipment Operator	2.46	2.46	2.46	2.46	2.46	
Total	3.46	3.46	3.46	3.46	3.46	$ 120,000
Employee Benefits						44,100
Total Personal Services						$ 164,100

Capital Outlay - Equipment Replacement Fund

Item	*Quantity*	*Replacement*	*Amount*
Zero-Turn Mower	1	Yes	$ 15,000

Function:	*Department:*
Health and Social Services	**Legislative and Council**

Activity:

Economic Well-Being

GENERAL NFORMATION

The function of the Economic Well-Being activity has been to provide financial support to promote social and economic opportunities for certain citizens in Muscatine, including senior citizens, the mentally and physically handicapped, and certain low income individuals and families.

As the federal and state governments have reduced subsidies for social programs, the City has experienced increases in requests for assistance from local agencies that provide social service programs. The agency allocations for the past five (5) years and the budgeted subsidies for 2022/2023 are as follows:

Agency	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Senior Resources*	$ 30,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
MCSA Homeless Prevention Program	25,000	25,000	25,000	25,000	25,000	25,000
	$ 55,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000

* The allocations to Senior Resources include Meals on Wheels.

CURRENT TRENDS AND ISSUES

Due to reductions in funding to the City's General Fund, the subsidies to Senior Resources including the Meals on Wheels program have been held in check in recent years. In fiscal year 2011/2012 $17,800 was budgeted for Senior Resources and the funding was increased to $20,000 beginning in 2012/2013 and continuing through 2016/2017. Senior Resources requested a $30,000 subsidy for 2017/2018. The originally proposed budget for 2017/2018 included a $20,000 allocation to Senior Resources. The final 2017/2018 budget, however, included a one-time increase in the subsidy to Senior Resources from $20,000 to $30,000 due to their loss of funding from other sources. The budget allocations to Senior Resources were $25,000 for fiscal years 2018/2019 through 2021/2022. Senior Resources requested their subsidy be increased to $45,000 for 2022/2023. City Council, however, approved a $5,000 increased in their subsidy to $30,000 for 2022/2023.

For the 2015/2016 budget, the City received a request for funding from the Muscatine Center for Social Action (MCSA) for their Homeless Prevention Navigator/Homeless Prevention Program. The 2015/2016 budget included a one-time commitment of $25,000 for this program. MCSA requested and received continued funding for this program of $25,000 in each of the fiscal years from 2016/2017 through 2021/2022. For 2022/2023 MCSA again requested $25,000 and that amount has been included in the budget.

Function:
Health and Social Services

Department:
Legislative and Council

Activity:

Economic Well-Being

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	50,000	50,000	50,000	50,000	55,000	10.00%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 55,000	10.00%
Funding Sources						
General Revenues	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 55,000	10.00%

Function:	*Department:*
Community and Economic Development	**Community Development**

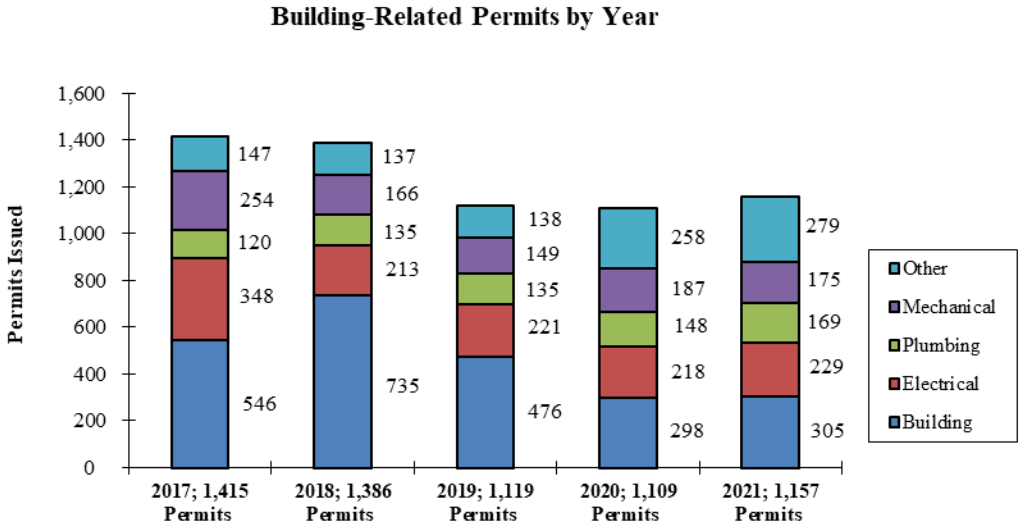
Activity:

Community Development

GENERAL INFORMATION

The Community Development department is responsible for administering the zoning ordinance, building codes, the comprehensive plan, the capital improvements program, subdivisions, zoning changes, annexation reviews, and a variety of other planning and environmental functions. The department conducts building and site plan and site review for all building permit applications with respect to both building and zoning requirements including lot size, area, height, and the site plan review criteria. Also, compliance with handicap and energy code regulations is reviewed in accordance with state and local requirements. Inspections of all rental housing units are performed on a regular basis, and the department conducts nuisance abatement activities in accordance with both state and local law.

During the past five calendar years, the following building-related permits were issued by the department with follow-up inspections:



Two (2) full time and one (1) part-time inspector in this department currently perform on-site building and zoning inspections. The rental housing inspection program normally results in approximately 2,000 inspections each year. In addition to these inspections and related record keeping, staff of this department conduct inspections arising from complaints received and perform re-inspections of residential units found to be in violation of the adopted codes for compliance with City ordered repairs. The Community Development department also has responsibility for all nuisance abatement efforts including the weed and snow removal programs; trash, garbage, and junk removal orders; and demolition of substandard and dilapidated structures and outbuildings.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $22,900 more than the original budget. The revised estimate includes (1) an increase in personal services costs of $2,600, (2) a $1,300 increase in commodities, and (3) a $19,000 increase in contractual services. The increase in contractual services is primarily due to an increase in nuisance abatement costs. These costs are billed to the property owners, and if not paid are assessed against the properties.

The 2022/2023 budget includes a .50 increase in full-time equivalent (FTE) staffing in the building inspection division of this department effective April 1, 2022. This budget currently includes 2.50 in FTE building inspectors. The budget increases the half-time Inspector to fulltime and will allow the currently vacant Building Division Manager position to be filled. This resulted in an increase in personal services costs of $13,500 in the revised estimate and $56,500 in the 2022/2023 budget. These increases include adding fulltime benefits for the inspector moving from part-time to fulltime.

The 2022/2023 budget is $99,400 (10.3%) more than the original 2021/2022 budget. This overall increase is due to the net effect of: (1) personal services costs are $87,500 (12.3%) more than the original 2021/2022 budget which includes increasing the current half-time inspector to fulltime and filling the currently vacant Building Division Manager position discussed in the previous paragraph, (2) commodities are $400 less than the prior year budget, and (3) contractual services increased by $12,300. The contractual services increase is due to a $35,000 increase for contracted nuisance abatement costs. This increase has been partially offset by decreases in other contractual services line items. Nuisance abatement costs are billed to property owners, and if not paid are assessed as a lien on the properties.

GOAL STATEMENT

The goal of the Community Development department is to improve conditions where the residents of Muscatine live, work, and shop through implementation of planning and community development processes and initiatives that address the social, physical, and economic needs of the City's residents through programs that establish minimum standards to safeguard health, safety, and public welfare through building design and construction, promote quality housing options, foster economic opportunity, and encourage positive community engagement.

PERFORMANCE MEASURES

The Performance Measures format has been revised beginning in the 2022/2023 budget. Providing the data in this more detailed format makes it more useful to residents and policy makers.

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Building/Construction Permits & Inspection Services:					
Construction Permits: Building, Electrical, Mechanical and Plumbing Permits Issued	977	780	906	800	800
Sign Permits	44	33	26	20	20
Demolition Permits	4	8	12	12	10
Right of Way Permits: Curb Cut, Excavation and Sidewalk Permits Issued	87	318	212	200	200
Number of New Commercial Buildings	N/A	8	3	8	8
New Commercial Project Values	N/A	$ 7,156,034	$ 370,400	$ 4,000,000	$ 4,000,000
Number of Remodel/Rehab Commercial Buildings	N/A	206	114	100	150
Remodel/Rehab Commercial Project Values	N/A	$ 15,391,539	$ 7,308,968	$ 16,200,000	$ 15,000,000
Number of New Residential Buildings	N/A	35	43	20	20
Number of New Residential Units	N/A	7	114	50	20
New Residential Project Values	N/A	$ 1,595,579	$ 15,924,554	$ 11,000,000	$ 10,000,000
Number of Remodel/Rehab Residential Buildings	N/A	505	630	400	300
Remodel/Rehab Residential Project Values	N/A	$ 2,380,672	$ 3,250,179	$ 2,000,000	$ 2,000,000
Permit Fees	$ 308,175	$ 168,177	$ 167,473	$ 240,000	$ 170,000
Construction Inspections	1,890	1,947	1,397	1,300	1,300
Site Plan Review Meetings	13	4	7	7	6
Building Plan/Permit Reviews	219	173	247	240	200
Certificates of Occupancy	34	11	23	20	20
Rental Housing Services:					
Rental Housing Inspections - Total	1,821	1,362	730	1,080	1,205
Initial/triennial Inspections	1,214	779	390	700	800
Reinspections	569	506	288	300	350
2nd Reinspections	N/A	18	12	25	15
3rd & Subsequent Reinspections	N/A	3	0	0	0
Exterior Reinspections	38	39	4	40	30
Complaint Inspections	N/A	17	36	15	10
Rental Housing Fees	$ 70,737	$ 68,855	$ 20,497	$ 30,000	$ 60,000

(Continued)

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Code Enforcement Services:					
Nuisance Complaints - Total	1,226	1,398	2,000	1,700	1,500
Grass/Weeds Noticed	N/A	464	641	700	500
Grass/Weeds Contracted	N/A	102	132	150	130
Snow Noticed	N/A	98	178	100	100
Snow Contracted	N/A	30	70	50	30
Property Conditions Noticed	N/A	836	775	900	900
Property Conditions Contracted	N/A	238	204	200	200
Nuisance Citations/Assessment Fees	$ 74,957	$ 75,688	$ 118,313	$ 110,000	$ 120,000
Properties on Full-Time Mow List	23	37	33	27	25
Properties on Full-Time Snow List	19	18	24	14	10
Vehicles Towed/Impounded	3	23	28	10	10
Properties Posted	148	160	174	75	100
Writ of Possessions	9	11	17	5	5
Environmental Health Services:					
Swimming Pools/Spas and Tattoo Establishments Inspections	25	28	31	25	25
Planning & Zoning Services:					
Planning & Zoning Commission Meetings	11	9	7	9	10
Development Plan	0	0	0	1	1
Rezoning Requests	2	3	1	1	1
Right-of-Way Easement Requests	4	2	1	1	1
Right-of-Way Vacation Requests	4	6	5	5	5
Subdivision Requests	7	5	3	3	2
Zoning Board of Adjustment Meetings	5	8	5	8	8
Conditional Use Requests	2	9	0	2	2
Variance Appeal Request	4	12	9	7	5

RECENT ACCOMPLISHMENTS

This year has been a busy one, with building services recovering from the pandemic closure, the resumption of rental housing inspections, and escalated levels of nuisance activity continuing, all while trying to implement new department-wide software and onboarding critical new staff. On the positive side, the department is now fully staffed, revenues have rebounded, and Community Development and Housing staff have evolved to utilize the strengths in each division to provide the best outcome for residents. For example, inspection staff worked with housing staff to get an elderly gentleman adequate housing and services when being displaced from an unsafe home.

The implementation of SmartGov software will improve services to contractors and landlords by providing a more accessible, user-friendly platform to submit and process permit applications and rental

registrations, schedule inspections, and pay fees without having to call or visit the office. This use of technology will more efficiently and accurately create case files and workflows through automation. The system is expected to go live in early 2022.

Two new programs were implemented this year. With available funding, the process was started to remove the inventory of ash trees in the right-of-way that are affected by the emerald ash borer. The removal of these trees over a three-year period will improve public safety and the appearance of the impacted areas. So far 47 trees have been removed, and staff has received a number of calls from thankful residents.

The second program is the demolition of deteriorated structures. Criteria was developed to rank structures, and to date 6 buildings have been removed, with 3 more currently being processed. This coincides with the process of disposing of surplus properties either to support City goals or to increase assessed values with redeveloped properties. The Community Development department has transferred 11 parcels out of City ownership, earning $47,850 in the process.

Working with internal and external partners, a housing plan was developed and 2 neighborhood revitalization plans were initiated. Work has also begun on a downtown façade program, including securing architectural services to support the development of a funding application for up to 10 properties and a pilot project. Through the small business loan programs 12 companies in these areas were assisted in calendar year 2021. A seed grant was received for a local Community Heart and Soul program, which is the method being used to collect resident input. While the program started out strong, the loss of a dedicated program coordinator has significantly slowed down the process. Input from Heart & Soul will support revitalization efforts and help form the development of a new comprehensive plan.

Earlier this year the City Council adopted *Ignite Vitality through Workforce Housing* as the City's housing plan, as well as identified strategies to pursue in support of improving local housing conditions. Information and goals identified through the Heart and Soul and neighborhood revitalization initiatives will be used to form the Plan and its implementation and adopted strategies.

Work has also been done on updating nuisance codes to provide clarity and consistency in their interpretation and enforcement. Completed chapters include junk and unregistered vehicles, adding the prohibition for parking large trailers in residential areas, and revisions to rental housing processes for functionality. Finally, new precinct maps were created based on 2020 Census data by the state deadline and flood regulations have been revised, allowing residents and businesses to continue accessing federal flood insurance.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To work with other departments and community partners to develop a vision and plans for neighborhoods and gateways and implement a "neighborhood" revitalization program to improve quality of life and promote the community as a place families want to live, work, and play. **(Strategic Plan - Customer Service; Vibrant Community; Healthy Community; Public Safety; Public Infrastructure)**

- To develop a plan to utilize the low and moderate income set-aside portion of the Tax Increment Financing (TIF) from the Arbor Commons development. **(Strategic Plan - Vibrant Community; Healthy Community)**

- To fully implement Muscatine Heart & Soul. **(Strategic Plan - Customer Service; Vibrant Community; Healthy Community)**

- To complete a new housing study. **(Strategic Plan - Customer Service; Vibrant Community; Healthy Community; Safe Community)**

- To initiate the Comprehensive Plan revision. **(Strategic Plan - Vibrant Community; Healthy Community; Safe Community)**

- To update the Capital Improvement Plan. **(Strategic Plan - Vibrant Community; Healthy Community; Safe Community)**

- To pursue funding to address community needs and support planning and implementation initiatives. **(Strategic Plan - Vibrant Community; Healthy Community)**

- To develop and implement a policy guiding the disposal of surplus properties in a manner that supports City goals and priorities. **(Strategic Plan - Healthy Community)**

- To evaluate the fee schedule for possible revisions. **(Strategic Plan - Customer Service)**

- To promote housing and economic investment programs and tools, including tax abatements, small business loans, State Code Chapter 657 provisions, etc. **(Strategic Plan - Vibrant Community; Healthy Community)**

- To develop and implement property maintenance codes. **(Strategic Plan - Vibrant Community)**

- To utilize department services to support Council goals, improve living conditions, and promote safe and healthy housing and neighborhoods. **(Strategic Plan - Vibrant Community; Healthy Community; Safe Community)**

- To evaluate 2020 Census data and create summary reports for City Council and the Leadership Team to use in policy and programming decisions. **(Strategic Plan - Customer Service)**

Function:
Community and Economic Development

Department:
Community Development

Activity:

Community Development

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 561,625	$ 648,228	$ 708,800	$ 711,400	$ 796,300	12.34%
Commodities	8,135	5,115	9,800	11,100	9,400	-4.08%
Contractual Services	149,796	195,001	248,900	267,900	261,200	4.94%
Capital Outlay	-	31,669	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 719,556	$ 880,013	$ 967,500	$ 990,400	$ 1,066,900	10.27%
Funding Sources						
Community Development Revenues	$ 347,081	$ 369,853	$ 316,000	$ 412,000	$ 366,700	16.04%
Historic Preservation Grant	-	-	-	-	-	0.00%
General Revenues	372,475	510,160	651,500	578,400	700,200	7.48%
Total Funding Sources	$ 719,556	$ 880,013	$ 967,500	$ 990,400	$ 1,066,900	10.27%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Community Development Director	0.60	0.70	0.70	0.70	0.70	
Assistant Community Development Director	1.00	1.00	1.00	1.00	1.00	
Building Division Manager	1.00	0.00	1.00	0.25	1.00	
Inspector II	0.67	1.67	0.67	1.67	1.67	
City Planner I	1.00	1.00	1.00	1.00	1.00	
Office Coordinator	1.00	1.00	1.00	1.00	1.00	
Community Services Officer II	1.00	1.00	1.00	1.00	1.00	
Comm Services Officer/Hsg Specialist	0.15	0.06	0.00	0.00	0.00	
Community Services Officer I	0.00	0.25	0.50	0.50	0.50	
Total Full Time	6.42	6.68	6.87	7.12	7.87	
Part-Time Positions:						
Community Services Officer	0.55	0.00	0.00	0.00	0.00	
Allocation of PT Community Services Officer to Refuse Collection Fund	(0.27)	0.00	0.00	0.00	0.00	
Inspector II	0.63	0.62	0.63	0.47	0.00	
Office Assistant	0.25	0.51	0.50	0.38	0.50	
Total	7.58	7.81	8.00	7.97	8.37	$ 568,800
Employee Benefits						227,500
Total Personal Services						$ 796,300

Capital Outlay - Equipment Replacement Fund

Item	*Quantity*	*Replacement*	*Amount*
Code Enforcement Vehicle	1	Yes	$ 25,000
Building Inspector Vehicle	1	Yes	25,000
			$ 50,000

Function:	*Department:*
Community and Economic Development	**Legislative and Council**

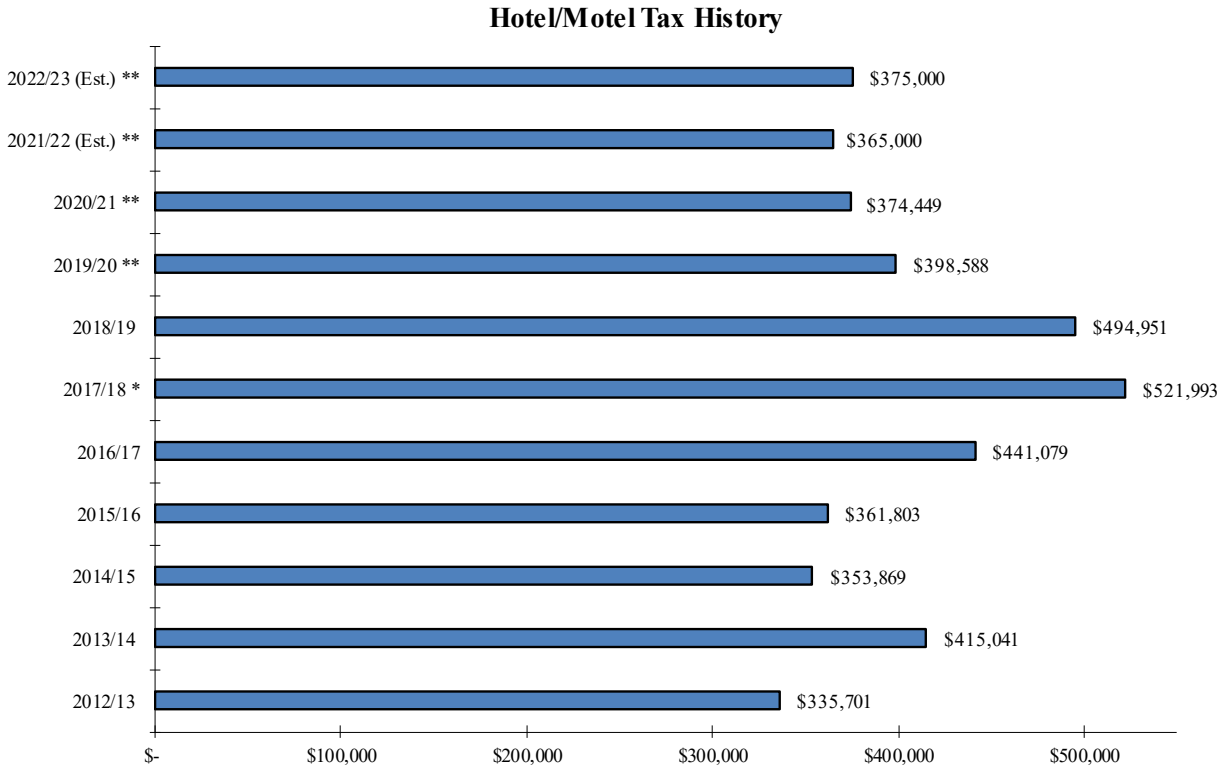
Activity:

Economic Development

GENERAL INFORMATION

The budget for this activity provides financial support for the Greater Muscatine Chamber of Commerce and Industry (GMCCI) and for the Convention and Visitors/Tourism activity, which is now a part of GMCCI.

In 1981 the City first began to collect a hotel/motel tax of 4%. In 1991 voters approved increasing the hotel/motel tax to 7% effective April 1, 1992. The following chart shows the hotel/motel tax revenue for the last nine years as well as the estimated amounts for 2021/2022 and 2022/2023:



* Hotel/motel tax receipts in 2017/2018 included $46,907 received for prior years.

** The lower amounts for 2019/2020, 2020/2021, 2021/2022, and 2022/2023 are due to the COVID-19 pandemic.

Through fiscal year 2012/2013, one-half of the hotel/motel tax revenue was utilized in the General Fund as general revenues and the other half was allocated to support the Art Center/Museum and the Public Library. Of the general revenue of the General Fund, the Tourism and Convention division of the Chamber of Commerce received financial support for their activities. For 2011/2012 $55,000 was included in the budget for the tourism program and that funding level was maintained for 2012/2013.

In 2012/2013 the Convention and Visitors Bureau (CVB) took steps to become a separate entity and in July of 2013 they officially became an entity separate from the Chamber. A CVB Board was established and the CVB Manager relocated to an office in the lower level of City Hall. The City provided accounting services for the CVB operation and the CVB's funds were accounted for as a discretely presented component unit of the City through the 2014/2015 fiscal year. As of June 30, 2015, the non-profit CVB was dissolved and the CVB became an enterprise fund of the City.

The 2013/2014 budget was based on changing the CVB's funding allocation from a fixed amount each year to 25% of actual Hotel/Motel tax receipts. The CVB and the City agreed that the annual allocations to the CVB would be 25% of the prior fiscal year's actual hotel/motel tax receipts. The City must designate at least 50% of the hotel/motel taxes for eligible purposes in order to meet State Code requirements and the City more than meets these requirements with the 25% allocations to the Library, Art Center, and CVB.

The State Code specifically requires the following:

> "Each County or City which levies the tax shall spend at least 50% of the revenues derived therefrom for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating, or maintaining recreation, convention, cultural or entertainment facilities including but not limited to memorial buildings, halls and monuments, civic center, convention buildings, auditoriums, coliseums, and parking areas for facilities located at those recreation, convention, cultural, or entertainment facilities; for the payment of principal and interest, when due, on bonds, or other evidence of indebtedness issued by the County or City for those recreation, convention, cultural, or entertainment facilities; or for the promotion and encouragement of tourist and convention business in the City or County and surrounding areas."

CURRENT TRENDS AND ISSUES

In 2020, the City and Greater Muscatine Chamber of Commerce and Industry (GMCCI) entered into an agreement for GMCCI to provide the City with Tourism and Marketing services. This agreement assigns to GMCCI the responsibility for enhancing the economic development of the City and County of Muscatine by marketing and promoting it as a destination for visitors and tourism. Specific tactics are outlined in the agreement that was implemented in the 2020/2021 fiscal year and continued in 2021/2022. Per this agreement, the City will pay GMCCI $125,000 in each of these two fiscal years for these services. GMCCI has requested the agreement to be extended for the next two fiscal years (2022/2023 and 2023/2024) at the same annual payment of $125,000. The City continues to maintain its CVB enterprise fund and these payments will be made to GMCCI from the CVB enterprise fund. The City will continue to transfer 25% of the prior year hotel/motel tax receipts from the Economic Development budget into the CVB enterprise fund. The transfer for 2021/2022 is $93,600 based on 25% of actual 2020/2021 hotel/motel taxes. The transfer for 2022/2023 is estimated at $91,200, 25% of the $365,000 in estimated hotel/motel taxes for 2021/2022. Hotel/motel tax estimates are lower beginning in mid-March of 2020 due to reduced travel as a result of the COVID-19 pandemic.

The 2021/2022 budget included $43,000 in funding to the Greater Muscatine Chamber of Commerce and Industry (GMCCI), with $3,000 of this amount designated for hosting visitors from Muscatine's various sister cities or other international visitors. This allocation is for general economic development services and is in addition to the allocation for Tourism and Marketing. The original budget also included an estimated $10,000 for TIF-related legal and professional services and $10,000 for economic development marketing costs. The revised estimate maintains the $10,000 allocation for TIF-related legal and professional services costs, but eliminates the allocation for economic development marketing costs.

The revised estimate for the Economic Development budget is $21,100 higher than the original budget due to the net effect of an increased transfer to the CVB fund ($31,100) and the elimination of the $10,000 allocation for economic development marketing costs. The increased CVB transfer is due to actual hotel/motel taxes of $374,449 in fiscal year 2020/2021 compared to the $250,000 in hotel/motel taxes in the budget for that year, an increase of $124,449 (25% of this increase is the $31,100 increase in the transfer to the CVB fund in the revised estimate).

The 2022/2023 Economic Development budget totals $144,200. This includes a $91,200 transfer to the CVB enterprise fund, a $43,000 allocation to the Greater Muscatine Chamber of Commerce and Industry (GMCCI) for general economic development services, and $10,000 for economic development-related legal services.

GOAL STATEMENT

To provide financial assistance to various community organizations which are involved with the economic development of the City provided such development meets the overall city economic development and governmental service plans.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- Implement the Grandview Avenue forgivable loan program for businesses impacted by the Grandview Avenue Reconstruction project and the COVID-19 pandemic.
- Leverage American Rescue Plan Act (ARPA) funding to support business recovery and economic development.
- Update the City's Urban Renewal Plan to include the Grandview Avenue Small Business Forgivable Loan Program and a Wayfinding Plan.
- Continue to partner with GMCCI and local lending institutions to provide small business forgivable loans to qualifying businesses.
- Continue to proceed with design of a riverfront amphitheater.
- Continue monthly economic development committee meetings with key community stakeholders.
- Submit a grant application for a CDBG (Community Development Block Grant) facade improvement program in the downtown corridor.
- Continue the Grandview Avenue Revitalization Project with a focus on business support and recovery, and fresh food options in the Grandview Corridor.
- Continue to leverage Tax Increment Financing tools to promote economic development.
- Develop and implement a community wayfinding plan utilizing Tax Increment Financing funds.

Function:
Community and Economic Development

Department:
Legislative and Council

Activity:

Economic Development

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	43,000	43,000	63,000	53,000	53,000	-15.87%
Capital Outlay	-	-	-		-	
Transfers	123,738	99,647	62,500	93,600	91,200	45.92%
Total Expenditures	$ 166,738	$ 142,647	$ 125,500	$ 146,600	$ 144,200	14.90%
Funding Sources						
Hotel/Motel Tax	$ 123,738	$ 99,647	$ 62,500	$ 93,600	$ 91,200	45.92%
Tax Increment Funds for Economic Development	43,000	43,000	63,000	53,000	53,000	-15.87%
Total Funding Sources	$ 166,738	$ 142,647	$ 125,500	$ 146,600	$ 144,200	14.90%

Function:	*Department:*
Public Works	**Public Works**

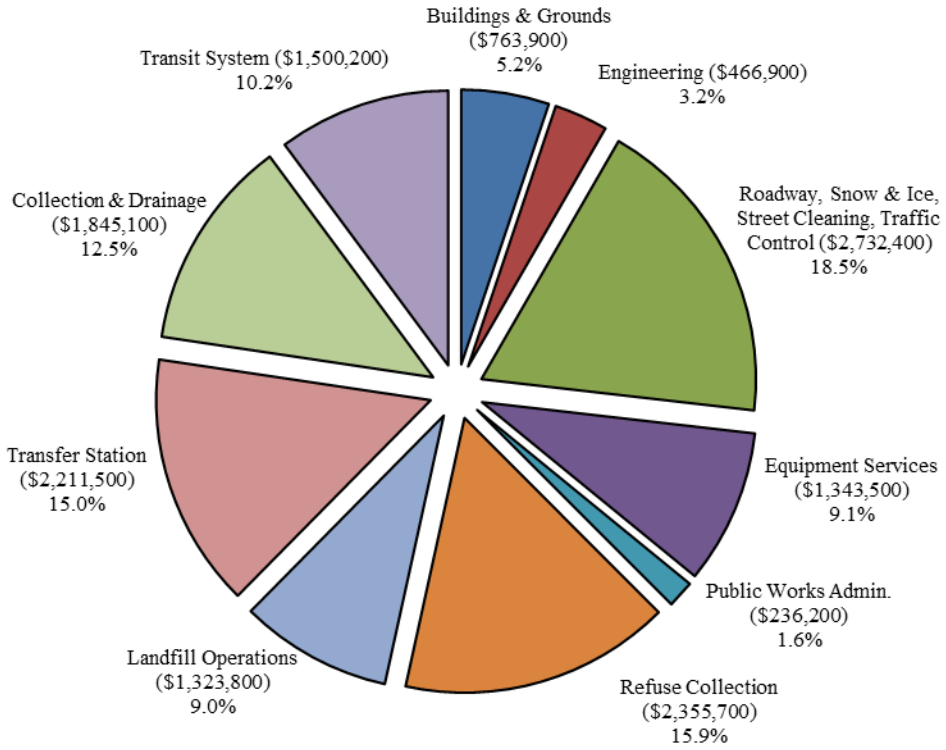
Activity:

Public Works Administration

GENERAL INFORMATION

The Public Works Administration budget includes the costs of administrative coordination of all Public Works related activities. These activities are Engineering, Roadway Maintenance, Snow and Ice Control, Street Cleaning, Traffic Control, Collection and Drainage, Building and Grounds, Equipment Services, Refuse Collection, Transfer Station Operations, Landfill Operations, and the Transit System. The Public Works department performs a variety of functions, many seemingly unrelated but virtually all related to the City's physical infrastructure and contribution to the quality of the urban environment. The following chart shows the budgeted operating expenditures for the various public works activities for the 2022/2023 fiscal year.

2022/2023 Public Works Budgets by Activity
$14,779,200



The Public Works Administration activity is included in the General Fund budget. However, several activities under the supervision of the Public Works Director are in the Enterprise and Internal Service funds. These include Refuse Collection, Transfer Station, Landfill Operations, Transit System, Collection and Drainage, and Equipment Services Operations. An administrative fee is charged to Refuse Collection, Landfill Operations, Collection and Drainage, Equipment Services Operations, and the Transit System. For 2022/2023 these fees total $76,600 and this amount has been included as revenue to the General Fund.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $1,400 higher than the original budget. Personal services costs are $2,100 higher due to wage adjustments and capital outlay is $700 less than the original budget.

The 2022/2023 budget is $5,600 (2.4%) higher in total than the 2021/2022 budget. This increase includes (1) an increase of $8,000 in personal services costs, (2) a $3,000 decrease in capital outlay, and (3) a $600 increase in transfers.

GOAL STATEMENT

To contribute to the health and welfare needs of the citizens of Muscatine by providing modern, efficient, and economical public works services to the community through efficient management services in the coordination of the following City activities: Engineering, Roadway Maintenance, Snow and Ice Control, Street Cleaning, Traffic Control, Collection and Drainage, Building and Grounds, Equipment Services, Refuse Collection, Landfill Operations, Transfer Station, and the Transit System.

PERFORMANCE MEASURES

	Actual 2018/2019	**Actual 2019/2020**	**Actual 2020/2021**	**Estimated 2021/2022**	**Estimated 2022/2023**
Operating Expenditures - All Public Works Activities	$12,919,218	$12,453,537	$12,689,105	$14,813,700	$14,779,200
Full Time Employees - All Public Works Activities	44	44	44	44	44
Part Time Employees - All Public Works Activities	36	36	36	36	36
Infrastructure Projects Under Construction	2	5	4	4	2
Infrastructure Projects Completed	1	2	1	2	1

RECENT ACCOMPLISHMENTS

Summaries of Public Works department activities are more specifically described in the separate division narratives.

The Public Works department was extremely busy this year. Several major street projects were underway for most of the summer. Substantial completion was achieved on the 2nd Street Streetscape Project which

improved sidewalks on 2nd Street from Mulberry to Pine. In addition, work was substantially completed on the Park Avenue 4 to 3 Lane Conversion Project, which included construction of ADA compliant pedestrian ramps, patching and overlay of Park Avenue from Colorado Street to the Mad Creek Bridge, new paint striping for the 3-lane configuration, and installation of new signage and traffic signals.

The Grandview Avenue Reconstruction project also got underway this year. This is a continuation of the Mississippi Drive Corridor Reconstruction project that began in 2016 and it includes similar streetscaping and lane configurations from Pearl Street to Houser Street. This is a multi-year project that will be nearing final completion at the end of 2022. The West Hill Sewer Separation Phase 5 project began this summer and is continuing to progress on 8th Street from Broadway to Lucas. This is also anticipated to be a multi-year project and should be completing at the end of 2022.

There were several staff changes in the Public Works department in the past year. The department has continued working on a succession plan for staff approaching retirement. This has proven to be beneficial with recent retirements.

The Public Works department is assisting with several big initiatives within the city including planning and design of a riverfront amphitheater, Grandview Avenue area revitalization initiatives, south end improvement projects, and the 6th Street neighborhood project. All of these and more are very exciting and should provide lasting impacts to the community.

Supply chain issues have been a concern throughout all City departments this year. With the after-effects of the COVID-19 pandemic, there have been delays and shortages of parts and equipment. Multiple vehicles have been on order for over a year and it appears the wait will continue. Supply issues have also had an impact on construction projects and forced unanticipated delays.

As always, Public Works continues to take the lead on multiple infrastructure improvement projects throughout the community in addition to overseeing the day-to-day operations of the Transfer Station, Landfill, Refuse Collection, Building and Grounds, MuscaBus, Vehicle Maintenance, Collection and Drainage, Engineering, Roadway Maintenance, Snow and Ice Control, Street Cleaning, and Traffic Control. These activities are vital to the community and while often overlooked when done well, are front and center when things go wrong. One of our goals is to prevent things from going wrong and fix them as soon as possible when they do.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To fully implement the PubWorks asset management software across all public works divisions. **(Strategic Plan – Excellent Customer Service)**

- To facilitate implementation of components of the Riverfront Master Plan. **(Strategic Plan – Vibrant Community)**

- To complete design and funding-raising for the riverfront amphitheater. **(Strategic Plan – Vibrant Community)**

- To purchase and install AED (automated external defibrillator) devices in the Public Works and Transfer Station main buildings. **(Strategic Plan – Safe Community)**

- To provide training to staff for AED, CPR, and fire extinguishers. **(Strategic Plan – Safe Community)**

- To work with staff to create and document standard operating procedures for all divisions. **(Strategic Plan – Reliable Public Infrastructure, Excellent Customer Service)**

- To complete construction of the Grandview Avenue Reconstruction project. **(Strategic Plan – Reliable Public Infrastructure)**

- To continue to work with partner organizations to design, fund, and construct a demountable flood wall for the riverfront from Mulberry to Broadway Streets. **(Strategic Plan – Reliable Public Infrastructure, Safe Community)**

- To seek grant funding for the design and construction of green infrastructure projects. **(Strategic Plan – Reliable Public Infrastructure, Safe Community)**

- To continue succession planning for the replacement of retirement or close to retirement age staff. **(Strategic Plan – Excellent Customer Service)**

- To implement a plan for usage of the former Iowa Department of Transportation(IDOT) facility on Lake Park Boulevard. **(Strategic Plan – Excellent Customer Service)**

- To implement a vehicle replacement program to provide safe and reliable vehicles for all city staff. **(Strategic Plan – Excellent Customer Service)**

- To review and evaluate the current customer request process and evaluate options for making improvements to this process. **(Strategic Plan – Excellent Customer Service)**

Function:
Public Works

Department:
Public Works

Activity:
Public Works Administration

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 178,729	$ 185,733	$ 193,200	$ 195,300	$ 201,200	4.14%
Commodities	1,686	969	4,000	4,000	4,000	0.00%
Contractual Services	12,022	10,101	14,000	14,000	14,000	0.00%
Capital Outlay	5,645	-	3,000	2,300	-	
Transfers	14,900	15,700	16,400	16,400	17,000	3.66%
Total Expenditures	$ 212,982	$ 212,503	$ 230,600	$ 232,000	$ 236,200	2.43%
Funding Sources						
Road Use Taxes	$ 142,682	$ 140,103	$ 156,100	$ 157,500	$ 159,600	2.24%
Administrative Fees	70,300	72,400	74,500	74,500	76,600	2.82%
Total Funding Sources	$ 212,982	$ 212,503	$ 230,600	$ 232,000	$ 236,200	2.43%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position/Position Allocations:						
Public Works Director	1.00	1.00	1.00	1.00	1.00	
Administrative Secretary	0.33	0.33	0.33	0.33	0.33	
Total Full Time	1.33	1.33	1.33	1.33	1.33	$ 148,100
Employee Benefits						53,100
Total Personal Services						$ 201,200

Function:	*Department:*
Public Works	**Public Works**

Activity:

Roadway Maintenance

GENERAL INFORMATION

The Roadway Maintenance activity includes the repair and maintenance of all roadways in the City of Muscatine except the U.S. 61 By-Pass and a small portion of Business Route U.S. 61 which are maintained by the State of Iowa. There is a total of over 128 miles of streets within the City limits. In addition, the Roadway Maintenance division maintains alleys, parking lots, and traffic signs. The division is also involved in various other projects including cleaning and replacing culverts, painting for traffic control, replacing curbs and gutters, repairing City streets, and repairing sidewalks.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $233,400 more than the original budget. This overall increase is due to an $8,500 increase in personal services, a $700 increase in commodities, a $38,100 increase in contractual services, and a $186,100 increase in capital outlay. The increase in capital outlay is primarily due to adding a dump truck that was originally requested in the 2022/2023 budget for $196,000. Due to supply chain issues, large vehicles are in scarce supply and Public Works staff were told that dealerships will not have any large trucks available for purchase until early 2024. With this knowledge, several suppliers had purchased truck chassis and outfitted them with dump bodies and plow systems anticipating that they would be able to sell them to state and local governments. The city had an opportunity to reserve a new 2022 Freightliner 40,000-pound G.V.W. chassis outfitted with snow removal equipment if it would be purchased by the end of January 2022. City Council authorized the issuance of this purchase at the January 20, 2022 City Council meeting.

The 2022/2023 budget is $296,000 (19.4%) higher than the 2021/2022 budget. Personal services costs increased by $27,300 (2.9%); contractual services increased by $3,700; and capital outlay increased by $265,000. The capital outlay allocation includes a rubber tire end loader ($300,000), two trucks ($75,000), a welder ($10,000), and concrete/asphalt grinding ($75,000).

The primary source of funding for the Roadway Maintenance activity is Road Use Tax funds collected by the State of Iowa and appropriated to cities based on a per capita formula. Road Use Tax funds are utilized to support the Public Works Administration, Engineering, Roadway Maintenance, Traffic Control, Street Cleaning, and Snow and Ice Control budgets. Expenditures for these six (6) activities and the right-of-way mowing program in the Park Maintenance budget are budgeted at $3,443,100 for 2022/2023. The 2022/2023 budget includes an additional $38,100 for capital expenditures in the Building & Grounds budget for Public Works grounds improvements. Of this amount, $3,169,900 will be funded from Road Use Taxes and $311,300 from Public Works revenues. Specific information concerning the Road Use Tax Fund is included in the Special Revenue Funds section of the City budget.

GOAL STATEMENT

To provide a safe and well-maintained street system for the efficient movement of residential, commercial, and industrial traffic, assist with the health, welfare, and general appearance of the City through weed abatement, flood control assistance, and general community cleanup projects.

PERFORMANCE MEASURES

	Actual 2019	**Actual 2020**	**Actual 2021**	**Estimated 2022**	**Estimated 2023**
Miles of Streets Maintained	128	128	128	128	128
Hot Mix/Cold Mix Used (tons)	35,000	30,000	18,496	18,000	18,000
Pothole Patching (16" squares)	N/A	N/A	10,600	11,000	11,000
Crack Sealing (feet)	N/A	N/A	22,611	23,000	23,000
Modified Subbase Supplied – square yards (City Projects)	25,372 SY	30,400 SY	30,500 SY	30,000 SY	30,000 SY

Note:
The following projects used the modified subbase this year:
A. Park Avenue/E. 2nd St Four to Three Lane Conversion
B. 2nd Street Streetscape
C. Grandview Avenue Reconstruction
D. West Hill Sewer – Phase 5 (subbase was provided for this sewer project)
(All projects included pavement, sidewalks, ADA Ramps, and curb/gutter)

RECENT ACCOMPLISHMENTS

Public Works staff started cleaning equipment and city streets in early April of 2021. Street sweepers were used as soon as it was warm enough to do so. Crews washed winter snow equipment, rocked roadway shoulders, and graded rock alleys. Spring leaf pickup occurred concurrently with these activities. In May, crews patched potholes in city streets and in alleys. Public Works crews replaced street signs and repaired and removed signage from street projects throughout the city.

Fall activities included cleaning the brine machine and getting it ready for winter. Leaf pickup started the middle of October and concluded in December. Crews also prepared equipment for use during the winter season.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To continue the full depth patching program as well as the asphalt overlay of streets and alleys.
- To work towards utilizing the crack sealing machine to maintain 20-25 city blocks per year.
- To utilize the road hog machine to rebuild rock alleys in need of repair.
- To continue to improve work scheduling on street projects and routine maintenance work.

Function:
Public Works

Department:
Public Works

Activity:

Roadway Maintenance

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 893,129	$ 923,180	$ 944,100	$ 952,600	$ 971,400	2.89%
Commodities	91,804	76,139	147,100	147,800	147,100	0.00%
Contractual Services	280,789	292,798	237,200	275,300	240,900	1.56%
Capital Outlay	362,598	154,003	195,000	381,100	460,000	135.90%
Transfers	-	-	-	-	-	
Total Expenditures	$ 1,628,320	$ 1,446,120	$ 1,523,400	$ 1,756,800	$ 1,819,400	19.43%
Funding Sources						
Road Use Taxes	$ 1,533,357	$ 1,362,320	$ 1,503,600	$ 1,736,100	$ 1,798,700	19.63%
Street Revenues	16,558	16,558	17,000	17,000	17,000	0.00%
Insurance Reimbursement	-	52,381	-	-	-	
FEMA Reimbursement	71,158	4,585	-	-	-	
Other	7,247	10,276	2,800	3,700	3,700	32.14%
Total Funding Sources	$ 1,628,320	$ 1,446,120	$ 1,523,400	$ 1,756,800	$ 1,819,400	19.43%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position/Position Allocations:						
Street Maintenance						
Supervisor	1.00	1.00	1.00	1.00	1.00	
Street Maintenance Leadworker	1.00	1.00	1.00	1.00	1.00	
Equipment Operator III	3.00	4.00	4.00	4.00	4.00	
Equipment Operator II	5.00	3.00	3.00	3.00	2.00	
Equipment Operator I	1.00	2.00	2.00	2.00	3.00	
Maintenance Worker II	0.10	0.10	0.10	0.10	0.10	
Administrative Secretary	0.33	0.33	0.33	0.33	0.33	
Total	11.43	11.43	11.43	11.43	11.43	$ 607,900
Employee Benefits						363,500
Total Personal Services						$ 971,400

Capital Outlay

Item:	***Quantity***	***Replacement***	***Amount***
Asphalt/Concrete Grinding			$ 75,000
Rubber Tire Endloader	1	Yes	300,000
4x4 1/2 Ton Pickup Trucks	2	Yes	75,000
Arc Welder	1	Yes	10,000
			$ 460,000

Function:	*Department:*
Public Works	**Public Works**

Activity:

Traffic Control Operations

GENERAL INFORMATION

The Traffic Control Operations activity was established to separately account for traffic control activities including street striping, street signs, and various other traffic control functions.

In most communities this activity would be funded at a substantially higher level. However, in Muscatine the municipally owned utility, Muscatine Power and Water, provides direct benefits to the general city operation by providing all street lighting including installation, maintenance, and operating costs. All maintenance and operational costs for traffic signals are paid by the utility with the exception of two traffic signals located outside of the utility's service district. These services are provided in lieu of a payment in taxes to the City.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $2,300 less than the original budget. Personal services costs are $7,300 lower due to staffing changes. This decrease is partially offset by a $5,000 increase in commodities.

The 2022/2023 budget is $31,200 (15.7%) higher than the original 2021/2022 budget. Personal services costs increased by $1,400 (1.5%) and capital outlay increased by $29,800. The capital outlay allocation for 2022/2023 includes replacing approximately 820 traffic signs ($16,000), replacing 10 barricades ($2,500), replacing 200 traffic cones ($6,000), and purchasing new snow emergency route signs ($24,500).

GOAL STATEMENT

To provide for the efficient and safe movement of vehicular and pedestrian traffic through the painting of street markings, fabrication, replacement, and maintenance of street name and traffic signs, and to collaborate with Muscatine Power and Water to develop, maintain, and operate the street and traffic light system.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Number of Street Signs Maintained	6,297	6,298	6,358	6,358	6,358
Number of New Signs Installed	32	274	371	371	371
Lineal Feet of Street Striping	339,394	341,754	327,263	336,137	336,137
Number of Stop Bars Painted	305	340	321	321	321
Number of Arrows Painted	413	442	442	442	442
Number of Handicapped Stalls Marked	96	97	105	105	105
Number of Regular Parking Stalls Painted	2,679	2,656	2,668	2,668	2,668
Number of Crosswalks Painted	228	250	232	232	232
Number of Railroad Crossings Painted	37	36	34	34	34
Traffic Committee Meetings	14	16	12	12	12
Number of Signs Removed	8	1	0	0	0
Number of Sign Posts Maintained	4,398	4,436	4,446	4,446	4,446
Number of Speed Humps Painted	2	2	0	0	0

RECENT ACCOMPLISHMENTS

The annual street striping program started in August with arrows and railroad crossings. Ostrom Painting and Sandblasting was awarded the contract for the second year in a row. They finished striping in mid-September. City crews painted crosswalks and stop bars throughout the city. Crews also painted parking stalls, yellow "No Parking" curbs, and parking lots, including numbering the parking stalls.

Sign replacement continues all year long, along with replacing damaged signs and posts. Crews also remove signs and posts in construction areas. Staff continues to replace worn out traffic signs and update the posts that the signs are attached to. The employee assigned to Traffic Control monitors tree limbs blocking signs, faded and worn-out signs, and signage and barricades for events that take place on city property (i.e. Central Business District, Weed Park events, and street closures around community events throughout the City). This division is also called upon to assist the Fire department for street closures for fires, the Police department for emergency situations, and to provide traffic control support for water main breaks and power outages as requested by Muscatine Power and Water.

Public Works staff maintains and updates the Geographical Information Systems (GIS) mapping layers. Staff work together inputting information on signs, posts, repairs, and replacements. Staff prepares all the City maps for detours, leaf routes, street closures, street cleaning/sweeping, transit route maps, garbage/refuse collection maps, and any other specialty maps needed by City departments.

Public Works staff meets bi-monthly to review and discuss current traffic issues, to review projects for proper traffic control, and to address requests for street closures.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To continue to update the GIS (Geographical Information System) layer to include culverts cleaned and replaced, street sweeping records, street painting/striping, sign replacements, and sign/post repairs.

- To continue to update and replace old and outdated signs and posts. The average time a traffic sign meets current FHWA (Federal Highway Administration) standards is 15 years.

Function:
Public Works

Department:
Public Works

Activity:

Traffic Control

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 81,350	$ 81,946	$ 90,800	$ 83,500	$ 92,200	1.54%
Commodities	9,472	10,818	14,400	19,400	14,400	0.00%
Contractual Services	71,029	72,650	74,000	74,000	74,000	0.00%
Capital Outlay	19,408	24,687	19,200	19,200	49,000	155.21%
Transfers	-	-	-	-	-	
Total Expenditures	$ 181,259	$ 190,101	$ 198,400	$ 196,100	$ 229,600	15.73%
Funding Sources						
Road Use Taxes	$ 181,259	$ 190,101	$ 198,400	$ 196,100	$ 229,600	15.73%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Equipment Operator III	1.00	1.00	1.00	1.00	1.00	$ 56,400
Employee Benefits						35,800
Total Personal Services						$ 92,200

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Traffic Signs	820	Yes	$ 16,000
Type III Barricades	10	Yes	2,500
Traffic Cones	200	Yes	6,000
Snow Emergency Route Signage			24,500
			$ 49,000

Function:	*Department:*
Public Works	**Public Works**

Activity:

Snow and Ice Control

GENERAL INFORMATION

Th Snow and Ice Control activity accounts for the cost of snow and ice removal from the streets of Muscatine as well as the spreading of salt and sand. The City has designated certain streets as snow emergency routes for priority snow removal prior to cleaning residential streets with low-density traffic. In addition, the City has specific salt and sand routes for secondary consideration.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is $15,200 more than the original budget. Personal services are over by $200, commodities are over by $12,000 due to increased salt costs, and capital outlay is over by $3,000,

The 2022/2023 budget is $6,500 (1.5%) more than the original 2021/2022 budget due primarily to an increased allocation for capital outlay. Capital outlay purchases include a 4-way snow plow ($10,000) and a 9-foot salt box ($11,500). The 2022/2023 budget includes funding for three barge loads of salt.

The budget for 2000/2001 first included funding for an outside contractor to provide snow removal services in the downtown area. A history of the contracted downtown snow removal costs and the number of snow events each year is as follows:

	Cost	Snow Events
2000/2001	$41,503	24
2001/2002	17,250	10
2002/2003	10,560	12
2003/2004	27,976	13
2004/2005	9,200	9
2005/2006	14,038	9
2006/2007	17,615	9
2007/2008	55,805	23
2008/2009	60,225	25
2009/2010	37,870	21
2010/2011	64,670	15
2011/2012	12,120	12
2012/2013	25,245	11
2013/2014	51,495	26
2014/2015	48,455	14
2015/2016	26,075	11
2016/2017	8,833	11
2017/2018	39,570	19
2018/2019	84,630	20
2019/2020	30,580	17
2020/2021	83,905	20

The 2021/2022 revised estimate and 2022/2023 budget each include $50,000 for contracted snow removal in the downtown area.

GOAL STATEMENT

To provide a safe street system during the winter months through efficient and effective snow and ice removal and control procedures.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Number of Storms	20	17	20	19	19
Tons of Salt Used (includes 50/50 mix)	4,000	2,000	2,137	2,700	2,700
Tons of Sand Used	1,500	200	797	500	500
Gallons Calcium Chloride Used	2,000	2,000	5,000	10,000	20,000

RECENT ACCOMPLISHMENTS

The first storm of the winter of 2020-2021 occurred on October 19, 2020 with just under one inch of snow and temperatures in the mid-30s. October produced just two snow storms; neither storm required any salt application. December produced four storms with one particularly bad storm on December 29th. The storm started out as rain, then turned to snow. Seven inches of wet heavy snow fell, then 1.5 inches of sleet topped the snow. Temperatures went from the mid-30's to 0 degrees, with a wind chill of negative 15 degrees. The department used 451 tons of salt and 290 tons of 50/50 mix for that one storm. January of 2021 started off with several small snow storms. On January 25th, there was 8.6 inches of snow and crews worked for five days to clean up from that storm. On January 30th, another three inches of snow fell, and on February 4th, four more inches fell. In eleven days, the snowfall totaled 15.6 inches. In January, there were six snow storms and in February there were seven storms. March produced one storm with 2 inches of snow and temperatures in the upper 30's. The department had several new employees last winter, and overall staff performed very well.

The department also used the brine machine starting in January of 2021. Staff had to learn how to make salt brine and how to run the new tanker truck system for applying the brine on streets, bridges, and parking lots.

The City of Davenport has officially terminated the joint road salt purchase agreement. Next year the department will participate in the Iowa DOT rock salt solicitation program. This will increase the cost of salt, but there will be a benefit of having delivery directly to the storage locations.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To continue to evaluate and increase the use of brine application during winter operations.
- To continue to meet with staff, the Police department, and other departments to discuss winter operations and planning for snow emergency events.

- To provide training to other individuals that are interested in working during winter operations (i.e. driving snow plow trucks, operation of snow plows, salt application, end loaders with front-operated snow plows, and the different snow routes that are used during winter operations).
- To implement a change to the city code for snow emergencies.

Function:
Public Works

Department:
Public Works

Activity:

Snow and Ice Control

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 75,728	$ 134,551	$ 84,700	$ 84,900	$ 84,800	0.12%
Commodities	277,993	233,097	239,800	251,800	239,800	0.00%
Contractual Services	52,012	121,841	108,400	108,400	108,400	0.00%
Capital Outlay	71,036	7,296	15,100	18,100	21,500	42.38%
Transfers	-	-	-	-	-	
Total Expenditures	$ 476,769	$ 496,785	$ 448,000	$ 463,200	$ 454,500	1.45%
Funding Sources						
Road Use Taxes	$ 469,069	$ 488,238	$ 444,000	$ 459,200	$ 450,500	1.46%
Reimbursement of Expenses	7,700	8,547	4,000	4,000	4,000	0.00%
Total Funding Sources	$ 476,769	$ 496,785	$ 448,000	$ 463,200	$ 454,500	1.45%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Equipment Operator III	N/A	N/A	N/A	N/A	N/A	
Equipment Operator II	N/A	N/A	N/A	N/A	N/A	
Equipment Operator I	N/A	N/A	N/A	N/A	N/A	
Total	N/A	N/A	N/A	N/A	N/A	$ 45,000
Employee Benefits						39,800
Total Personal Services						$ 84,800

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
4-Way Snow Plow	1	Yes	$ 10,000
9-Foot Salt Box	1	Yes	11,500
			$ 21,500

Function:	*Department:*
Public Works	**Public Works**

Activity:

Street Cleaning

GENERAL INFORMATION

The Street Cleaning activity involves the operation of the City's street sweepers and the leaf collection program. The street cleaning operation functions primarily on streets with curbs and gutters and in the downtown commercial areas. Two (2) employees are involved in the operation utilizing two (2) machines. One machine is operated in the Central Business District, alleys, and narrow locations with the other machine used in other areas of the City. During the winter season the equipment operators supplement the snow and ice removal crews. The City's Street Cleaning operation is hindered substantially in its effectiveness as a result of the amount of on-street parking permitted throughout the City, and the elimination of the night sweeping program because of machine noise. Further, the addition of new curb and guttered hard surface streets adds to the miles of streets which require street sweeping.

The City has four leaf vacuum units in addition to four leaf boxes that can be mounted on existing dump trucks. This equipment has greatly improved the City's ability to pick up leaves as a service to residents and has helped keep leaves out of the City's sewer system. This service continues to be very popular.

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate is under the original budget by $2,300. There was a $9,700 increase in personal services costs due to a new employee having family health insurance instead of the single coverage budgeted for the former employee. This increase was more than offset by a $12,000 decrease in contractual services. The decrease in contractual services is due to a reduction in temporary employment agency services for the leaf pick-up program. Instead, City seasonal employees are being used to assist with this program.

The 2022/2023 budget is $5,000 (2.5%) more than the 2021/2022 budget. Personal services costs increased by $17,000 and contractual services decreased by $12,000. The 2022/2023 budget continues using seasonal employees to assist crews with the leaf pickup program instead of using temporary employment agency services.

GOAL STATEMENT

To contribute to the health, welfare, and appearance of the City through a systematic program of street sweeping and leaf removal.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Miles of Streets Cleaned with Sweeper	88	88	88	88	88
Employee Hours for Leaf Program	789	926	1,537	1,600	1,600
Temporary Employment Agency Hours for Leaf Program	1,286	1,345	0	0	0
Fall Leaf Loads	248	220	218	220	220
Spring Leaf Loads	10	10	10	10	10

RECENT ACCOMPLISHMENTS

Spring street sweeping started later than usual in 2021. Due to weather, staff did not start until late April. Both sweepers were out in May and June. Regular routes did not get started until mid-July. The department collected approximately 500 tons of debris this year.

Spring leaf pickup started the second Friday of April in 2021. Staff drove every street in every zone throughout the city. The department made sure that all call-ins were picked up. The spring leaf pickup service ended April 30.

Fall leaf pickup began October 18 with only one truck and crew. It was a slow start because the leaves had not started falling. Leaves started falling throughout all zones after the first heavy frost. Leaf pickup continued through December as weather permitted.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To train all Equipment Operator II's on both the vacuum sweeper and the mechanical sweeper.

- To develop a standard operating procedure for minor maintenance and lubrication of the leaf machines and both sweepers.

Function:
Public Works

Department:
Public Works

Activity:

Street Cleaning

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 135,703	$ 141,814	$ 155,700	$ 165,400	$ 172,700	10.92%
Commodities	5,730	5,339	7,900	7,900	7,900	0.00%
Contractual Services	34,726	48,133	39,300	27,300	27,300	-30.53%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 176,159	$ 195,286	$ 202,900	$ 200,600	$ 207,900	2.46%
Funding Sources						
Road Use Taxes	$ 176,159	$ 195,286	$ 202,900	$ 200,600	$ 207,900	2.46%

Personnel Schedule	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Equipment Operator I	0.45	-	-	-	-	
Equipment Operator II	1.45	1.90	1.90	1.90	1.90	
Total Full Time	1.90	1.90	1.90	1.90	1.90	
						$ 106,100
Employee Benefits						66,600
Total Personal Services						$ 172,700

Function:	*Department:*
Public Works	**Public Works**

Activity:

Engineering Operations

GENERAL INFORMATION

Through most of the 2019/2020 fiscal year, the Engineering division consisted of the City Engineer and the Assistant City Engineer. The City contracts for outside engineering services for the design of major projects and has been contracting for project management and inspection services for specific projects. The costs of the contracted engineering services are charged directly to each project. The City Engineer and Assistant City Engineer also charged a portion of their time to the City's various capital projects. Road Use Taxes fund the staff hours not directly charged to projects. In prior years this budget also included seasonal intern positions with a portion of their hours charged to the capital projects they worked on.

Beginning in April of 2020, the Engineering budget includes a fulltime Right-of-Way Inspector position with 75% of this position allocated to the Engineering budget and 25% to the Collection and Drainage budget.

In 2020/2021, the Assistant City Engineer position was replaced with an Inspector III position. In the 2021/2022 budget a Senior Engineer position was added to manage construction projects. The City, however, has not found a suitable candidate to fill this position. As mentioned, the City has used independent contractors as Construction Project Managers/Inspectors and this arrangement is being phased out and replaced with staff positions. The City Engineer is responsible for managing the remaining contractual project manager/inspector. The costs of the managers/inspectors are charged directly to the capital projects that they are working on. In the future, the plan is to have the project management/inspections done in-house.

CURRENT TRENDS AND ISSUES

The revised estimate for 2021/2022 is $9,500 less in total than the original budget. Personal services costs are $20,600 less than the original budget due to position vacancies. This decrease is partially offset by a $1,400 increase in commodities and a $9,700 increase in capital outlay. The capital outlay increase is due to price increases for the two budgeted vehicles.

The budget for 2022/2023 is $26,700 (5.4%) less than the original 2021/2022 budget. Personal services costs are $23,300 (5.7%) higher than the original 2021/2022 budget, commodities increased by $1,600, contractual services decreased by $4,200, and capital outlay decreased by $47,400.

GOAL STATEMENT

To provide technical engineering services for public works infrastructure, coordinate construction activities of existing public works features, participate in review and evaluation of requests for new services, and provide information on request where municipal engineering is involved.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Right-of-Way Permits Processed	95	254	350	375	400
Percent Permits Closed	N/A	N/A	90%	90%	90%
Utility Locates Processed	N/A	4,908	4,954	5,000	5,000
Percent and Amount of Billed Time to Projects (City Engineer)	28.1% $39,481	29.1% $42,148	59.4% $73,747	30%	30%
Percent and Amount of Billed Time to Projects (Assistant City Engineer/Senior Engineer)	49.7% $55,827	58.2% $66,389	N/A (Position not filled)	80%	80%
Percent and Amount of Billed Time to Projects (Inspector III)	N/A	N/A	67.5% $31,008	80%	80%

RECENT ACCOMPLISHMENTS

There were several major construction projects in design, in progress, or completed this past year. Construction on Grandview Avenue is underway and is anticipated to be complete and open to traffic by the end of 2022.

The Park Avenue 4 to 3 Lane Conversion Project is substantially complete with the anticipated final completion in the Spring of 2022.

The 2nd Street Streetscape Project is substantially complete. The contractor is on hold for the season and plans to reach final completion in the Spring of 2022.

As the sponsor for the Mississippi River levee, staff assisted GPC and Muscatine Power and Water in USACE (U.S. Army Corps of Engineers) permit requests as well as participated in the annual levee inspections. Staff also assisted other city departments with addressing items the USACE deemed deficient.

Staff assisted the bridge consultant in performing the bi-annual bridge inspections. Staff also provided construction management for the West Hill Sewer Separation project.

Engineering staff has continued to have a positive working relationship with the new Muscatine Power & Water management team by continuing to meet on a regular basis to discuss potential issues before they become problems.

The department continues implementing Statewide Urban Design and Specifications (SUDAS) as the City's design and construction standards.

During the past year, the department tracked contractors performing work within the City's Rights-of-Way by reviewing permit applications and inspecting open permits, and began tracking contractors who did not request a permit by comparing permit requests with Utility Locate requests. During the 2020/2021 fiscal year, the Engineering department inspected and closed 350 permits within the City's Rights-of-Way. Most of these were trenches cut into the street that otherwise would have been repaired without inspection.

Staff participated in all site plan review meetings for new developments in the City and within a two-mile radius, and monitored work performed within the City's Rights-of-Way associated with these private developments. Staff performed daily inspections of private developments intended to be dedicated to the City.

The Engineering department assisted the Street department with the PCC Concrete Patching and street overlay bid documents and construction.

Engineering staff served as the point of contact for the designs of:

- Muscatine Police Department / Muscatine County Sheriff's Department Training Facility
- Riverside Park Amphitheater
- South End Community Improvement Projects (HAWK Crossing and Taylor Park)
- Redundant Force Main from Musser Park to the Water Pollution Control Plant
- Demountable Floodwall
- 67th Avenue Sidewalk
- MuscaBus Vehicle Wash Bay
- Isett Traffic Study
- Lake Park Boulevard Storm Water Study

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023

- To complete and close out the Grandview Avenue Reconstruction project. **(Strategic Plan – Reliable Public Infrastructure, Vibrant Community)**

- To complete and close out the MuscaBus Vehicle Wash Bay Project. **(Strategic Plan – Reliable Public Infrastructure, Excellent Customer Service)**

- To serve as liaison for the Project Management Team for:
  - West Hill Sewer Separation Project, Phase 5 Construction – 2022 - 2023
  - West Hill Sewer Separation Project, Phase 6 Design – 2022 - 2023
  - Grandview Avenue Reconstruction Project – 2022 – 2023
  - South End Community Improvement Projects (HAWK Crossing and Taylor Park) – 2022 – 2023
  - Riverside Amphitheater Schematic Design and Fundraising – 2022 – 2023
  - 67th Avenue Sidewalk – 2022 – 2023
  - Cobblestone (Private Development – Public Improvements) – 2022 – 2023
  - Love's Travel Stop (Private Development – Public Improvements) – 2022 - 2023
  - Police Department Shooting Range and Training Facility – 2022 - 2023
  - Street Maintenance Full Depth Concrete Patching Project – 2022 - 2023
  - Street Maintenance Asphalt Overlay Project – 2022 - 2023
  - Street Maintenance Sidewalk Program – 2022 - 2023
  - Fulliam Reconstruction Project, Houser to Kindler, Design – 2022 - 2023
  - East Hill Multiuse Facility, Design – 2022 – 2023

  (Strategic Plan – Reliable Public Infrastructure)

- To continue to attend the Traffic staff meetings.
- To be 25% to 30% chargeable to Capital Improvement Projects for the City Engineer.
- To be 80% chargeable to Capital Improvement Projects for the Construction Inspector.

- To continue to monitor excavation within the City's Rights-of-Way, including private developments that require access to public rights-of-way.
- To continue to maintain the good working relationship with Muscatine Power & Water by continuing to meet with key individuals from each organization to discuss current and potential projects.
- To continue to mark all of the Utility Locates for the City.
- To continue to pursue a potential demountable floodwall along Mississippi Drive that would span between the two levee systems. **(Strategic Plan – Reliable Public Infrastructure, Safe Community)**
- To continue to coordinate the Levee inspections and necessary repairs. **(Strategic Plan – Reliable Public Infrastructure, Safe Community)**
- To address the traffic congestion on Isett Avenue by utilizing a traffic study of the Isett corridor from Washington and Cypress to Isett and Lake Park Boulevard and pursue funding. (**Strategic Plan – Reliable Public Infrastructure, Safe Community)**

Function:
Public Works

Department:
Public Works

Activity:

Engineering Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 285,890	$ 290,776	$ 409,000	$ 388,400	$ 432,300	5.70%
Commodities	1,241	3,845	5,000	6,400	6,600	32.00%
Contractual Services	17,086	16,155	32,200	32,200	28,000	-13.04%
Capital Outlay	26,552	15,361	47,400	57,100	-	-100.00%
Transfers	-	-	-	-	-	
Total Expenditures	$ 330,769	$ 326,137	$ 493,600	$ 484,100	$ 466,900	-5.41%
Funding Sources						
Engineering Fees	$ 112,710	$ 105,840	$ 208,700	$ 210,000	$ 210,000	0.62%
Road Use Tax	218,059	220,297	284,900	274,100	256,900	-9.83%
Total Funding Sources	$ 330,769	$ 326,137	$ 493,600	$ 484,100	$ 466,900	-5.41%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
City Engineer	1.00	1.00	1.00	1.00	1.00	
Assistant City Engineer	1.00	0.25	0.00	0.00	0.00	
Senior Engineer	0.00	0.00	1.00	1.00	1.00	
Right-of-Way Inspector	0.19	0.75	0.75	0.75	0.75	
Inspector III	0.00	0.67	1.00	1.00	1.00	
Total	2.19	2.67	3.75	3.75	3.75	$ 289,600
Employee Benefits						142,700
Total Personal Services						$ 432,300

Function:	*Department:*
Transfers	**City Administrator**

Activity:

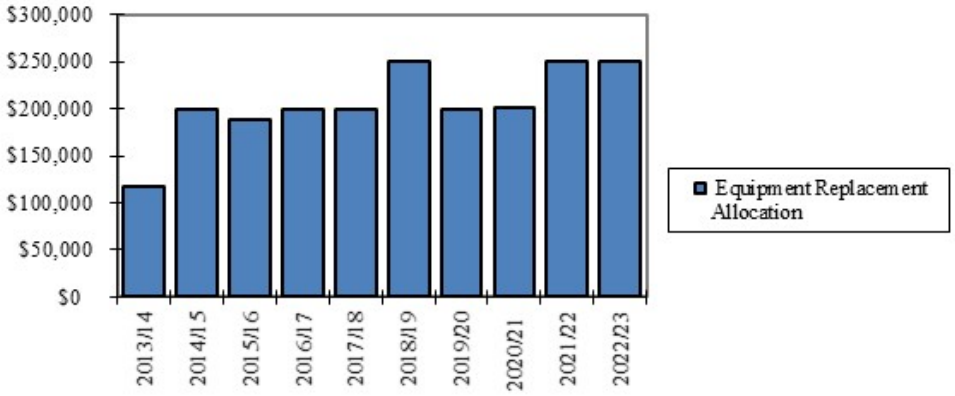
Equipment Replacement Transfer

GENERAL INFORMATION

The Equipment Replacement Fund was established in an effort to provide a more systematic method of replacing equipment and leveling the cost of replacing such equipment. This activity has funded equipment replacements in the General Fund with the exception of equipment eligible for Road Use Tax funding. Equipment to be replaced in the Enterprise Funds is funded directly from each Enterprise activity.

A comprehensive inventory of all equipment currently owned by the City including autos, pickup trucks, dump trucks, heavy equipment, and other miscellaneous equipment has been completed in an effort to assess the overall condition of the City's inventory. Staff has developed a replacement and cost schedule for each piece of equipment. An equipment maintenance cost program has also been developed and is used in conjunction with the replacement schedule to determine the most cost effective and economical time to replace City equipment.

Annual funding transfers have normally been made from the General Fund to fund current requirements and to anticipate and prepare for future equipment replacement needs. Over the last ten years these amounts have ranged from $117,000 in 2013/2014 to $250,000 for 2021/2022. A history of funding levels is shown in the following chart. It should be noted that this chart only reflects the regular transfers to the Equipment Replacement Fund. As such, it does not include the funding transfer in 2015/2016 specifically designated for the purchase of a new ambulance at a total cost of $148,500.



CURRENT TRENDS AND ISSUES

Since the 2014/2015 fiscal year, General Fund allocations to the Equipment Replacement Fund have been between $200,000 and $250,000. The budgeted transfer for 2021/2022 is $250,000 and that same amount has been budgeted for 2022/2023.

Purchases from the Equipment Replacement Fund in 2021/2022 total $258,300. This includes $100,000 for two new Police patrol vehicles (Tahoes), $25,000 for a police staff vehicle, $23,200 for a new code enforcement vehicle for Community Development, $21,800 for a wide area mower for the cemetery, $65,500 for two Park Maintenance trucks, and $22,800 for a zero-turn mower for Park Maintenance.

Purchases from the Equipment Replacement Fund in 2022/2023 total $289.000. This includes $159,000 for three new Police patrol vehicles (Tahoes), $35,000 for a police staff vehicle, $25,000 for a new code enforcement vehicle for Community Development, $25,000 for a Community Development Building Inspector vehicle, $15,000 for a mower for the cemetery, and $30,000 for a Park Maintenance truck. The balance in the Equipment Replacement Fund on June 30, 2023 is estimated at $72,619.

Additional information on the Equipment Replacement Fund is included in the Special Revenue Funds section of this document.

Function:
Transfers

Department:
City Administrator

Activity:

Equipment Replacement Transfer

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Transfers	200,000	202,000	250,000	250,000	250,000	0.00%
Total Expenditures	$ 200,000	$ 202,000	$ 250,000	$ 250,000	$ 250,000	0.00%
Funding Sources						
General Revenues	$ 200,000	$ 202,000	$ 250,000	$ 250,000	$ 250,000	0.00%

Function:	*Department:*
Transfers	**City Administrator**

Activity:

Transit Subsidy

GENERAL INFORMATION

The Muscatine City Transit System has provided public transportation for all citizens of the community since 1981. State law permits the City to levy up to $.95 per $1,000 of assessed valuation for Public Transportation outside the $8.10 General Fund limitation. Tax monies are transferred to the Transit System Enterprise Fund to support transit operations.

CURRENT TRENDS AND ISSUES

The 2020/2021 budget included a tax levy of $.11987 per $1,000 of valuation for public transportation which generated $113,807 (including the utility replacement excise tax and the commercial/industrial State reimbursement).

For the 2021/2022 budget, the transit tax levy was eliminated. Elimination of the transit levy for 2021/2022 was possible due to the accumulated balance in the Transit Fund and the CARES Act funding received for the Transit operation in 2020/2021 and 2021/2022. With the elimination of the transit levy, the City was able to maintain the same total tax levy rate as the prior fiscal year.

The 2022/2023 budget also does not include a transit tax levy. This is again due to the accumulated balance in the Transit fund due to the CARES Act funding.

More information on the Transit Operation is included in the Enterprise Funds section of this document.

Function:
Transfers

Department:
City Administrator

Activity:

Transit Subsidy

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Transfers	51,982	113,807	-	-	-	
Total Expenditures	$ 51,982	$ 113,807	$ -	$ -	$ -	
Funding Sources						
Transit Tax Levy	$ 49,601	$ 108,660	$ -	$ -	$ -	
Utility Tax Replacement Excise Tax	192	480	-	-	-	
Commercial and Industrial State Reimbursement	2,189	4,667	-	-	-	
Total Funding Sources	$ 51,982	$ 113,807	$ -	$ -	$ -	

Function:	*Department:*
Transfers	**City Administrator**

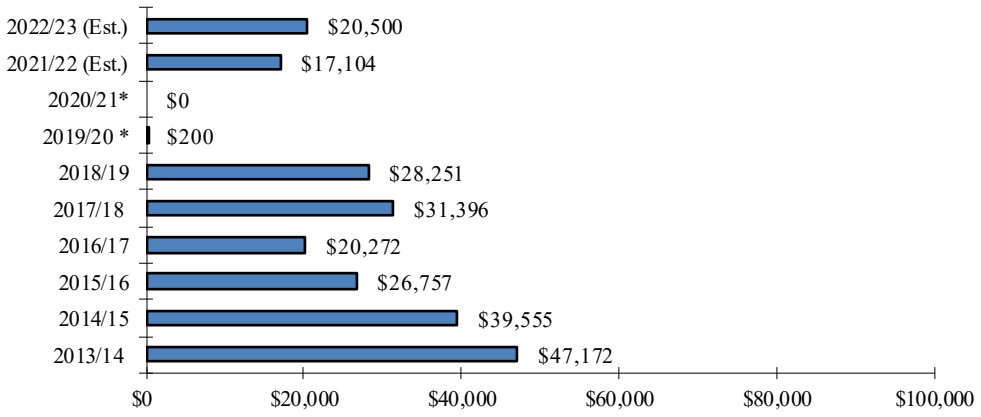
Activity:

Airport Operations Subsidy

GENERAL INFORMATION

The Municipal Airport operation has been designated as an Enterprise Fund for budgeting purposes. As such, it has been necessary to make subsidy transfers from the General Fund as expenses incurred exceed revenues received from the operation. A summary of General Fund transfers since fiscal year 2013/2014 follows:

General Fund Airport Subsidies



* The small subsidy for 2019/2020 and zero subsidy for 2020/2021 are due to CARES (Coronavirus, Aid, Relief, and Economic Security) Act funding awarded to the Airport to fund operating costs.

The General Fund subsidy has ranged from approximately $20,300 to $47,200 during the past ten years with the exception of 2019/2020 and 2020/2021. The subsidies for 2019/2020 and 2020/2021 were $200 and zero, respectively, due to CARES (Coronavirus Aid, Relief, and Economic Security) Act funding the Airport was awarded to be used for Airport operating costs. The fluctuations in the subsidies for the other years was due to costs of repair and maintenance of airport facilities and navigational equipment, and capital outlay costs

CURRENT TRENDS AND ISSUES

The 2021/2022 revised estimate subsidy is $17,104 compared to the original budget of $41,000.

The budgeted subsidy for fiscal year 2022/2023 is $20,500, which is a $20,500 (50.0%) decrease from the original 2021/2022 budgeted subsidy.

A full review of the airport operation is included in the Airport Operations budget in the Enterprise Funds section of this document. As the Municipal Airport is an integral part of the community and plays an important role in the economic development of the City, it is anticipated that the General Fund will continue to subsidize this operation in the future.

Function:
Transfers

Department:
Community Development

Activity:

Airport Operations Subsidy

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Transfers	200	-	41,000	17,104	20,500	-50.00%
Total Expenditures	$ 200	$ -	$ 41,000	$ 17,104	$ 20,500	-50.00%
Funding Sources						
General Revenues	$ 200	$ -	$ 41,000	$ 17,104	$ 20,500	-50.00%

Function:	*Department:*
Transfers	**City Administrator**

Activity:

Assigned Funding Allocations

GENERAL INFORMATION

Governmental Accounting Standards Board Statement 54 was effective for the City's fiscal year ended June 30, 2011. This Statement provided for clearer, more structured fund balance classifications and clarified the definitions of each fund classification. This statement provides that the fund balances of governmental funds, including the General Fund of governmental entities, be classified into nonspendable, restricted, committed, assigned, and unassigned amounts.

The 2012/2013 General Fund budget included three assigned funding allocations (1) COPS grant future funding commitment, (2) Fire engine replacement, and (3) City financial software replacement. The Fire engine and the financial software were purchased in 2012/2013. The funding assignments in 2013/2014 and 2014/2015 were for the COPS grant future funding commitment. The funding assignments for the COPS grant were expended in fiscal year 2015/2016.

Merit Allowance Funding Assignment

The 2015/2016 budget included an assigned funding allocation of $12,300 to allow for merit increases for fulltime non-union employees. This was the first year of this program which allowed for employees in this group to progress above the mid-point of their pay ranges based on merit performance in their positions. The budget amount was based on an estimated 30% of the employees in this group being eligible for merit pay of up to 1% of their annual salary. While these funds were budgeted in the Assigned Funding allocation for 2015/2016, actual merit increases were reflected in the respective department budgets. The 2016/2017 budget also included $12,300 to allow for merit increases up to 1% for fulltime non-union employees. The 2017/2018 budget included $50,000 to allow for merit increases in the non-union pay plan. This amount allowed for merit increases of up to 3% and included funds to allow for several positions to be placed on different grades in the pay plan based on market surveys. The 2018/2019, 2019/2020, and 2020/2021 budgets again included $50,000 to allow for merit increases up to 3% for employees in the non-union pay plan. Due to concerns with General Fund revenues due to the COVID-19 pandemic, City Council deferred the 2020/2021 merit funding allocation until mid-way through the fiscal year. With the merit increases not effective until January 4, 2021, approximately $25,000 of the $50,000 merit allocation was used in the 2020/2021 fiscal year.

The 2021/2022 budget again included $50,000 to allow for merit increases up to 3% for employees in the non-union pay plan. While these funds were budgeted in the Assigned Funding allocation in 2021/2022, the revised estimate in this budget is zero since actual merit increases have been reflected in the respective department budgets.

The 2022/2023 budget includes $25,000 to allow for merit increases up to 1.5% for employees in the non-union pay plan. The decreased allocation is due to limited funding being available in the General Fund for the 2022/2023 fiscal year. Since the employees receiving merit pay have not yet been determined, the budget estimate is again being reflected as an assigned funding allocation for 2022/2023.

Function:
Transfers

Department:
City Administrator

Activity:

Assigned Funding Allocation

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	-	-	-	-	-	
Contractual Services	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Transfers	-	-	50,000	-	25,000	-50.00%
Total Expenditures	$ -	$ -	$ 50,000	$ -	$ 25,000	-50.00%
Funding Sources						
General Revenues	$ -	$ -	$ 50,000	$ -	$ 25,000	-50.00%

ENTERPRISE FUNDS

AIRPORT OPERATIONS

GENERAL INFORMATION:

The Muscatine Municipal Airport provides a non-commercial facility for use by the entire community. Because the Airport is heavily utilized by private companies and individuals, this facility assists in generating additional business and promotes industrial and commercial growth in the City. The facility currently includes a terminal building, four (4) corporate hangars, twenty (20) T-hangars, three (3) new box hangars, a maintenance building, and a community hangar that can store approximately fifteen (15) to twenty (20) small airplanes. The Airport has a 5,500-foot main runway and a 4,000-foot crosswind runway.

The Airport property consists of approximately 680 acres; however, only 394 acres are used for the aviation operation. The remaining 286 acres are leased for farming purposes with the income assisting in the support of the Airport operation. Early in 2012 the lease for the farm land surrounding the airport was re-negotiated which increased the annual airport farm revenue to $34,000 beginning in 2012/2013. This lease expires at the end of calendar year 2022 and it will be renegotiated in the upcoming year.

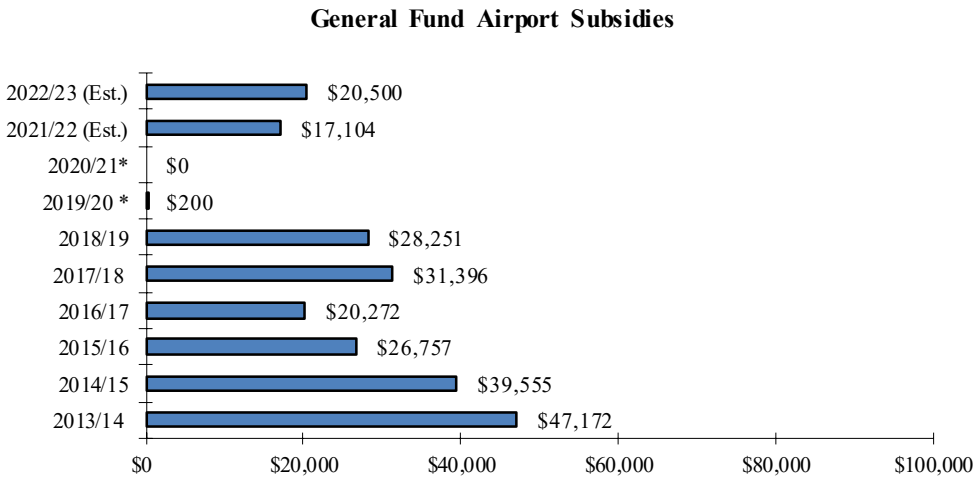
The facility is operated through a contractual agreement by the Airport Manager who oversees the general operation of the facility. The City also has a Fixed Base Operator (FBO) who provides various business functions and services to the users of the Airport. The FBO provides airplane maintenance, charter services, and flight training in addition to the sale of airplanes, fuel, and other general services required by the aviation industry. The current contracts are with Carver Aero, LLC for both the Airport Management and FBO activities. The amount paid to Carver Aero for airport management fees for both 2021/2022 and 2022/2023 is $46,500. Carver Aero, as fixed base operator (FBO), will make payments to the City of $12,600 in 2021/2022 and $13,000 in 2022/2023.

The City has completed a variety of improvements at the Municipal Airport in recent years. These improvements have been made in conjunction with the receipt of Federal Aviation Administration (FAA) or State grants. In October of 2016 the City was awarded funding for the design of new hangars and for apron expansion. The design work and phase one of the apron expansion project was completed in the 2017/2018 fiscal year. In August of 2019, the City awarded the contract for three (3) box hangars and phase two of the apron expansion. Funding is partially from two State grants and the balance of $346,000 was funded from the May 2020 bond issue. This project was completed in October of 2020. The Airport Zoning Ordinance update is also in progress with 85% State funding and a 15% local match.

Engineering design was completed in 2019/2020 for the reconstruction of Taxiway A and construction was substantially completed in calendar year 2021. The remaining items on the contract are scheduled to be completed in the spring of 2022. Federal Aviation Administration (FAA) funding was originally set at 90% of project costs. After the fiscal year 2020/2021 budget was adopted, the City received notification that the 10% local share would be waived due to an increased FAA funding allocation related to the COVID-19 pandemic. Bids were received for this project in May of 2020 and the contract was awarded to Langman Construction, Inc. in the amount of $2,497,660.30.

CURRENT TRENDS AND ISSUES:

The Airport Operation was established as an Enterprise Fund in order to segregate revenues and expenditures of the operation and as a result of efforts to generate additional revenues for this facility. As revenues from the Airport are generally less than expenditures for the operation, a General Fund subsidy is normally required annually to balance the budget. A history of the General Fund Airport subsidies is shown in the following graph:



* The small subsidy for 2019/2020 and zero subsidy for 2020/2021 are due to CARES (Coronavirus, Aid, Relief, and Economic Security) Act funding awarded to the Airport to fund operating costs.

The subsidies for 2019/2020 and 2020/2021 were $200 and zero, respectively, due to CARES (Coronavirus Aid, Relief, and Economic Security) Act funding the Airport was awarded to be used for Airport operating costs. The fluctuations in the subsidies for prior years were due to costs of repair and maintenance of airport facilities and navigational equipment, and capital outlay costs

The original 2021/2022 budget included a $41,000 General Fund subsidy and the revised estimate subsidy is estimated at $17,104. This decreased subsidy was possible due to the Airport receiving American Rescue Plan Act (ARPA) funding to be used to assist in funding airport operating costs.

The budgeted subsidy for fiscal year 2022/2023 is $20,500, which is a $20,500 (50.0%) reduction from the original 2021/2022 budgeted subsidy. The reduced subsidy for 2022/2023 is due to the Airport operating budget not including any capital outlay items.

Airport expenditures for 2022/2023 are budgeted at $126,800. This is a $19,700 decrease from the original 2021/2022 budget. The decrease is due to the 2022/2023 budget not including any capital outlay items.

GOAL STATEMENT:

To provide safe and efficient aviation facilities and services to the community which will promote the commercial and industrial growth and stability of the City, and provide for the needs of the recreational and leisure activities involving aviation.

PERFORMANCE MEASURES:

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Hangars Maintained	20	20	20	23	23
Hangar Spaces Rented	20	20	20	22	23
Airport Advisory Meetings	9	8	6	6	6
Hangar Rentals	$22,512	$28,861	$31,738	$38,000	$40,000
FBO Lease	$11,473	$11,817	$12,172	$12,600	$13,000
Fuel Commissions	$7,416	$7,385	$8,129	$7,500	$7,500
Farm Lease Revenue	$34,000	$34,000	$34,000	$34,000	$34,000
General Fund Subsidy	$28,251	$200	$0	$17,104	$20,500

RECENT ACCOMPLISHMENTS:

The availability of CARES Act and ARPA (American Rescue Plan Act) funds in fiscal years 2020/2021 and 2021/2022 have significantly reduced the general fund subsidy of the airport. Funds made available through this legislation also eliminated the need to bond for the typical match requirement to complete the Taxiway A reconstruction project. Staff continues to look for opportunities to increase revenue or decrease expenses at the airport.

With the three new hangars coming online, turnover in the hangar rentals has been higher than normal; this however is settling, and the last hangar vacancy is anticipated to be filled shortly after the first of the year. The Building and Grounds staff completed repairs to the electric gates facilitating modernized access for pilots. Roof repairs to some of the older hangars are planned for fiscal year 2022/2023.

The lease of the excess Airport land currently utilized for farming expires December 31, 2022. Staff had worked with a developer to potentially install a solar field as part of a Muscatine Power & Water (MPW) project. Unfortunately, the developer was not the partner MPW selected, and staff will be working to negotiate a new lease for the land that maintains a compatible use.

The remainder of the volunteer trees were removed in the area around the end of the runway using a new method. This was necessary to comply with FAA requirements, but had previously not been feasible due to the area consistently being too wet to access with traditional tree removal equipment. The removal of the trees revealed a grading issue that staff will be working on in the coming year.

Shortly after the pandemic began, the Airport Advisory Commission elected to begin meeting every other month, and has found this to be an adequate schedule for accomplishing required tasks. It is anticipated that meetings will continue to be scheduled every other month with additional meetings scheduled if they are necessary to meet deadlines.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To complete expansion of the taxilane to maintain access for larger planes to the new hangars. (**Strategic Plan – Reliable Public Infrastructure)**

- Negotiate and execute a new lease for the 250 acres currently under lease for agricultural purposes. **(Strategic Plan – Reliable Public Infrastructure)**

- To promote awareness of the airport and the benefit it provides to the community. **(Strategic Plan - Vibrant Community)**

Airport Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 7,100	$ 23,396	$ 0
Revenues					
Fixed Base Operator Fee	$ 11,817	$ 12,172	$ 12,600	$ 12,600	$ 13,000
Hangar Rentals	28,861	31,738	40,000	38,000	40,000
Reimbursement of Costs	1,265	1,301	1,200	1,200	1,200
Farm Leases	34,000	34,000	34,000	34,000	34,000
Fuel Commissions	7,385	8,129	7,500	7,500	7,500
Federal FAA Grants (CARES Act and American Rescue Plan Act)	19,375	0 46,500	3,100	12,900	10,600
Transfers In					
General Fund Subsidy	200	0	41,000	17,104	20,500
Total Revenues	$ 102,903	$ 133,840	$ 139,400	$ 123,304	$ 126,800
Funds Available	$ 102,903	$ 133,840	$ 146,500	$ 146,700	$ 126,800
Expenditures	102,903	110,444	146,500	146,700	126,800
Ending Balance, June 30	$ 0	$ 23,396	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 23,396**	**$ (7,100)**	**$ (23,396)**	**$ 0**

Function:
Business Type

Department:
Community Development

Activity:

Airport Operations

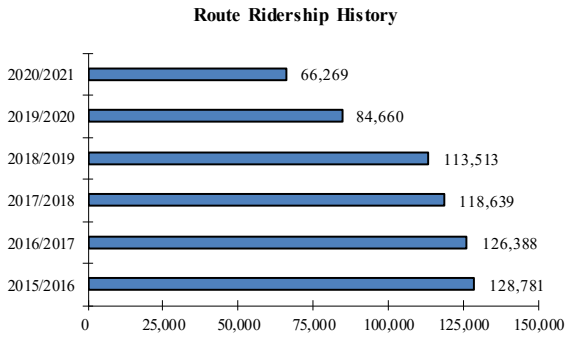
	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	1,170	8,114	8,250	7,900	7,400	-10.30%
Contractual Services	91,733	92,030	107,650	108,200	108,500	0.79%
Capital Outlay	-	-	20,000	20,000	-	
Transfers	10,000	10,000	10,600	10,600	10,900	2.83%
Total Expenditures	$ 102,903	$ 110,144	$ 146,500	$ 146,700	$ 126,800	-13.45%
Funding Sources						
Airport Revenues	$ 102,703	$ 133,840	$ 105,500	$ 129,596	$ 106,300	0.76%
General Fund Operating Subsidy	200	-	41,000	17,104	20,500	-50.00%
Total Funding Sources	$ 102,903	$ 133,840	$ 146,500	$ 146,700	$ 126,800	-13.45%

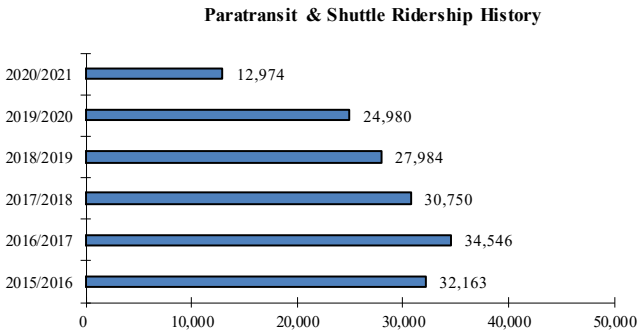
TRANSIT SYSTEM

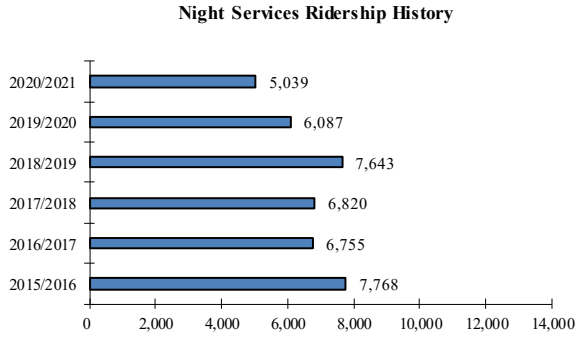
GENERAL INFORMATION:

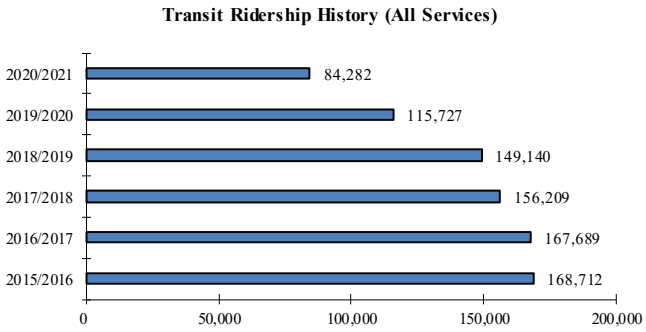
The City Transit System (MuscaBus) operates with eleven (11) small buses, all equipped with wheelchair lifts and one conversion van. Personnel supporting the transit system are a full-time Transit Supervisor, 3 part-time dispatchers, 18 part-time drivers, and one part-time vehicle service worker. The system currently consists of three (3) fixed routes for the general public, a paratransit system for senior citizens and the disabled, an evening service for individuals to travel to employment and employment-related destinations, and an evening service two nights a week primarily for the disabled. Since 2007 there has been a fourth fixed route each weekday during peak travel times. Appointed by the City Council, the Transportation Advisory Commission assists the Council and Transit Supervisor in establishing operating policies and procedures for the system.

The breakdown of the ridership for the system since 2015/2016 on a fiscal year basis is in the following graphs. The decreases in 2019/2020 and 2020/2021 are primarily due to the COVID-19 pandemic which reduced ridership demand and transit services offered beginning in March of 2020.









The City receives both Federal and State funding for the transit operation. The 2021/2022 revised estimate includes federal funding from the Coronavirus Aid, Relief and Economic Security (CARES) Act in the amount of $589,400 for operating expenses. The CARES Act funding is being used in 2021/2022 instead of using the Federal Operating Grant. The 2021/2022 revised estimate and 2022/2023 budget also include federal funding from the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) for transit operations. The 2021/2022 revised estimate includes $337,600 in CRSSA funding and the 2022/2023 budget includes $174,600 in CRSSA funding. The 2022/2023 budget also includes federal funding from the

American Rescue Plan Act (ARPA) in the amount of $218,600. The American Rescue Plan Act provides relief funds to state, local, and tribal governments that have been negatively impacted by the coronavirus pandemic. Federal operating assistance is estimated at $420,000 for 2022/2023.

Federal capital support has also been used, primarily to purchase buses. The 2021/2022 revised estimate includes $170,500 in federal capital grants, which is the estimated federal share (80%) of the cost of two new buses. The CARES Act has also provided funds for capital purchases. The 2021/2022 revised estimate includes $201,300 in CARES Act funds for transit vehicle purchases. This funding amount is the estimated federal share (53.6%) of two "mini" transit buses. The mini-buses have a lower floor and a wheelchair ramp to better suit passengers with mobility devices. The 2022/2023 budget also includes $185,300 in federal funding for two regular buses, which is 85% of their $218,000 estimated total cost. These bus purchases are subject to the award of this federal funding.

The State of Iowa also provides transit funding assistance from a portion of the motor vehicle use tax. These funds are allocated by a formula to the thirty-five (35) public transit systems in the State by the Iowa Department of Transportation, Air and Transit Division. In fiscal year 2021/2022 it is anticipated that the City will receive $275,100 in State operating funding for the Transit operation and in 2022/2023 an estimated $260,000 is expected.

The State of Iowa allows cities to levy up to $.95 per $1,000 of assessed value to support a transportation system. For fiscal year 2020/2021 the City's transit levy rate was set at $.11987/$1,000 of valuation which generated $113,807 (including the State reimbursement for the commercial and industrial property rollback). For 2021/2022, the transit tax levy was eliminated. Elimination of the transit levy for 2021/2022 was due to the accumulated balance in the Transit Fund and the CARES Act funding received in 2020/2021 and 2021/2022. The 2022/2023 budget also does not include a transit tax levy due to the additional federal funding awarded to the Transit system.

On July 1, 2015 fares for the regular routes increased from $.75 per ride to $1.00 and fares for the shuttle service increased from $1.00 to $2.00. Monthly flash pass fees also increased from $28 to $32. These rates will continue in the 2022/2023 budget. The Transit division is located in the Public Works Facility on Washington Street. A transfer point for this operation is located at City Hall.

CURRENT TRENDS AND ISSUES:

The revised estimate expenditures for 2021/2022 are $407,900 more than the original budget primarily due to a $383,000 increase in capital outlay. The original 2021/2022 budget included funding of $213,200 for two light duty buses (85% grant funded), $1,400 for a bench replacement, and $1,500 to replace a computer. The revised estimate totals $599,100 and includes $213,200 for two buses with 85% grant funding, $375,200 for two mini-buses that are 53.6% funded from CARES Act funds, $1,500 to replace a computer, and $9,200 to replace the digital radios in the buses. Other changes in the revised estimate include an increase of $2,000 in personal services costs, an $8,300 increase in commodities, and a $14,600 increase in contractual services.

The 2022/2023 budget is $172,000 (13.0%) more than the original 2021/2022 budget. This increase is due to (1) a $25,000 (3.2%) increase in personal services costs, (2) an $8,600 increase in commodities, (3) a $30,100 increase in contractual services, (4) a $700 increase in administrative fees, and (5) a $1,900 increase in capital outlay. The 2022/2023 budget also includes a $105,700 transfer to the Vehicle Wash Bay capital project fund. This is the amount of the required matching funds for the $422,559 federal transit grant for the Vehicle Wash Bay. In addition to the federal grant and the grant matching funds from the Transit fund, the City is contributing $200,000 in funding from the May 2022 bond issue to complete the financing of the Vehicle Wash Bay. The budgeted capital outlay allocation of $218,000 in the operating budget is for the purchase of

two buses. The bus purchases are subject to grant funding which is estimated at $185,300 (85%) in federal funding.

Transit charges for services which includes fares, passes, and waivers, is estimated at $140,000 for 2022/2023. The fare revenue has fluctuated in recent years due in part to changes in payments from Managed Care Organizations (MCO's), insurance providers in the state of Iowa. There were many changes that were effective in November 2017 that led to changes in ridership beginning in December 2017. The MCO's have changed their authorizations for transportation, removing the funding for passengers living in Supported Community Living (SCL). MuscaBus staff continues to work with the providers of the SCL's to ensure the passengers continue to have transportation and to retain Muscabus ridership. The COVID-19 pandemic also contributed to lower fares and ridership in 2019/2020, 2020/2021, and 2021/2022. Ridership and fares are expected to start increasing again in 2022/2023.

The Transit fund shows a balance at the end of 2022/2023 of $367,175. This ending balance would be needed if there are increases in fuel or bus maintenance costs, and would also allow for matching funds for additional bus purchases if additional grant funds would become available. With this fund balance, the Transit tax levy was not needed for the 2nd consecutive year. Staff will continue to closely monitor transit grant funding as well as fuel, maintenance, and other transit operating costs.

GOAL STATEMENT:

To provide an opportunity to all citizens for safe and efficient public transportation with special services provided for senior citizens and handicapped residents

PERFORMANCE MEASURES:

	Actual 2018/2019	**Actual 2019/2020**	**Actual 2020/2021**	**Estimated 2021/2022**	**Estimated 2022/2023**
Buses Used and Maintained	11	12	12	12	12
Fixed Bus Routes (Weekdays)	3 (4 for 9 hrs of the day) M-F	3 (4 for 9 hrs of the day) M-F	3 (4 for 9 hrs of the day) M-F	3 (4 for 9 hrs of the day) M-F	3 (4 for 9 hrs of the day) M-F
Fixed Bus Routes (Saturdays)	2	2	2	2	2
Fixed Route Passengers	113,513	84,660	66,269	73,000	80,300
Paratransit Passengers	27,984	24,980	12,974	19,400	21,300
JARC for Work (Night Service)	6,685	5,384	4,998	5,100	5,600
New Freedom (Night Service)	958	703	41	50	100
Total Passengers (1)	149,140	115,727	84,282	97,550	107,300

1. The decrease in passengers in 2019/2020, 2020/2021, and 2021/2022 is due to the COVID-19 pandemic. Passenger numbers are expected to start increasing in 2022/2023.

RECENT ACCOMPLISHMENTS:

MuscaBus ridership continues to be affected by the COVID-19 pandemic. The past year ridership has decreased by 27% from the previous year. For the first five months of the current fiscal year through November 30, 2021, ridership has increased by 20% from the same time period last year. The fixed route ridership is up 12 % and the paratransit shuttle ridership is up 43%. Ridership is slowly increasing.

MuscaBus has continued to comply with the Federal Mask Mandate, requiring passengers to wear masks while on the bus. Transit drivers are also required to wear a mask if there are passengers or if there is another driver on the bus. Staff continues to clean and disinfect the buses regularly.

MuscaBus was able to participate in some community events this past year. Muscabus provided transportation for the Almost Friday Fest over the summer months, the Community Block Party, the Parks & Recreation Cemetery Walk, and the Muscatine Power & Water event in October. Transit worked with other departments by participating in the Parks & Recreation Trunk or Treat event, by helping the Library with a special project of filming on the Muscabus, and by providing transportation for the Community Development department

The Transit Supervisor has continued to participate in the Traffic Meetings, Healthy Hometown Committee, and Bi-State Region 9. The Transit Supervisor completed the Crucial Conversations course, attended the Midwest Transit Conference in St. Louis, MO, and the virtual Transportation Research Board National Conference on Rural Public and Intercity Bus Transportation. The Supervisor has been elected to serve as secretary of the Iowa Public Transit Association.

MuscaBus completed a Compliance Review with the Iowa Department of Transportation (IDOT) on October 22, 2020. This is a tri-annual review the IDOT conducts in person. The department secured federal grant funding to construct a drive-through vehicle wash bay to be completed in 2022. Staff will work closely with the IDOT to make sure all grant requirements are met. MuscaBus ordered a new bus in October of 2020, but due to supply chain and vehicle chip issues, delivery of the bus has been delayed.

At the time this budget was written, MuscaBus drivers are approximately 80% complete with the new Paratransit Operator Development Course. This has been a great addition to the division's training materials. The drivers have also completed the bi-annual wheelchair training.

OBJECTIVES TO BE ACCOMPLISHED 2022/2023:

- To continue the Fixed Route Passenger survey and evaluate results to determine if any changes to improve services should be implemented. **(Strategic Plan - Excellent Customer Service)**

- To research having a professional evaluation of the route system to determine the optimal coverage of the community. **(Strategic Plan - Excellent Customer Service)**

Transit System

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 256,795	$ 378,435	$ 457,998	$ 411,075	$ 467,775
Revenues	1,098,485 (2)	1,097,676 (3)	1,293,700	1,792,800 (4)	1,399,600 (4)
Funds Available	$ 1,355,280	$ 1,476,111	$ 1,751,698	$ 2,203,875	$ 1,867,375
Expenditures (1)	976,845	1,065,036	1,328,200	1,736,100	1,500,200 (5)
Ending Balance, June 30	$ 378,435	$ 411,075	$ 423,498	$ 467,775	$ 367,175
Increase (Decrease) in Fund Balance	**$ 121,640**	**$ 32,640**	**$ (34,500)**	**$ 56,700**	**$ (100,600)**

1. Expenditures include changes in compensated absences.
2. The Transit tax levy for 2019/2020 was $52,360 including utility taxes and the State commercial and industrial reimbursement.
3. The Transit tax levy for 2020/2021 was $113,026 including utility taxes and the State commercial and industrial reimbursement.
4. The 2021/2022 and 2022/2023 budgets do not include a Transit tax levy; the levies were not needed due to available CARES Act and CRSSA grant funding.
5. The Transit division was awarded a federal grant which will provide partial funding for a new Vehicle Wash Bay. The Wash Bay will be accounted for as a capital project. The FY 2022/2023 budget includes a $105,700 transfer to the capital project fund for the required 20% local match for the Transit grant. Bond proceeds will be used to complete the financing of the project.

Explanation of Decrease in Fund Balance:

The balance in this fund has been fluctuating primarily due to capital purchases, primarily transit buses, bus maintenance costs, and grant funding.

Transit System

Summary of Revenues

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Transit Charges	$ 127,830	$ 96,452	$ 161,000	$ 132,000	$ 140,000
Transit Grants					
Operating Subsidies:					
Federal Operating Grant	$ 419,164	$ 239,033	$ 427,000	$ 0	$ 420,000
State Vehicle Use Tax	265,187	278,906	252,000	275,100	260,000
Federal CARES Act Funding	0	360,740	270,000	589,400	0
CRSSA Funding	0	0	0	337,600	174,600
ARPA Funding	0	0	0	0	218,600
Other Operating Grants	673	6,975	0	0	0
Capital Grants:					
Federal Funds - Buses	221,913	0	181,200 (1)	170,500 (1)	185,300 (3)
Federal Funds CARES Act - Buses	0	0	0	201,300 (2)	0
Prior Year Federal Operating Grant for Conversion Van	0	0	0	86,300	0
Subtotal - Grants	$ 906,937	$ 885,654	$ 1,130,200	$ 1,660,200	$ 1,258,500
General Fund Support:					
Transit Tax Levy	51,983	113,807	0 (4)	0	0 (4)
Sale of Vehicles	135	1,040	2,000	500	1,000
Interest	6,597	723	500	100	100
Insurance Reimbursement	5,000	0	0	0	0
Other	3	0	0	0	0
Total Revenues	$ 1,098,485	$ 1,097,676	$ 1,293,700	$ 1,792,800	$ 1,399,600

1. Federal funds approved for two buses ($213,210 with 80% grant funding)
2. Federal CARES Act funds would fund 53.6% of 2 buses ($187,600 each)
3. Federal funds requested for two buses. Approximate cost is $109,000 each; with 85% grant funding.
4. The 2021/2022 and 2022/2023 budgets do not include a Transit tax levy; the levies were not needed due to available CARES Act and CRSSA grant funding.

Function:
Business Type

Department:
Public Works

Activity:

Transit System

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 694,326	$ 712,444	$ 776,900	$ 778,900	$ 801,900	3.22%
Commodities	70,486	69,335	104,600	112,900	113,200	8.22%
Contractual Services	186,828	149,356	208,500	223,100	238,600	14.44%
Capital Outlay	5,596	109,161	216,100	599,100	218,000	0.88%
Transfers	20,700	21,400	22,100	22,100	128,500	481.45%
Total Expenditures	$ 977,936	$ 1,061,696	$ 1,328,200	$ 1,736,100	$ 1,500,200	12.95%
Funding Sources						
Transit Charges	$ 127,830	$ 96,452	$ 161,000	$ 132,000	$ 140,000	-13.04%
Transit Grants	906,937	885,654	860,200	531,900	865,300	0.59%
CARES Act Funding	-	-	270,000	790,700	-	
CRSSA Fundng	-	-	-	337,600	174,600	
ARPA Fundng	-	-	-	-	218,600	
Transit Tax Levy	51,983	113,807	-	-	-	
Sale of Vehicles	135	1,040	2,000	500	1,000	-50.00%
Interest	6,597	723	500	100	100	-80.00%
Insurance Reimbursement	5,000	-	-	-	-	
Other	3	-	-	-	-	
Total Funding Sources	$ 1,098,485	$ 1,097,676	$ 1,293,700	$ 1,792,800	$ 1,399,600	8.19%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Transit Supervisor	1.00	1.00	1.00	1.00	1.00	
Maintenance Worker II	0.20	0.20	0.20	0.20	0.20	
Total Full Time	1.20	1.20	1.20	1.20	1.20	
Part Time Positions:						
Transit Driver	11.08	11.19	11.06	11.12	11.08	
Transit Dispatcher	2.02	1.98	2.11	2.09	2.09	
Transportation Serviceperson	0.64	0.63	0.63	0.59	0.63	
Total Part Time	13.74	13.80	13.80	13.80	13.80	
Total	14.94	15.00	15.00	15.00	15.00	$ 636,800
Employee Benefits						165,100
Total Personal Services						$ 801,900

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Light-Duty Buses	2	Yes	$ 218,000
			$ 218,000

PARKING SYSTEM

GENERAL INFORMATION:

The Parking System Enterprise Fund accounts for all metered, leased, and free parking provided by the City of Muscatine in the central business district. These parking spaces are located both on and off-street and involve four (4) specific activities including parking operations, parking enforcement, downtown landscaping, and development of new parking. The City maintains 1,399 parking spaces in the downtown commercial area distributed as follows:

	On-Street		Lot #1	Lot #2	Lot #4	Lot #6	Lot #7	Lot #8		
	General	Sycamore 4th to 5th St.	Chestnut Street	W. 2nd Street	Sycamore Street	W. 3rd Street	E. 3rd Street	Cedar Street	Levee	Totals
Free Parking	167	0	0	16 (4 hour)	13 (3 hour)	0	0	5 (3 hour)	465 (24 hour)	666
2 Hour Meters	264	0	0	5	0	0	0	0	0	269
Handicapped	15	0	1	1	3	1	0	2	18	41
10 Hour Meters	48	0	19	15	39	0	9	0	0	130
Leased/Reserved	0	19 L	7 L	4 L	40 L	24 R	149 L	50 L	0	293
Totals	494	19	27	41	95	25	158	57	483	1,399

The four largest off street lots are located on 3rd Street across from City Hall (Lot 7), adjacent to Mississippi Drive at Sycamore (Lot 4), 2nd and Pine streets (Lot 2), and at the corner of 3rd and Cedar streets (Lot 8). These lots have a combination of leased parking spaces, and short and long-term meters. In September, 2007 on-street parking and off-street parking lot metered rates were increased from $.20 to $.30 per hour for short-term (two hour) meters and from $.10 to $.20 per hour for long-term (10 hour) meters. In 2013/2014 the meter rates were increased to $.50 per hour for two-hour meters and to $.25 per hour for ten-hour meters.

The parking enforcement program provides control of the parking spaces in the central business district. This program is intended to ensure that parking restrictions are enforced in order to meet the goals of the program. The primary goal is to provide short-term parking for customers in the downtown business district. The enforcement program is also involved in controlling loading zones, alley parking, and other parking regulations in the downtown area.

The downtown landscaping program has added aesthetically to the business environment to assist in promoting a healthy economic state in the downtown business district. One-half of a groundskeeper position had been allocated to this budget and this allocation was reduced to 25% beginning midway through the 2020/2021 fiscal year. This reduced allocation was due to reduced revenues to the Parking fund beginning in March of 2020 due to the COVID-19 pandemic. The Parks department continues to have responsibility for maintenance and landscaping in the downtown area.

Numerous modifications were implemented in the Parking operation in past years. An Administrative Review Panel was formed to hear appeals of parking violations. A standardized alley parking program was established for the downtown area to improve traffic movement, the conditions for delivery to merchants, and public

safety response for fire and emergency medical services. Also, handicapped parking has been provided throughout the downtown area. Since 1985 the City has been providing free parking in all areas on Saturdays.

In 2007 the Mayor appointed a Parking Task Force which was given the responsibility to evaluate and make recommendations on changes to the downtown parking program. These recommendations were to include both operational and financial changes with the goal that revenues from the parking operation would fund costs associated with the system. The significant changes recommended by the Task Force were subsequently adopted by City Council and fully implemented by September 1, 2007. These included the following:

1. Removing 20 10-hour meters in Lot 4 and changing these to leased spaces.
2. Increasing leased parking rates from $225 to $300 if paid annually and from $300 to $350 if paid quarterly.
3. Removing the meters on Second Street and providing free parking up to 3 hours once per day in each space.
4. Changing metered parking rates from $.20 to $.30 for 2-hour meters and from $.10 to $.20 per hour for 10-hour meters.
5. Changing the daily beginning enforcement time from 9:00 a.m. to 8:00 a.m.
6. Increasing the fines for expired meter tickets from $3.00 if paid within 72 hours to $5.00 and from $5.00 if paid after 72 hours to $10.00.
7. Elimination of free holiday parking in the downtown area.
8. Increasing the ticket fee to $25 per ticket after 20 tickets are issued each calendar year.
9. Adding 2-hour parking meters on 4th Street between Iowa and Chestnut Street.
10. Removing or changing time limits for parking in various other areas.
11. Purchasing electronic meters and phasing out the mechanical meters that were still in use.

As noted previously, meter rates were further increased to $.50 per hour for 2-hour meters and to $.25 per hour for 10-hour meters effective July 1, 2013.

At the October 19, 2017 City Council meeting, Council passed a resolution changing parking restrictions on 2nd Street from “Free parking up to 3 hours once per day in each space” to “Free parking up to 2 hours once per day in each block”. The purpose of this change was to increase the turnover of vehicles in on-street parking spaces on 2nd Street.

CURRENT TRENDS AND ISSUES:

Revenues in the Parking fund have been impacted by the COVID-19 pandemic beginning in March of 2020. While the 2019/2020 budget reflected a $10,100 decrease in the Parking fund balance to $63,371, the actual fund balance decrease was $27,942 to $45,529. For the first several months of the pandemic, most downtown businesses were mandated to be closed temporarily or had their businesses significantly impacted by the pandemic. The pandemic also resulted in a significant number of downtown workers working from home, which also impacted leased parking revenues.

During the 2021/2022 budget review, it was noted that significant structural changes or expenditure reductions needed to be made to respond to the revenue reductions from the pandemic. Without those changes, the Parking fund balance was expected to be in a deficit position by the end of the 2021/2022 year. Structural changes implemented for the 2020/2021 Revised Estimate and the 2021/2022 Budget reflected the following cost allocation reductions to address the revenue shortfalls.

	Rev. Estimate Exp. Impact	2021/2022 Exp. Impact
Eliminate the 25% allocation of the Office Assistant to the Parking budget beginning 1-4-21	$ (7,700)	$ (16,600)
Reduce the allocation of the Parks Groundskeeper to the Parking budget from 50% to 25% beginning 1-4-21	(9,900)	(21,300)
Reduce the General Administrative Fee (both fiscal years)	(12,800)	(13,500)
Eliminate the allocation of the contracted snow removal contract (both fiscal years)	(7,500)	(7,500)
Eliminate the allocation of the parking lot striping contract (both fiscal years)	(1,000)	(1,000)
Other expenditures reductions	(1,600)	(1,500)
	$ (40,500)	$ (61,400)

With the above changes and with downtown businesses recovering from the pandemic, parking revenues have increased, and the Parking fund has remained in a positive position.

The 2021/2022 Revised Estimate expenditures for the Parking operation are under the original budget by $7,900. This overall decrease is due to savings in personal services costs due to deferring the hiring of the 2nd Meter Attendant until the Spring of 2022. The savings of $10,700 in personal services costs, was partially offset by increases of $800 in commodities and $2,000 in contractual services. Parking revenues in the revised estimate are $1,400 higher than the original budget primarily due to increased meter hood rentals for construction projects in the downtown area.

The budget for 2022/2023 is $7,800 (4.3%) higher than the original 2021/2022 budget. This increase is primarily in personal services costs, administrative fees, postage costs, and credit card fees. Parking revenues are budgeted at approximately the same levels as the original 2021/2022 budget.

Based on the revenue and expenditure assumptions used for the budget, the parking fund balance is projected to increase slightly (by $1,900) in the Revised Estimate and decrease by $15,300 to $29,065 in the 2022/2023 Budget. Finance and Parking staff will continue to monitor parking revenues and expenditures in the upcoming year and it expected that the fund balance decrease projected for the 2022/2023 fiscal year will likely be less than shown in the budget.

The COVID-19 pandemic has had a significant impact on the Parking operation. While a parking rate increase can be considered, it does not seem to be an appropriate time to consider rate increases while businesses are still recovering from the pandemic. Finance and parking staff will continue to monitor both revenues and expenditures in the Parking fund.

PERFORMANCE MEASURES:

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Metered Parking Spaces	399	399	399	399	399
Leased Parking Spaces	186	193 (2)	193	193	193
Reserved Parking Spaces (1)	107	100 (2)	100	100	100
Free Parking Spaces	666	666	666	666	666
Handicapped Parking Spaces	41	41	41	41	41
Total Parking Spaces	1,399	1,399	1,399	1,399	1,399
Overtime Parking Tickets Issued (3)	7,561	7,456	9,291	9,600	10,000
Overtime Tickets Paid or Dismissed	6,006	5,644	7,389	7,680	8,000
Percent Paid or Dismissed	79.43%	75.70%	79.53%	80%	80%
Handicapped Tickets Issued (3)	20	7	27	28	30
Handicapped Tickets Paid or Dismissed	19	5	21	24	24
Percent Paid or Dismissed	95%	71.43%	77.78%	85.71%	85.71%
Other Parking Tickets Issued (3)	1,703	1,344	2,005	2,500	2,500
Other Tickets Paid or Dismissed	1,247	898	1,404	1,850	1,850
Percent Paid or Dismissed	73.22%	66.82%	70.02%	74%	74%
Overall Collection Rate	78.33%	74.34%	77.84%	78.78%	78.82%
Leased Parking Spaces Available	186	193	193	193	193
Spaces Leased	180	193	184	177	183
Percentage Leased	96.77%	100%	95.34%	91.71%	95%
Fines Collected by County Treasurer	$23,757	$19,150	$24,864	$25,000	$25,000
Courtesy Tickets Issued	773	386	390	500	500
Tickets for Over 2-Hour Once per Day in Each Block Time Limit on 2nd Street	389	716	695	700	700

1. Reserved spaces include those reserved for the Clark House and CBI Bank and Trust.
2. The seven spaces in Lot 1 reserved for staff at the former library were changed to leased spaces beginning in 2019/2020.
3. The number of parking tickets issued decreased beginning in mid-March of 2020 and continuing through 2020/2021 due to the COVID-19 pandemic.

GOAL STATEMENT:

To provide attractive, convenient, low-cost parking in order to aid in the growth and improvement of the Central Business District and adjacent commercial areas.

RECENT ACCOMPLISHMENTS/ISSUES:

The COVID-19 pandemic had a significant impact on downtown businesses and downtown parking. In mid-March of 2020, the Governor of Iowa ordered all food and beverage facilities to suspend their indoor food and beverage services, and other non-essential businesses were mandated to be closed to the public in an effort to reduce the spread of the coronavirus. While most businesses were allowed to re-open in early June, the Governor had restrictions on indoor seating in food and beverage establishments. Initially there was less traffic in the downtown area, which may have been in part due to the number of individuals working from home. While there are still concerns with COVID-19 and its variants, businesses are now open in the downtown area with limited restrictions. There has been increased downtown traffic, and parking revenues have been increasing to closer to the pre-pandemic levels.

Leased parking spaces were near 100% occupancy prior to the COVID-19 pandemic which began in mid-March of 2020. During the 2020/2021 fiscal year, the number of spaces leased was negatively impacted by the number of downtown workers that were working from home. The demand for the leased spaces has again increased and Lot 7 and Lot 8 are now at capacity. Currently there are 177 of the 193 available spaces in the various lots leased (91.71%) in January of 2022.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

* To continue to frequently send notices and perform other follow-up procedures for parking fine collections including forwarding unpaid tickets to the County Treasurer's Office to be placed as a required charge to be paid in order to renew the vehicle registration. **(Strategic Plan – Excellent Customer Service – Process Improvements)**

* To continue to monitor the impacts of COVID-19 on revenues and expenditures of the Parking fund. The goal is to increase the occupancy of leased parking spaces to at least 95% of the leased spaces available.

* To meet with parking meter vendors to gather information on meter enhancements which would allow for acceptance of debit/credit card payments at the meters. Cost of new meters, transaction costs for accepting these payments, and impact on meter rates would be evaluated. **(Strategic Plan – Excellent Customer Service – Process Improvements)**

* To review Parking processes for additional "Lean" efficiencies. **(Strategic Plan – Excellent Customer Service – Process Improvements)**

Parking System

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 73,471	$ 45,529	$ 13,729	$ 42,465	$ 44,365
Revenues					
Parking Fees (2)	$ 72,988	$ 67,213	$ 75,000	$ 74,000	$ 75,000
Parking Permits	45,366	42,260	45,000	45,000	45,000
Meter Hoods	1,953	693	1,000	3,500	1,000
Fines	46,743	64,142	52,000	52,000	52,000
Interest	2,235	201	200	100	100
Miscellaneous	31	178	100	100	100
Total Revenues	$ 169,316 (3)	$ 174,687 (3)	$ 173,300 (4)	$ 174,700	$ 173,200
Funds Available	$ 242,787	$ 220,216	$ 187,029	$ 217,165	$ 217,565
Expenditures (1)	197,258	177,751 (5)	180,700 (5)	172,800	188,500 (5)
Ending Balance, June 30	$ 45,529	$ 42,465	$ 6,329	$ 44,365	$ 29,065
Increase (Decrease) in Fund Balance	**$ (27,942)**	**$ (3,064)**	**$ (7,400)**	**$ 1,900**	**$ (15,300)**

1. Expenditures include changes in compensated absences.
2. In 2013/2014 parking meter rates were increased from $.30 to $.50/hour for 2-hour meters and from $.20 to $.25/hour for 10-hour meters. These rates have been continued in the 2022/2023 budget.
3. Parking revenues were impacted by the COVID-19 pandemic beginning in March of 2020 and continuing in 2020/2021.
4. The 2021/2022 budget allowed for parking revenues to begin to recover; however, not to the levels before the pandemic.
5. The 2020/2021 revised estimate, the 2021/2022 budget, and the 2022/2023 budget, reflect employee allocation reductions, administrative fee reductions, and other allocated cost reductions to address the reductions in parking revenues due to the COVID-19 pandemic.

Explanation of Changes in Fund Balances:

Parking revenues were significantly impacted due to temporary business closures beginning in March of 2020 due to the COVID-19 pandemic. While most businesses have re-opened, parking revenues continue at a reduced level in the downtown area. Parking revenues were also impacted due to a significant number of individuals working from home, at least initially. Since January 1, 2021, the budget includes cost allocation reductions to address the revenue decreases.

Function:
Business Type

Department:
Finance

Activity:

Parking System

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 155,904	$ 154,142	$ 152,700	$ 142,000	$ 159,100	4.19%
Commodities	2,142	3,842	2,500	3,300	2,800	12.00%
Contractual Services	12,236	7,854	9,700	11,700	10,300	6.19%
Capital Outlay	-	1,651	1,900	1,900	1,900	0.00%
Transfers	25,600	13,700	13,900	13,900	14,400	3.60%
Total Expenditures	$ 195,882	$ 181,189	$ 180,700	$ 172,800	$ 188,500	4.32%
Funding Sources						
Parking Fees	$ 120,307	$ 110,166	$ 121,000	$ 122,500	$ 121,000	0.00%
Parking Fines	46,743	64,142	52,000	52,000	52,000	0.00%
Interest	2,235	201	200	100	100	-50.00%
Miscellaneous	31	178	100	100	100	
Total Funding Sources	$ 169,316	$ 174,687	$ 173,300	$ 174,700	$ 173,200	-0.06%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Finance Director	0.05	0.05	0.05	0.05	0.05	
Parking Meter Repairperson	0.10	0.10	0.10	0.10	0.10	
Groundskeeper	0.50	0.38	0.25	0.25	0.25	
Finance Secretary/Parking Coordinator	0.50	0.50	0.50	0.50	0.50	
Office Assistant	0.25	0.13	-	-	-	
Total Full Time	1.40	1.16	0.90	0.90	0.90	
Part Time Positions:						
Meter Attendant	1.46	1.26	1.46	1.25	1.46	
Total	2.86	2.42	2.36	2.15	2.36	$ 116,800
Employee Benefits						42,300
Total Personal Services						$ 159,100

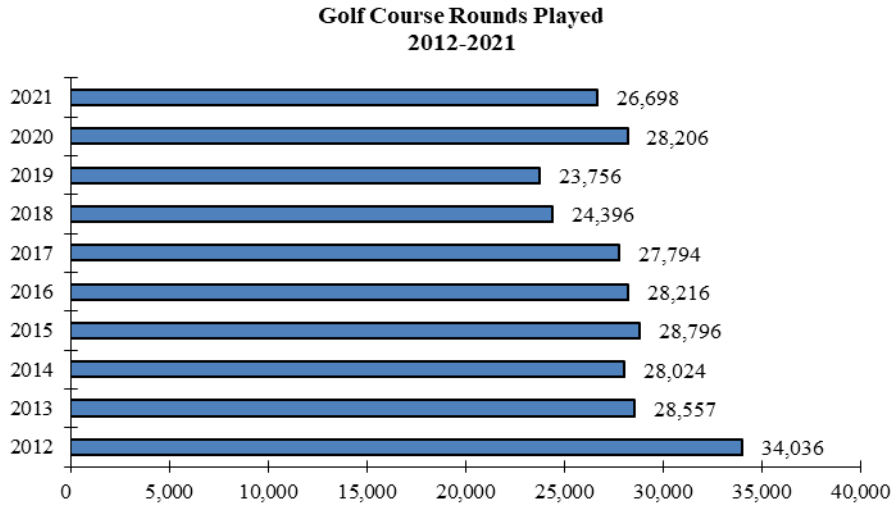
Capital Outlay

Item:	***Quantity***	***Replacement***	***Amount***
Electronic Meters	12	Yes	$ 1,900

GOLF COURSE FUND

GENERAL INFORMATION:

The Golf Course Enterprise Fund was established July 1, 1977. This fund functions as a self-supporting operation without General Fund tax support. Play at the 18-hole Municipal Golf Course, located north of the City limits, has fluctuated during the last 10 years. There were 34,036 rounds played in 2012. Play decreased to 28,557 (by 16.1%) in 2013 and further decreased to 28,024 (by 1.9%) in 2014. Play increased to 28,796 (by 2.8%) in 2015, decreased to 28,216 (2.0%) in 2016, decreased to 27,794 (1.5%) in 2017, decreased to 24,396 (by 12.2%) in 2018, and deceased to 23,756 (2.6%) in 2019. Play increased in 2020 to 28,206 (18.7%) and decreased in 2021 to 26,698 (5.7%). The following is a summary of the rounds during the past ten years:

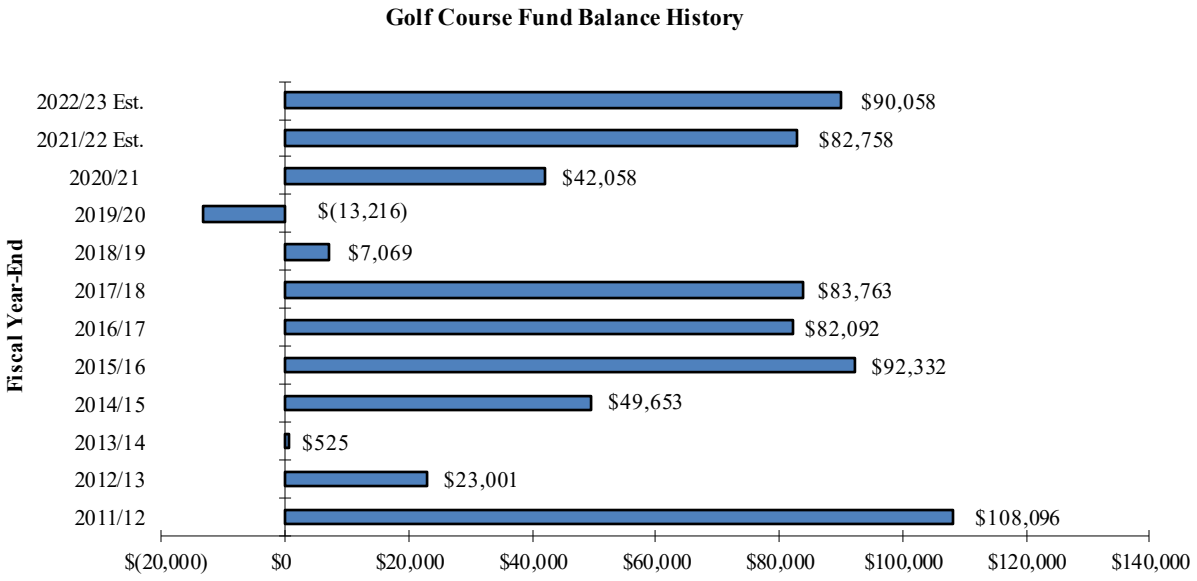


The fees at the Municipal Golf Course have increased several times in recent years as reflected below. The fees shown include the state and local option sales tax, currently 7%. Rates were increased for the 2014 season and those rates were maintained for the 2015 and 2016 golf seasons. Rates increased for the 2017 golf season and remained the same for the 2018 season. Rates increased by $1.00 per round for greens fees and by $25 for season passes for the 2019 season. Rates were again increased for the 2020 golf season by $1.00 per round and by $25 for season passes. Greens fee rates increased by $1.00 per round for the 2021 season; there was no change in the season pass fees for 2021. Green fee rates are budgeted to increase by $1.00 per round for the 2022 season and the season passes are budgeted to increase by $25.00.

WEEK DAYS	2014-2016	2017-2018	2019	2020	2021	Budget 2022
Adults						
9 holes	$ 15.00	$ 16.00	$ 17.00	$ 18.00	$19.00	$20.00
18 holes	$ 19.00	$ 20.00	$ 21.00	$ 22.00	$23.00	$24.00
Senior Citizens						
9 holes	$ 14.00	$ 15.00	$ 16.00	$ 17.00	$18.00	$19.00
18 holes	$ 17.00	$ 18.00	$ 19.00	$ 20.00	$21.00	$22.00
Junior						
9 holes	$ 5.00	$ 5.00	$ 6.00	$ 7.00	$ 8.00	$ 9.00
18 holes	$ 5.00	$ 5.00	$ 6.00	$ 7.00	$ 8.00	$ 9.00

WEEK DAYS	2014-2016	2017-2018	2019	2020	2021	Budget 2022
Adults 1-3 p.m.						
9 holes	$ 10.00	$ 11.00	$ 12.00	$ 13.00	$14.00	$15.00
18 holes	$ 12.00	$ 13.00	$ 14.00	$ 15.00	$16.00	$17.00
Senior Citizens 1-3 p.m.						
9 holes	$ 9.00	$ 10.00	$ 11.00	$ 12.00	$13.00	$14.00
18 holes	$ 11.00	$ 12.00	$ 13.00	$ 14.00	$15.00	$16.00
WEEKENDS AND HOLIDAYS						
18 Holes						
Adult	$ 21.00	$ 22.00	$ 23.00	$ 24.00	$25.00	$26.00
Senior Citizens	$ 19.00	$ 20.00	$ 21.00	$ 22.00	$23.00	$24.00
Juniors	$ 6.00	$ 6.00	$ 7.00	$ 8.00	$ 8.00	$ 9.00
SEASON PASSES						
Adults	$ 580.00	$ 605.00	$630.00	$655.00	$655.00	$ 680.00
Juniors	$ 90.00	$ 90.00	$115.00	$140.00	$140.00	$ 165.00
Senior Citizens	$ 490.00	$ 515.00	$540.00	$565.00	$565.00	$ 590.00
College Student Pass	$ 300.00	$ 325.00	$350.00	$375.00	$375.00	$ 400.00
Family Pass	$ 960.00	$ 985.00	$1,010.00	$1,035.00	$1,035.00	$1,060.00

The Golf Course fund balance has varied in recent years due to the amount of capital expenditures each year and also due to fluctuations in play. The decreases in fund balance since 2011/2012 are due to the fairway irrigation system project which was completed in 2013. The total cost of this project was $330,164 and it was financed with an internal loan from other City funds. In 2012/2013 a $60,000 down payment was made on the internal loan and it was originally estimated that payments of $60,000 per year in 2013/2014 through 2016/2107 and a $30,164 payment in 2017/2018 would complete the financing of this project. In 2013/2014 the Golf Course fund balance did not allow for the $60,000 payment and the payment was reduced to $45,000. The 2014/2015, 2015/2016, 2016/2017, and 2017/2018 budgets continued to include the lower $45,000 payment on the internal loan. The final loan payment in the amount of $45,200 was made in 2018/2019. The fund balance history is shown below.



CURRENT TRENDS AND ISSUES:

Golf Clubhouse

A separate Golf Clubhouse activity within the Golf Fund was established at the time the City changed from a contracted golf professional to a City employee golf professional. This budget includes wages and benefits for staff, food and beverage items for resale, golf merchandise for resale, lease of golf carts, and various other items needed for the clubhouse.

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and it is budgeted to be effective April 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Golf Clubhouse 2021/2022 revised estimate is $4,600 and the 2022/2023 impact will be $11,000. The goal of the pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

Revised estimate expenditures for the Golf Clubhouse are $23,000 less in total than the original budget. This overall decrease is due to the net effect of (1) a $29,600 decrease in personal services costs due to a vacancy in the Golf Pro position, (2) a $1,000 increase in commodities which includes items for resale, and (3) a $5,600 increase in contractual services.

The budgeted expenditures for 2022/2023 are $36,700 (9.5%) more than the original 2021/2022 budget. Personal services costs increased by $7,900, which includes the seasonal pay plan adjustment, commodities increased by $1,000, contractual services increased by $3,800, and capital outlay increased by $24,000. The capital outlay allocation includes a new golf simulator ($20,000) and new range mats ($4,000). Since this budget includes numerous items for resale, actual expenditures will be impacted by the volume of food and beverage items as well as golf merchandise sold.

Golf Maintenance Operations

As discussed in the previous section, a new seasonal pay plan is budgeted to be implemented in the spring of 2022. The impact on the Golf Maintenance budget for the 2021/2022 revised estimate is $9,100 and the 2022/2023 impact will be $14,000.

The 2021/2022 revised estimate is $66,500 more than the original budget. This overall increase is due to (1) a $10,300 increase in personal services costs, which includes the seasonal pay plan impact, (2) a $10,000 increase in commodities, (3) a $2,200 increase in contractual services, and (4) a $44,000 increase in capital outlay. The increase in capital outlay is for the purchase of a triplex mower ($40,000) and a water softener and iron filter system for the clubhouse ($6,000). These were originally requested in the 2022/2023 budget but moved to the revised estimate since funds were available to make these purchases prior to the 2022 golf season.

The 2022/2023 budget is $61,900 (14.9%) more than the original 2021/2022 budget. Personal services costs increased by $21,600, which includes the seasonal pay plan adjustment, commodities increased by $10,000, contractual services increased by $2,200, capital outlay increased by $27,000, and transfers increased by $1,100. The capital outlay allocation of $52,000 includes funds for the purchase of a rotary mower ($40,000), ball washers ($6,000), and a fertilizer spreader ($6,000).

Summary Information

Based on budget assumptions, it is estimated that the fund balance in the Golf Course fund, including inventory, at the end of 2021/2022 will be $82,758 and the fund balance at the end of 2022/2023 is estimated to increase to $90,058. A number of factors can continue to impact revenues at the course, especially the weather.

As noted previously, rates are budgeted to increase for the 2022 golf season. Daily greens fees are budgeted to increase by $1.00 per round and season passes are budgeted to increase by $25.00.

The 2022 season will be the 17th year of the City-operated clubhouse. During the upcoming year, staff is looking to maintain a quality golf course as well as increase food sales, lessons, and winter use of the clubhouse facility.

GOAL STATEMENT:

To provide and maintain a setting for the enjoyment and challenge by the public of the game of golf for both playability and aesthetics, including a regulation 18-hole course, driving range, clubhouse, and related facilities.

PERFORMANCE MEASURES:

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
Golf Maintenance Operations:					
Top Dressed Greens	8	8	9	9	8
Stimped Greens	15	18	17	18	20
Aerified Greens	3	3	2	2	3
Acres Maintained	170	170	170	170	170
Acres Mowed Per Week	257	257	257	257	257
New Trees Planted	3	2	9	125	30
Bluebirds Fledged	13	11	12	11	14
Rolled Greens	40	42	40	46	45
Verti-cut Greens	6	6	6	7	6

According to the National Recreation and Park Association 2021 Agency Performance Review, 57% of Midwestern agencies maintain golf courses.

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
Clubhouse Operations					
Round Played	24,396	23,756	28,206	26,698	26,800
Events	53	54	24	29	29
Leagues	10	9	7	5	5
Season Passes Sold	246	220	185	201	210
Driving Range Tokens Sold	3,812	3,908	4,580	5,022	4,800
Gift Cards Sold	$41,378	$41,976	$49,284	$53,998	$55,250
Lesson Hours	82	111	72	30	125
Total Beer Sales (Units)	36,896	34,491	37,436	37,383	37,400
Total Food and Beverages (Units)	22,838	23,498	22,492	26,773	27,100
Simulator Usage ($)	$1,270	$1,160	$775	$100	$950
Merchandise Sales ($)	$37,752	$43,558	$47,547	$47,373	$50,000

According to the National Recreation and Park Association 2021 Agency Performance Review, 67% of Midwestern agencies offer golf programming.

RECENT ACCOMPLISHMENTS:

Golf Maintenance Operations

The course opened on March 12, 2021 as the winter was moderate with average to heavy snow. The course had no damage from snow or wind during winter months. April and May were nice months for golf and play was strong. June had good weather for golf, which led to good play. The City Tournament was not held in June in 2021, which opened up a June weekend for play. The month of July started out good, but turned hot and dry, which made for tough growing conditions. The City Golf Tournament was held in July and golfers seemed pleased with this change. August was very hot and dry and the irrigation system was used frequently. Fall was warm, dry, and good for play. The course was open until December 5th.

The new irrigation system is more efficient with water usage and more specific with the target watering. This has been very helpful. The conditions on the course were very good all season long with many positive comments. The course was in great shape at the end of the season and should be in great shape starting next spring.

Staff continues to make progress behind number two green and behind number six tee. Staff continues to clear timber and keep the underbrush and scrub trees mowed down to allow more air movement and visibility in the corner of the course. This has been well received by the golfers and work will continue on theses areas as time allows.

The new driving range mats continue to be a success, as does mowing the front of the driving range tee to give golfers a potential area to hit when the regular driving range tee is too wet. The grass tee was only closed a few days this past year because of wetness. Some golfers preferred the mat and some did not. This worked out well as it took some of the pressure off of the turf from a long season. The mats will be utilized in the spring if conditions are wet or frosty in the early mornings or until the turf starts to grow.

Staff continues to work on removing dead or dying trees. One-hundred and twenty-five (125) new trees were donated and planted. The nursery has been restocked with trees and those trees will be used on the course next year. Staff will continue to take down dead trees with the goal of replanting one tree for every two taken down (due to some over-planting over the years).

Foot golf continues to be a success. There were no issues with golfers and foot-golfers utilizing the facility at the same time.

Staff looked at possibly moving some tee boxes to make the golf course more enjoyable to seniors and ladies. There are four potential tee boxes identified for movement. Staff will get golfer input in the near future as to whether these tees should be moved permanently.

Golf Course Clubhouse

The course experienced an excellent golf season this past year. The number of outings increased by two, which made the July through September weekend schedules extremely busy. The City Golf Tournament had a new sponsor and was moved from the second weekend in June to the second weekend in July. Golfers seemed to appreciate the changes.

Staffing changing in the Clubhouse made for a challenging summer. Seasonal staff stepped up to take on added responsibilities to make sure that regular golfers, outings, and guests all had a great experience. All outings were successful with minimal or no complaints. The Clubhouse expects all golf outings to return next year, and staff always welcomes new outings.

A new Golf Pro was hired in September of 2021. The facility and staff look forward to seeing the positive direction this will take the course.

A new Point-of-Sale system was implemented in 2021. Overall, golfers seemed to have positive comments about the new system. Many up-to-date functions are possible from marketing to more efficiently running the golf course operations.

Again this year, it was a challenge to find quality staff for clubhouse, food and beverage, and outside services. Looking for quality seasonal employees will be a top priority in the winter and spring months.

OBJECTIVES TO BE COMPLETED IN 2022/2023:

Golf Maintenance Operations

- To begin developing a plan for the renovation of the #9 and #15 greens to make them more enjoyable to golfers. **(Strategic Plan – Excellent Customer Service)**

- To repair some existing cart paths and add cart paths to areas that may stay wet longer so that there is less downtime for golf carts. **(Strategic Plan – Excellent Customer Service)**

- To pursue bunker repairs and/or renovations as needed with the possibility of taking out a bunker for better playability. **(Strategic Plan – Excellent Customer Service)**

- To continue to work within the approved budget.

- To continue to listen to golfer suggestions, input, and ideas that may help improve the Golf Course. **(Strategic Plan – Excellent Customer Service)**

- To replace trees that die or have a negative impact on the playability of the golf course to make it more enjoyable for the average golfer. **(Strategic Plan – Excellent Customer Service)**

- To explore additional training opportunities for the Supervisor and staff. **(Strategic Plan – Excellent Customer Service)**

- To explore options for a new entrance sign by the road; this will include putting a light above the sign to make it more visible at night. **(Strategic Plan – Excellent Customer Service)**

- To continue to work on getting the greens to be firm and for the golf ball to have a good roll while putting. **(Strategic Plan – Excellent Customer Service)**

- To look at putting a new shelter on #13 tee with a dynamic landscaping plan to give golfers some place to go in inclement weather. **(Strategic Plan – Excellent Customer Service)**

- To look for quality seasonal employees to keep the golf course in the best possible condition while also serving the needs of the golfers. **(Strategic Plan- Excellent Customer Service)**

Golf Course Clubhouse

- To create a culture among the staff that leads to excellent customer service and employee retention. This will be achieved by bi-weekly training that will be focused on upcoming events and past interactions. This will need to be accomplished by hiring the proper staff members all while staying within the approved budget. **(Strategic Plan - Excellent Customer Service)**

- To maintain a golf shop for the citizens that is stocked properly with all the merchandise and gear that is needed to provide them with an excellent experience. This will lead to not only increased sales and revenue for the golf course but also help build a loyal customer base that will continue to purchase from the Muscatine Municipal Golf Course in the future. By offering free club fittings, Demo Days, and a fresh look in the golf shop, to increase merchandise sales by 5% in the upcoming fiscal year. **(Strategic Plan - Excellent Customer Service)**

- To coordinate events that not only promote the game of golf but also the entire Parks & Recreation department. This will be accomplished by creating 1-2 community events, coordinated with the Program Supervisor, that will utilize the golf course facility and help bring non-golfers to the course. This will highlight another property of the City of Muscatine. **(Strategic Plan - Excellent Customer Service, Healthy Community)**

- To upgrade the check-in process for golfers when they arrive at the golf course. This will include getting emails and phone numbers from new golfers which will help ramp up marketing efforts. By hiring the right staff members and training them properly, to increase the email database by a minimum of 40%. This will lead to a wider scope of golfers to market to and further promote the golf course. **(Strategic Plan - Excellent Customer Service)**

Golf Course Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	City Admin. Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance (Deficit), July 1	$ (26,671)	$ (44,452)	$ (24,652)	$ 3,016	$ 43,716
Revenues	765,776	847,563	845,700	884,700 (2)	906,400 (3)
Funds Available	$ 739,105	$ 803,111	$ 821,048	$ 887,716	$ 950,116
Expenditures:					
Golf Course Maintenance Operations	$ 432,186	$ 424,980	$ 414,800	$ 481,300 (4)	$ 476,700 (4)
Golf Clubhouse Operations	351,371	375,115	385,700	362,700 (4)	422,400 (4)
Total Expenditures (1)	$ 783,557	$ 800,095	$ 800,500	$ 844,000	$ 899,100
Ending Balance (Deficit), June 30	$ (44,452)	$ 3,016	$ 20,548	$ 43,716	$ 51,016
Allowance for Inventory	31,236	39,042	31,236	39,042	39,042
Net Balance (Deficit), June 30	$ (13,216)	$ 42,058	$ 51,784	$ 82,758	$ 90,058
Increase (Decrease) in Fund Balance	**$ (17,781)**	**$ 47,468**	**$ 45,200**	**$ 40,700**	**$ 7,300**

1. Expenditures include changes in compensated absences.
2.. Golf fees are budgeted to increase for the 2022 golf season by $1.00 per round for greens fees and by $25 for season passes.
3. The 2022/2023 budget reflects a full fiscal year with the rate increase budgeted to begin in the 2022 golf season.
4 The 2021/2022 Revised Estimate and the 2022/2023 Budget include $13,800 and $25,000, respectively, for increased wages and related benefits from implementation of a new Seasonal Pay Plan in the spring of 2022.

Golf Course

Summary of Revenues

	Actual 2019/2020		Actual 2020/2021		Budget 2021/2022		Revised Estimate 2021/2022		Budget 2022/2023	
Season Passes	$ 95,963	(1)	$ 121,470	(2)	$ 115,000		$ 126,900	(4)	$ 129,700	(5)
Greens Fees	223,033	(1)	247,452	(2)	248,200	(3)	270,800	(4)	278,000	(5)
Interest	967		226		0		0		0	
Rental of Buildings	285		0		0		0		0	
Lessons	3,185		1,780		3,000		800		3,500	
Golf Cart Rental	207,540		230,718		220,000		236,000		236,000	
Pull Cart Rental	1,140		962		900		700		800	
Driving Range Fees	17,536		20,372		20,000		23,300		23,000	
Simulator Fees	392		305		1,000		300		800	
Catering Fee	278		0		300		0		-	
Beer Sales	96,386		96,150		110,000		97,000		100,000	
Food and Beverage Sales	45,180		46,562		46,000		48,000		50,000	
Merchandise Sales	46,633		49,528		50,000		47,400		50,000	
Miscellaneous Sales	1,036		1,485		2,000		2,000		2,000	
Rebate - Soft Drink Supplier	2,000		2,000		2,000		2,000		2,000	
Sales Tax	23,585		27,256		26,900		29,500		30,200	
Donation	0		270		0		0		0	
Federal Grant (FEMA-COVID)	0		135		0		0		0	
Miscellaneous	637		832		400		0		400	
Total Revenues	$ 765,776		$ 847,503		$ 845,700		$ 884,700		$ 906,400	

1. Golf fees were increased for the 2019 golf season by $1.00 per round for greens fees and by $25 for season passes.
2. Golf fees were increased for the 2020 golf season by $1.00 per round for greens fees and by $25 for season passes.
3. Golf fees were increased for the 2021 golf season by $1.00 per round for greens fees; season pass fees remained the same.
4. Golf fees are budgeted to increase for the 2022 golf season by $1.00 per round for greens fees and by $25 for season passes.
5. The 2022/2023 budget reflects a full fiscal year with the rate increase budgeted for the 2022 golf season.

Function:
Business Type

Department:
Parks and Recreation

Activity:

Golf Maintenance Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 209,256	$ 214,612	$ 239,200	$ 249,500	$ 260,800	9.03%
Commodities	63,298	67,383	71,800	81,800	81,800	13.93%
Contractual Services	46,036	44,949	43,400	45,600	45,600	5.07%
Capital Outlay	47,850	32,000	25,000	69,000	52,000	
Transfers	60,200	62,000	35,400	35,400	36,500	3.11%
Total Expenditures	$ 426,640	$ 420,944	$ 414,800	$ 481,300	$ 476,700	14.92%
Funding Sources						
Golf Funds	$ 426,640	$ 420,944	$ 414,800	$ 481,300	$ 476,700	14.92%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Golf Course Supervisor	1.00	1.00	1.00	1.00	1.00	
Groundskeeper	1.00	1.00	1.00	1.00	1.00	
Total Full Time	2.00	2.00	2.00	2.00	2.00	
Part Time:						
Seasonal Equipment Operator	2.56	2.56	2.56	2.56	2.56	
Total	4.56	4.56	4.56	4.56	4.56	$ 195,700
Employee Benefits						65,100
Total Personal Services						$ 260,800

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Rotary Mower	1	Yes	$ 40,000
Ball Washers		Yes	6,000
Fertilizer Spreader	1	Yes	6,000
			$ 52,000

Function:
Business Type

Department:
Parks and Recreation

Activity:

Golf Clubhouse Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 164,676	$ 172,619	$ 176,900	$ 147,300	$ 184,800	4.47%
Commodities	98,204	106,422	108,600	109,600	109,600	0.92%
Contractual Services	84,644	96,074	100,200	105,800	104,000	3.79%
Capital Outlay	4,204	-	-	-	24,000	
Transfers	-	-	-	-	-	
Total Expenditures	$ 351,728	$ 375,115	$ 385,700	$ 362,700	$ 422,400	9.52%
Funding Sources						
Golf Fees and Sales	$ 351,728	$ 375,115	$ 385,700	$ 362,700	$ 422,400	9.52%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Golf Professional	1.00	1.00	1.00	1.00	1.00	
Part Time:						
Clubhouse Supervisor	1.47	1.35	1.35	1.35	1.35	
Cashier	1.09	0.77	0.75	0.75	0.75	
Laborer/Ranger	0.71	0.35	0.37	0.37	0.37	
Total Part Time	3.27	2.47	2.47	2.47	2.47	
Total	4.27	3.47	3.47	3.47	3.47	$ 140,900
Employee Benefits						43,900
Total Personal Services						$ 184,800

Capital Outlay

Item	***Quantity***	***Replacement***	***Amount***
Golf Simulator	1	Yes	$ 20,000
Range Mats		Yes	4,000
			$ 24,000

BOAT HARBOR OPERATIONS

GENERAL INFORMATION:

The Boat Harbor budget accounts for revenues and expenditures of the municipal boat harbor. Maintenance of the park levee is assigned to several City departments under the supervision of the Parks and Recreation department. Weed and vegetation control are a focus of this maintenance activity. All costs associated with the operation of Riverside Park are reflected in the Park Maintenance budget.

CURRENT TRENDS AND ISSUES:

The 2021/2022 revised estimate is $2,400 more than the original budget due to an increase in contractual services. This increase includes $2,200 for startup and first year costs to begin using Dockwa for marketing services for the boat harbor. If successful, additional boat slip rental fees are expected with the increased marketing.

The 2022/2023 budget is $2,900 (12.7%) more than the 2021/2022 budget. Personal services costs increased $500 (2.9%) and contractual services increased by $2,400. The contractual services increase includes $2,000 for the 2nd year cost of using Dockwa for marketing services.

The Boat Harbor continues to see fluctuations in slip rentals each year. The river conditions, including multiple floods in 2018 and 2019, as well as other factors contributed to the decline in those years. The Boat Harbor fund ended the 2016/2017 fiscal year with a fund balance deficit of $6,863 (excluding the storm damages reimbursed by insurance). In 2017/2018 a General Fund subsidy transfer of $13,734 was made to eliminate the deficit balance in this fund. A General Fund subsidy was again needed to eliminate the deficit balance of $16,910 in 2018/2019. There was an increase in slip rentals in the 2019/2020 season partly due to favorable river levels in the summer of 2020 and indoor recreational activities being cancelled due to the COVID-19 pandemic. However, a general fund subsidy of $638 was still needed to eliminate the deficit in 2019/2020. A General Fund subsidy was again needed to eliminate the deficit balance of $2,718 in 2020/2021. A minimal fund balance of $500 is projected for June 30, 2022 and a balance of $1,500 is projected for June 30, 2023.

The number of boat slip rentals and the corresponding revenue is dependent on river conditions each year and other factors. In 2011 forty-eight (48) boat slips were rented. The number increased in 2012 to sixty-nine (69), decreased to forty-six (46) in 2013, decreased to forty-five (45) in 2014, and further decreased to thirty-four (34) in 2015. The number of slip rentals increased to thirty-nine (39) in 2016, decreased to thirty-one (31) in 2017, and further decreased to twenty-six (26) in 2018. In 2019, twenty-two (22) slips were rented. The 2013 and 2014 decreases were due to high water levels early in the season. In 2017 the long dock was replaced as part of a capital project funded by a Resource Enhancement and Protection (REAP) grant from the Iowa Department of Natural Resources (IDNR). Increased slip rentals were expected with completion of the dock renovation project, however, the four floods in 2018 contributed to the continued lower number of rentals. The 2019 season saw record floods again, with the river levels being above flood stage for over ninety days. In 2020, twenty-nine (29) boat slips were rented and in the 2021 season, twenty-eight (28) slips were rented.

The Parks department conducted a survey of area boat harbors and based on the survey, slip rental rates were increased for the 2015 boating season. A non-resident fee was also implemented beginning in 2015. Another fee survey was done by the Parks department early in 2018. Based on the survey results, the fees

were increased for the 2018 season. These fees are budgeted to continue for the 2022 and 2023 boating seasons. The history of rates is shown in the following chart:

TYPE OF BOAT		2015-2017		2018-2023	
	2010-2014	Residents	Non-Residents	Residents	Non-Residents
17 feet or less	$ 338.00	$350.00	$ 400.00	$ 400.00	$ 450.00
18 to 25 feet	439.00	450.00	500.00	500.00	550.00
26 to 32 feet	539.00	550.00	600.00	600.00	650.00
33 feet and up	887.00*	991.00*	1,040.00 *	1,091.00 *	1,140.00 *

* Plus a surcharge of $5.00 per foot over 40 feet.

GOAL STATEMENT:

To establish and maintain a usable and aesthetically compatible riverfront area for the use of the general public in the City including a municipal harbor and launching ramp.

PERFORMANCE MEASURES:

Calendar Year Basis	Actual 2019	Actual 2020	Actual 2021	Estimated 2022	Estimated 2023
Boat Slips Rented*	22	29	28	34	36
Boat Slips Available*	58	58	58	58	58
Percent Rented	38%	50%	48%	59%	62%
Courtesy Boat Slips Available **	13	13	13	13	13

* Includes the Long Dock and House Boat slips.
** The Courtesy Dock near Pearl City Station was added in 2019.

RECENT ACCOMPLISHMENTS:

During the windstorm in August of 2020, the houseboat dock broke free from the anchoring system, causing damage to the dock, the gangway leading to the dock, and the anchoring system. A spud pole anchoring system was approved by the City's insurance carrier and the repairs were completed in the spring of 2021. A new gangway with handrails on both sides, and a new ramp leading to the gangway was also approved for this site.

In 2021, the wooden docks were treated with a water seal protection to help provide longevity to the wooden portions of the docks. Staff also replaced worn hinges on all of the docks. At the request of several boat slip renters, bumpers were added to the front of several docks to provide safer conditions for both the boats and the docks.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To continue to improve weed control along the banks of the harbor by spraying the weeds on a bi-weekly basis. **(Strategic Plan – Reliable Public Infrastructure)**

- To better educate harbor users and enforce Boat Harbor usage policies by keeping the rule signs visible at all times and informing the boaters of the rules and policies when they rent slips for the season. **(Strategic Plan - Excellent Customer Service)**

- To continue to market the boat harbor and increase the number of slip rentals. Funds have been budgeted for an agreement with Dockwa marketing services to help promote and market the Boat Harbor. **(Strategic Plan - Excellent Customer Service and Vibrant Community)**

- To continue to provide support to the Water Pollution Control Plant staff for the harbor dredging operation to be completed in 2022. **(Strategic Plan - Excellent Customer Service)**

- To continue to provide safe and secure docks for the users of the harbor by monitoring the camera system as needed, and walking the docks on a weekly basis looking for any items of concern. **(Strategic Plan - Safe Community)**

Boat Harbor Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance (Deficit), July 1	$ 0	$ 0	$ 100	$ 0	$ 500
Revenues					
Boat Slip Rentals	$ 19,331	$ 20,508	$ 22,600	$ 25,500	$ 26,500
Overnight Slip Rentals	0	0	200	200	200
Interest	48	0	0	0	0
Insurance Reimbursement	0	59,600	0	0	0
Other	18	6	0	0	0
Transfer from General Fund: Subsidy to Eliminate Deficit	638 (2)	2,718 (2)	0	0	0
Total Revenues	$ 20,034	$ 82,832	$ 22,800	$ 25,700	$ 26,700
Funds Available	$ 20,034	$ 82,832	$ 22,900	$ 25,700	$ 27,200
Expenditures (1)	20,034	82,832	22,800	25,200	25,700
Ending Balance, June 30	$ 0	$ 0	$ 100	$ 500	$ 1,500
Increase (Decrease) in Fund Balance	**$ 0**	**$ -**	**$ 0**	**$ 500**	**$ 1,000**

1. Expenditures include changes in compensated absences.
2. Transfers from the General Fund eliminated the deficit balances at the end of 2019/2020 and 2020/2021.

Function:
Business Type

Department:
Parks and Recreation

Activity:

Boat Harbor Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 16,096	$ 16,649	$ 17,000	$ 17,000	$ 17,500	2.94%
Commodities	380	465	800	800	800	0.00%
Contractual Services	2,194	4,049	3,500	5,900	5,900	68.57%
Capital Outlay	-	59,600	-	-	-	
Transfers	1,500	1,500	1,500	1,500	1,500	0.00%
Total Expenditures	$ 20,170	$ 82,263	$ 22,800	$ 25,200	$ 25,700	12.72%
Funding Sources						
Boat Harbor Revenues	$ 19,119	$ 20,508	$ 22,600	$ 25,500	$ 26,500	17.26%
Ovvernight Slip Rentals	212	-	200	200	200	
Insurance Reimbursement	-	59,600	-	-	-	
Other	66	6	-	-	-	
Transfer from General Fund	638	2,718	-	-	-	
Total Revenues	$ 20,035	$ 82,832	$ 22,800	$ 25,700	$ 26,700	17.11%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Maintenance Repairperson	0.25	0.25	0.25	0.25	0.25	$ 14,500
Employee Benefits						3,000
Total Personal Services						$ 17,500

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MARINA OPERATIONS

GENERAL INFORMATION:

The operation of the gas barge on the City's riverfront began in the spring of 1995. This operation sells fuel, oil, and ice to area boaters on the Mississippi River. This operation is set up to operate on a break-even basis; however, in many years revenues have not been sufficient to fund expenditures and subsidies from the General Fund were needed to eliminate the operating deficits. Fuel and other sales are impacted each year by river conditions, floods, and the weather.

CURRENT TRENDS AND ISSUES:

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Marina Operation in the 2021/2022 revised estimate is $100; the 2022/2023 impact will be $400. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate and 2022/2023 budget allow for fuel purchases and fuel sales to continue at recent year levels. The 2021/2022 revised estimate is $200 more than the original budget primarily due to the new seasonal pay plan. The 2022/2023 budget is $400 (3.4%) more than the original 2021/2022 budget again due to the new seasonal pay plan. The budget projection shows this operation having minimal fund balances of $756 on both June 30, 2022 and June 30, 2023. As in previous years, if there are funding shortfalls, it is proposed that they be eliminated by funding transfers from the General Fund on an annual basis.

GOAL STATEMENT:

To provide fuel and related items for sale to boaters on the Mississippi River.

PERFORMANCE MEASURES:

	Actual 2019	Actual 2020	Actual 2021	Estimated 2022	Estimated 2023
Gallons of Gasoline Sold	822 *	2,136	1,630	2,200	2,200
Gallons of Diesel Fuel Sold	0 *	255	118	250	250
Hours Open	112 *	165	167	180	180

* Fuel sales and hours open were down due to the spring and summer floods in 2019.

RECENT ACCOMPLISHMENTS:

The gas dock was operational from Memorial Day to Labor Day in 2021. Staff continues to look to hire and properly train seasonal staff for the operations of the gas dock. Staff was available at the gas dock to serve boaters during the scheduled hours for the gas dock. During non-scheduled hours, boaters can make appointments through the Parks office for marina services.

A section of the gas dock was broken off from the high river levels in 2019, and the missing section was replaced this past summer with funding from a FEMA reimbursement The fuel tanks were inspected for water this past season and water absorbing filters were once again used to ensure that water was not in the fuels being dispensed.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To continue to search for quality seasonal staff to fill the gas dock attendant position, and to provide training for both the safe operation of the gas dock and the proper documentation of fuel sales. **(Strategic Plan – Excellent Customer Service)**

- To provide services to boaters during regular gas dock hours, as well as providing services by appointments made through the Parks office. **(Strategic Plan – Excellent Customer Service)**

- To continue to operate within state and federal regulations and to ensure that the Spill Prevention, Control, and Countermeasures Plan is updated prior to the start of the season and followed throughout the season. **(Strategic Plan – Safe Community)**

- To continue to market the gas dock using social media and through press releases prior to the season opening, and continuing throughout the season. **(Strategic Plan – Excellent Customer Service and Vibrant Community)**

Marina Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance (Deficit), July 1	$ (1,826)	$ (4,651)	$ (4,551)	$ (4,095)	$ (3,895)
Revenues					
Fuel Sales	$ 4,116	$ 8,167	$ 12,000	$ 12,000	$ 12,000
Miscellaneous	126	22	100	100	100
FEMA Reimbursement (COVID)	0	50	0	0	0
Transfer from General Fund: Subsidy to Eliminate Deficit	2,230	3,169	0	0	0
Total Revenues	$ 6,472	$ 11,408	$ 12,100	$ 12,100	$ 12,100
Funds Available	$ 4,646	$ 6,757	$ 7,549	$ 8,005	$ 8,205
Expenditures	9,297	10,852	11,700	11,900	12,100
Ending Balance (Deficit), June 30	$ (4,651)	$ (4,095)	$ (4,151)	$ (3,895)	$ (3,895)
Allowance for Inventory	4,651	4,095	4,651	4,651	4,651
Net Balance, June 30	$ 0	$ 0	$ 500	$ 756 (1)	$ 756 (1)
Increase (Decrease) in Net Fund Balance	**$ (2,825)**	**$ 556**	**$ 400**	**$ 200**	**$ 0**

1. Athough minimul fund balances are projected with the allowance for inventory, any shortfalls are proposed to to be funded from transfers from the General Fund on an anuual basis.

Function:
Business Type

Department:
Parks and Recreation

Activity:

Marina Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 1,800	$ 1,722	$ 2,100	$ 2,200	$ 2,500	19.05%
Commodities	6,753	7,891	8,600	8,700	8,600	0.00%
Contractual Services	744	1,239	1,000	1,000	1,000	0.00%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 9,297	$ 10,852	$ 11,700	$ 11,900	$ 12,100	3.42%
Funding Sources						
Fuel Sales	$ 4,116	$ 8,167	$ 12,000	$ 12,000	$ 12,000	0.00%
Miscellaneous Revenue	126	72	100	100	100	0.00%
Subsidy to Eliminate Deficit	2,230	3,169	-	-	-	
Total Funding Sources	$ 6,472	$ 11,408	$ 12,100	$ 12,100	$ 12,100	0.00%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Part Time:						
Seasonal Laborer	0.09	0.09	0.09	0.09	0.09	$ 2,200
Employee Benefits						300
Total Personal Services						$ 2,500

SOCCER EVENTS FUND

GENERAL INFORMATION:

The College Search Kickoff (CSK) event was gifted to the City through the Parks and Recreation department in 2018. The event creator and owner gifted this event with the understanding that if the City ever chooses to not run the event, then the event would be returned to the owner. Tournament sanctioning documents were completed and the Iowa Soccer Association approved the event ownership change. An enterprise fund was created in 2018 to track the revenues and expenditures for this event.

CURRENT TRENDS AND ISSUES:

The College Search Kickoff event held in July of 2018 was the first time this event was run by the Parks and Recreation department. Seventy-two (72) teams participated in the event and one hundred and fifty-seven (157) college coaches were registered for the event. An event coordinator with a soccer background was hired and all divisions of the Parks and Recreation department worked together to bring this inaugural City-run event together. In 2019, sixty (60) teams participated, which was twelve less than the prior year. One hundred sixty-three (163) college coaches were registered, up six from the prior year. In 2020, the event was cancelled due to the COVID-19 pandemic. In 2021, sixty (60) teams participated, and one hundred fifty-eight (158) college coaches were registered.

The budgets for all of the Park divisions include increased wage rates for seasonal employees. An updated Seasonal Pay Plan was requested and is budgeted to be effective March 1, 2022. As such, it will have an impact on both the 2021/2022 revised estimate and 2022/2023 budget. The impact on the Soccer Events 2021/2022 revised estimate is $1,500, and the 2022/2023 impact will be $1,700. The goal of the requested pay plan update is to offer more competitive wages in an effort to recruit and retain qualified seasonal staff.

The 2021/2022 revised estimate is $5,800 less than the original budget. Personal services are $1,400 more than the original budget due to the new seasonal pay plan. Commodities are $2,700 less and contractual services are $4,500 less than the original budget.

The 2022/2023 budget totals $67,800 and is $3,000 (4.2%) less than the 2021/2022 original budget. Personal services costs increased by $1,700 due to the new seasonal pay plan, commodities decreased by $1,700, and contractual services decreased by $3,000. Revenues include $63,000 in event fees and $6,200 in merchandise sales.

As this event is scheduled for late July each year, there will be a fund balance at the end of each fiscal year, which represent fees collected in the prior fiscal year for the event to be held in July each year.

GOAL STATEMENT:

To effectively and efficiently manage the College Search Kickoff soccer event for the Muscatine community by utilizing local facilities and attracting state and regional participation.

PERFORMANCE MEASURES:

Calendar Year Basis:	Actual 2019	Actual 2020 (1)	Actual 2021	Estimated 2022	Estimated 2023
Boys Teams Registered	22	0	24	36	36
Girls Teams Registered	38	0	36	36	36
College Coaches Registered	163	63	158	175	175

1. The 2020 College Search Kickoff was cancelled due to mandates from the Governor related to the COVID-19 pandemic.

RECENT ACCOMPLISHMENTS:

The Parks department has received many positive comments from the community about this soccer event. Additionally, many parents and coaches have reached out to the department thanking staff for continuing the event in 2021 after the COVID-19 pandemic caused the event to be cancelled in 2020. However, there are concerns with continuing this event including limited availability of game officials, finding seasonal staff to work the event, and the low number of boys teams that were entered in the event in 2021.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To administer the College Search Kickoff Showcase soccer event to take place in July 2022. **(Strategic Plan - Excellent Customer Service)**

- To obtain all necessary permits and sanctioning documents from the Iowa Soccer Association by November. **(Strategic Plan - Excellent Customer Service)**

- To recruit boys and girls teams by mass emails monthly and by direct phone calls quarterly. **(Strategic Plan - Excellent Customer Service)**

- To recruit college coaches monthly to attend the event. (**Strategic Plan - Excellent Customer Service)**

Soccer Events (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 73,862	$ 38,956	$ 87,756	$ 54,940	$ 59,140
Revenues					
Event Fees (2)	$ 9,524 (3)	$ 36,672	$ 70,200	$ 63,000	$ 63,000
Merchandise Sales	3,923	0	4,000	6,200	6,200
Interest	1,009	93	0	0	0
Total Revenues	$ 14,456	$ 36,765	$ 74,200	$ 69,200	$ 69,200
Funds Available	$ 88,318	$ 75,721	$ 161,956	$ 124,140	$ 128,340
Expenditures	$ 49,362	$ 20,781	70,800	$ 65,000	67,800
Ending Balance, June 30	$ 38,956 (2)	$ 54,940 (2)	$ 91,156	$ 59,140 (2)	$ 60,540 (2)
Increase (Decrease) in Fund Balance	**$ (34,906)**	**$ 15,984**	**$ 3,400**	**$ 4,200**	**$ 1,400**

1. This fund was established in May 2018 to account for the College Search Kickoff soccer event that was gifted to the City
2. Event fees are collected in the fiscal year prior to the event which is held in July each year. This results in the fund balance at the end of each fiscal year.
3. The 2020 tournament was cancelled due to the COVID-19 pandemic.

Function:
Business Type

Department:
Parks and Recreation

Activity:

Soccer Events

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 2,257	$ 2,867	$ 9,800	$ 11,200	$ 11,500	17.35%
Commodities	12,090	4,539	14,700	12,000	13,000	-11.56%
Contractual Services	35,094	13,375	46,300	41,800	43,300	-6.48%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 49,441	$ 20,781 (1)	$ 70,800	$ 65,000	$ 67,800	-4.24%
Funding Sources						
Entry Fees	$ 9,524 (1)	$ 36,672	$ 70,200	$ 63,000	$ 63,000	-10.26%
Merchandise Sales	3,923	-	4,000	6,200	6,200	55.00%
Interest	1,009	93	-	-	-	
Total Funding Sources	$ 14,456	$ 36,765	$ 74,200	$ 69,200	$ 69,200	-6.74%

1. The 2020 tournanment was cancelled due to the COVID-19 pandemic.

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Part Time:						
Program Aides	0.40	0.40	0.40	0.40	0.40	$ 10,400
Employee Benefits						1,100
Total Personal Services						$ 11,500

AMBULANCE OPERATIONS FUND

GENERAL INFORMATION:

Through June 30, 2000, ambulance service for the City of Muscatine and surrounding townships was provided by a private ambulance service under contracts between the City and each respective township, and the ambulance service. The agreement with the previous ambulance provider expired on June 30, 2000. This agreement provided for a City subsidy to the ambulance service of $90,500 per year and subsidies from the townships that totaled $24,500 per year.

In August of 1998, the City contracted with an outside consultant to provide a thorough analysis of the City's system of pre-hospital care involving the Muscatine Fire Department and Muscatine Ambulance, Inc. The consultant's report was used as a basis for development of specifications and a request for proposals (RFP) for potential providers of ambulance services upon the expiration of the ambulance contract on June 30, 2000. After reviewing two proposals, the City Council selected the Muscatine Fire Department to provide this service. In order to account for revenues and expenditures of the Fire Department Ambulance Service, this operation was established as an enterprise fund of the City.

In 1999/2000, $289,690 was expended for purchasing and equipping three (3) new ambulances and purchasing the necessary supplies to begin providing services effective July 1, 2000. The original budget for the 2000/2001 fiscal year included costs and cost allocations to fund this new operation. Five new firefighter positions, one-half of a Fire Mechanic position, and a half-time equivalent clerical position were included in this budget. Additionally, as part of the Ambulance Operation's administrative fee, 50% of an Assistant Fire Chief and 25% of the Fire Chief's costs were also charged to this budget. The budget also included funds for supplies and services associated with this service including funds to contract for ambulance billing services.

Since the ambulance service became a city operation in 2000, the city has been able to allocate the cost of firefighters and administrative positions to this operation. This amount has varied based upon revenues generated and fund balances at the end of each fiscal year. This allows the city to relieve the General Fund of these costs.

Effective for the 2007/2008 year, the City made a number of changes to employee allocations to address the decrease in fund balance in the Ambulance Fund as well as assisting with balancing the General Fund budget. These changes included transferring the 6.5 fulltime equivalent firefighter/mechanic positions from the Ambulance Fund to the Fire Department budget in the General Fund. Funding transfers are now being made from the Ambulance Fund to the General Fund for a percentage of the total wage and benefit costs for the overall fire department staff. Benefit costs for these positions are funded from the Employee Benefits tax levy for General Fund Employees. Also in 2007/2008, a decision was made to use bond financing for the refurbishment of two ambulances ($160,000).

A rate increase was implemented April 1, 2006 which increased the base rate from $450 to $485. This was the first increase in the base rate since the Fire department began providing ambulance services in 2000. Rates were again increased effective April 1, 2007 due to reduced revenues to the Ambulance fund. Under the new rate structure fees vary by level of ambulance service with the BLS (Basic Life Support) rate increasing to $525, the ALS1 (Advanced Life Support) to $575, and the ALS2 to $675. Rates were again adjusted in January, 2009 and then annually on July 1 in each of the years from 2010 through 2020. The rates effective July 1, 2019 were set at $607 for BLS calls, $720 for ALS1 calls, $1,043 for ALS2 calls, and $1,232 for SCT (Skilled Care Transport) calls. The mileage rate was $16 per loaded mile. The rates effective July 1, 2020 were set at $620 for BLS calls, $735 for ALS1 calls, $1,065 for ALS2 calls, and $1,258 for SCT (Skilled Care

Transport) calls. The mileage rate increased to $17 per loaded mile in 2020. These rates remained the same for 2021. These rate adjustments corresponded to the increases in the amounts allowed by Wellmark for these types of transports.

CURRENT TRENDS AND ISSUES:

Beginning in 2008/2009 and continuing through 2022/2023, personnel costs in the Fire department budget are being allocated to the Ambulance budget on a percentage basis rather than by computing a specific number of fire positions and position allocations. This percentage was 22.5% for 2017/2018, it increased to 24.5% for 2018/2019, and further increased to 25% for 2019/2020. Due to additional revenues in the Ambulance fund from the GEMT (Ground Emergency Medical Transportation) funds, the 2020/2021 transfer was increased to 31.1% of the personal services costs.

The 2021/2022 and 2022/2023 budgets continue to include transfers from the Ambulance Fund to the Fire department budget to fund an allocation of the fire positions used in providing ambulance services. The funding transfer for 2021/2022 is $1,485,600, which is 30.2% of the Fire department personal services costs. The funding transfer from the Ambulance Fund in the 2022/2023 budget is $1,578,200, which is 30.5% of the Fire department personal services costs budgeted for 2022/2023. As approximately 90% of Fire department calls are medical, this percentage allocation is appropriate and at the same time maintains an adequate balance in the Ambulance fund.

Beginning July 1, 2019, additional revenues from GEMT (Ground Emergency Medical Transportation) funds are being received for Medicaid patients. The GEMT revenues are estimated at $290,000 for both the 2021/2022 revised estimate and the 2022/2023 budget.

The revised estimated expenditures for 2021/2022 are $34,900 less than the original budget. Personal services costs are over the original budget by $79,600 due to (1) retirement pay for the former billing manager, and (2) the increase in part-time ambulance driver hours due to fire staff turnover and vacancies. Commodities are over by $33,000 and contractual services are over by $12,500. These increases were more than offset by a $160,000 decrease in capital outlay. The 2021/2022 budget included $160,000 to refurbish one of the current ambulances. Due to limited bidders, higher amounts of the bids received, and longer lead times for filling orders, City Council made the decision to purchase a new “demo” ambulance that was available immediately at a cost of $209,300. The demo ambulance will be funded from the May 2022 bond issue.

The budgeted expenditures for 2022/2023 are $69,700 (3.1%) more than the original 2021/2022 budget. This overall increase is due to the net effect of (1) a $55,200 increase in personal services costs which includes an increase in part-time ambulance attendant hours, (2) a $33,000 increase in commodities, (3) a $30,300 increase in contractual services, (4) a $143,000 decrease in capital outlay, and (5) a $94,200 increase in transfers. The increase in transfers is due to the increase in the transfer for fire personnel costs. The capital outlay allocation for 2022/2023 of $17,000 includes $9,000 for replacement of Surface-Pro computers for each of the six (6) ambulances and $8,000 for IV pumps to administer medication while in the field.

GOAL STATEMENT:

To provide high performance paramedic transport services in the Muscatine area, responding to all emergency calls with a transport unit in less than 9 minutes on not less than 90% of all response requests within the “Urban Zone” and less than 15 minutes on not less than 90% of all response requests within the “Suburban/Rural Zone.”

PERFORMANCE MEASURES

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
Urban Zone Medical Responses	2,800	2,737	2,721	3,138	3,225
Suburban/Rural Zone Medical Responses	512	514	441	555	565
Out of Territory Medical Responses	72	60	58	65	60
Interfacility Transfers	1,269	1,429	1,404	1,465	1,500
Total EMS Calls	4,653	4,740	4,624	5,223	5,350
EMS Calls as % of Total Fire Calls	92.5%	90.5%	91.9%	90.8%	90.7%
EMS Training Hours	1,733	1,481	2,473	4,259	4,200
Urban Response Time Compliance (8:59 minutes or less on at least 90% of calls)	91.4%	90.7%	90.1%	88.8% (1)	90.0%
Suburban/Rural Response Time Compliance (14:59 minutes or less on at least 90% of calls	95.7%	94.6%	94.8%	95.0%	95.0%

1. Response time in 2021 was impacted by the Grandview Avenue and Park Avenue construction projects.

RECENT ACCOMPLISHMENTS:

- The Fire department continued cardiac enzyme blood testing and remains the only ambulance service in Iowa with this type of testing capabilities; test results are used to help determine transport destinations for cardiac patients.

- Created specifications and purchased two Type III (van chassis) ambulances to provide better service and improved comfort for patients.

- Completed the update of cardiac monitor transmission hardware.

- Continued to replace Mobile Data Computers (MDCs) in the ambulances with new models, with funding provided by MUSCOM (Muscatine City/County Joint Communications Center).

- Worked with the local hospital to provide a more efficient and effective process for addressing interfacility transports; this is ongoing and is continually being reviewed and improved.

- Continued tactical EMS support of the multi-jurisdictional Special Response Team (MSORT); staff continues to obtain training and education and to share that with other staff and with our law enforcement partners.

- Restarted the EMS preceptor program post-COVID; providing experiential learning opportunities for EMS students at the EMT and Paramedic levels for multiple training institutions, including Eastern Iowa Community College, University of Iowa Health Care, Kirkwood Community College, and Southeastern Iowa Community College.

- Reviewed and improved the EMS Quality Assurance (QA) program; including review of EMS reports and training on more effective documentation. This included additional training for key individuals who serve as report QA reviewers.

- Experienced an increase of 12.7% in total call volume; an increase of 11.4% in medical calls, and set call volume records for a total of nine months as well as a record number of annual medical calls.

- Experienced a slight increase in out-of-town drop-offs; 3.7% above 2020 and 3.0% above the 5-year average.

- Developed additional statistical metrics to track and determine areas of improvement in an ongoing effort to improve efficiency and effectiveness. Began the process of determining additional EMS metrics for use in assessing the impact of the EMS system.

- Increased utilization of the part-time ambulance program; this assisted in filling staffing shortages and provided more interaction with potential future fulltime employees and community members. Three part-time attendants were hired as fulltime staff this past year.

- Continued the educational process to transition Department EMT Basics staff to Paramedic level certification; options for future training are being assessed.

- Continued as a main partner with the Muscatine County EMS mutual aid organization, with an emphasis on helping other services improve and increasing utilization of mutual aid partners as needed

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- The Muscatine Fire department will review through continuous quality control measures, intubation success rates. During fiscal year 2023, we will work to increase the success rates through training in more difficult situations.

- The Muscatine Fire department will work towards reducing trauma on scene times, our overall times according to 2020 data are above the national average. This will be done through data interpretation, training, and changing initial call response criteria.

- The Muscatine Fire department will host a large-scale drill during fiscal year 2023 with mutual aid agencies. This drill will focus on Mass Casualty Incidents, such as an active shooter or bus accident.

Ambulance Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 344,952	$ 635,847	$ 366,247	$ 411,731	$ 263,631
Revenues					
Ambulance Fees	$ 1,675,286	$ 1,628,395	$ 1,700,000	$ 1,700,000	$ 1,750,000
Ambulance Fees - GEMT Funds (Began in 2019/2020)	373,880	370,331	250,000 (2)	290,000 (2)	290,000 (2)
Ambulance Fees (Prior Year Amount Over (Under) Accrual)	23,721	(25,580)	0	0	0
Township Subsidies	31,400	31,400	31,400	31,400	31,400
Donations	24,455	0	0	0	0
Interest	3,938	847	500	100	100
Reimbursement of Damages	0	0	0	15,800	0
Federal Grant - COVID Relief	41,928	0	0	0	0
Other	599	0	0	0	0
Total Revenues	$ 2,175,207	$ 2,005,393	1,981,900	$ 2,037,300	2,071,500
Funds Available	$ 2,520,159	$ 2,641,240	2,348,147	$ 2,449,031	2,335,131
Expenditures (1)	1,884,312	2,229,509	2,220,300	2,185,400	2,290,000
Ending Balance, June 30	$ 635,847	$ 411,731	$ 127,847	$ 263,631	$ 45,131
Increase (Decrease) in Fund Balance	**$ 290,895**	**$ (224,116)**	**$ (238,400)**	**$ (148,100)**	**$ (218,500)**

1. Expenditures include changes in compensated absences.
2. The GEMT (Ground Emergency Medical Transportation) funds for Medicaid patients began in 2019/2020. Estimated revenues are shown for 2021/2022 and 2022/2023.

Explanation of Changes in Fund Balances:

Fluctuations in the Ambulance fund balance are primarily due to the capital outlay purchases each year.

Function:
Business Type

Department:
Fire

Activity:

Ambulance Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 157,738	$ 171,407	$ 154,000	$ 233,600	$ 209,200	35.84%
Commodities	123,829	145,611	122,500	155,500	155,500	26.94%
Contractual Services	201,863	225,659	252,100	264,600	282,400	12.02%
Capital Outlay	159,863	206,269	160,000	-	17,000	-89.38%
Transfers	1,239,000	1,482,500	1,531,700	1,531,700	1,625,900	6.15%
Total Expenditures	$ 1,882,293	$ 2,231,446	$ 2,220,300	$ 2,185,400	$ 2,290,000	3.14%
Funding Sources						
Ambulance Fees	$ 2,072,887	$ 1,973,146	$ 1,950,000	$ 1,990,000	$ 2,040,000	4.62%
County Subsidy	31,400	31,400	31,400	31,400	31,400	0.00%
Interest	3,938	847	500	100	100	-80.00%
Local Grants/Donations	24,455	-	-	-	-	
CARES Act Funds	41,928	-	-	-	-	
Other	599	-	-	15,800	-	
Total Funding Sources	$ 2,175,207	$ 2,005,393	$ 1,981,900	$ 2,037,300	$ 2,071,500	4.52%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Ambulance Billing Manager	1.00	1.00	1.00	1.00	1.00	
Part Time:						
Ambulance Attendants	0.48	0.43	0.42	1.30	1.30	
Office Coordinator	0.25	0.25	0.25	0.25	0.25	
Total	1.73	1.68	1.67	2.55	2.55	$ 151,600
Employee Benefits						57,600
Total Personal Services						$ 209,200

Capital Outlay

Item:	***Quantity***	***Replacement***	***Amount***
Surface Pro Computers	6	Yes	$ 9,000
IV Pumps	5	No	8,000
			$ 17,000

MUSCATINE CONVENTION AND VISITORS BUREAU (CVB)

GENERAL INFORMATION/HISTORY:

There have been a number of changes in the operation of the Convention and Visitors Bureau (CVB) since 2013. The CVB was part of the Greater Muscatine Chamber of Commerce and Industry through June 30, 2013. In 2012/2013 the Convention and Visitors Bureau (CVB) took steps to become a separate nonprofit entity and in July of 2013 they officially became an entity separate from the Chamber. A CVB Board was established and the CVB Director relocated to an office in the lower level of City Hall. The City provided accounting services for the CVB operation and through June 30, 2015 the CVB's funds were accounted for as a discretely presented component unit of the City.

With the change in the CVB operation, the City changed the CVB's funding allocation from a fixed amount each year to 25% of actual Hotel/Motel tax receipts. The CVB Board and the City agreed that the annual allocations to the CVB would be 25% of the prior fiscal year's actual hotel/motel tax receipts.

As of July 1, 2015, the CVB dissolved their nonprofit entity, became part of the City, and a new CVB Board was appointed. The CVB was then accounted for as an enterprise fund of the City. In March of 2017 the City contracted with the Greater Muscatine Chamber of Commerce and Industry for staffing of the CVB.

CURRENT TRENDS AND ISSUES:

In 2020, the City and Greater Muscatine Chamber of Commerce and Industry (GMCCI) entered into an agreement for GMCCI to provide the City with Tourism and Marketing services. This agreement assigns to GMCCI the responsibility for enhancing the economic development of the City and County of Muscatine by marketing and promoting it as a destination for visitors and tourism. Specific tactics are outlined in the agreement that was implemented in the 2020/2021 fiscal year and continued into 2021/2022. Per this agreement, the City will pay GMCCI $125,000 in each of these two fiscal years for these services. GMCCI has requested this agreement be extended for fiscal years 2022/2023 and 2023/2024 at the same $125,000 annual allocation.

The City has continued to maintain its CVB enterprise fund and the $125,000 payments to GMCCI are made from the CVB enterprise fund. The City is continuing to transfer 25% of the prior year hotel/motel tax receipts from the Economic Development budget in the General Fund to the CVB enterprise fund. The transfer for 2021/2022 is $93,600 based on 25% of actual 2020/2021 hotel/motel taxes. The transfer for 2022/2023 is estimated at $91,200, 25% of the $365,000 in estimated hotel/motel taxes for 2021/2022. Hotel/motel tax estimates are lower beginning in mid-March of 2020 due to reduced travel as a result of the COVID-19 pandemic.

The fund balance in the CVB fund is unspent funds from prior years. The estimated fund balance as of June 30, 2023 is $71,158.

Muscatine Convention and Visitors Bureau (CVB)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 147,321	$ 168,978	$ 139,878	$ 140,258	$ 104,958
Revenues					
Reimbursement of Expenses	$ 425	$ 0	$ 0	$ 0	$ 0
Interest	3,261	433	100	0	0
Transfers In					
General Fund - Hotel/Motel Tax (1)	123,738	99,647	62,500	93,600 (2)	91,200 (3)
Total Revenues	$ 127,424	$ 100,080	$ 62,600	$ 93,600	$ 91,200
Funds Available	$ 274,745	$ 269,058	$ 202,478	$ 233,858	$ 196,158
Expenditures	105,767	128,800	128,900	128,900	125,000
Ending Balance, June 30	$ 168,978	$ 140,258	$ 73,578	$ 104,958	$ 71,158
Increase (Decrease) in Fund Balance	**$ 21,657**	**$ (28,720)**	**$ (66,300)**	**$ (35,300)**	**$ (33,800)**

1. The City hotel/motel tax allocation is budgeted to be 25% of the actual hotel/motel tax receipts from the previous fiscal yea
2. The actual hotel/motel tax transfer from the General Fund for 2021/2022 is 25% of the actual 2020/2021 hotel/motel tax revenue of $374,449 which calculates to $93,612.
3. The estimated hotel/motel tax transfer from the General Fund for 2022/2023 is 25% of the estimated 2021/2022 hotel/motel tax revenue of $365,000 which calculates to $91,250. The lower hotel/motel tax estimate is due to the COVID-19 pandemic which has reduced travel, especially business travel beginning in the 2019/2020 fiscal year

Function:
Business Type

Department:
Muscatine Convention and Visitors Bureau

Activity:

Muscatine Convention and Visitors Bureau

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ -	$ -	$ -	$ -	$ -	
Commodities	311	-	-	-	-	
Contractual Services	101,757	125,000	125,000	125,000	125,000	0.00%
Capital Outlay	-	-	-	-	-	
Transfers	3,700	3,800	3,900	3,900	-	-100.00%
Total Expenditures	$ 105,768	$ 128,800	$ 128,900	$ 128,900	$ 125,000	-3.03%
Funding Sources						
City Hotel/Motel Tax Allocation	$ 123,738	$ 99,647	$ 62,500	$ 93,600	$ 91,200	45.92%
Other	3,686	433	100	-	-	-100%
Total Funding Sources	$ 127,424	$ 100,080	$ 62,600	$ 93,600	$ 91,200	45.69%

SOLID WASTE MANAGEMENT FUNDS

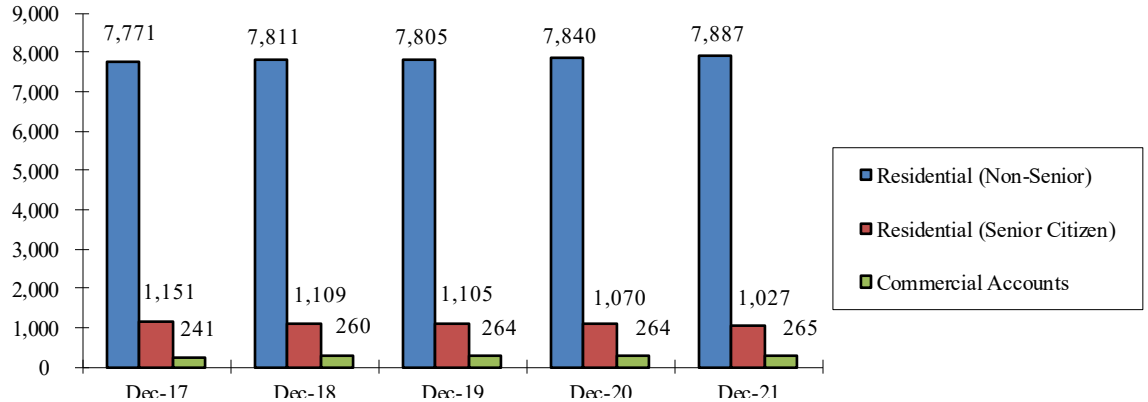
REFUSE COLLECTION

GENERAL INFORMATION:

The Solid Waste Management functions of the City are accounted for in three (3) separate funds - Landfill Operations, Transfer Station Operations, and Refuse Collection. Separating the three activities is required to properly analyze the fee structure and costs within each of the operations. The Landfill operation and Transfer Station operation are detailed in separate budgets which follow.

The Refuse Collection activity involves the pickup of solid waste by refuse trucks in the City of Muscatine. Refuse at residential dwellings is collected once each week. The department also collects refuse from some apartment complexes, commercial businesses, and industrial customers. Non-residential refuse collection is made only upon request, as many businesses contract with private haulers for this service. The breakdown of the number of customers in December for the last five years is as follows:

Refuse Customers by Type

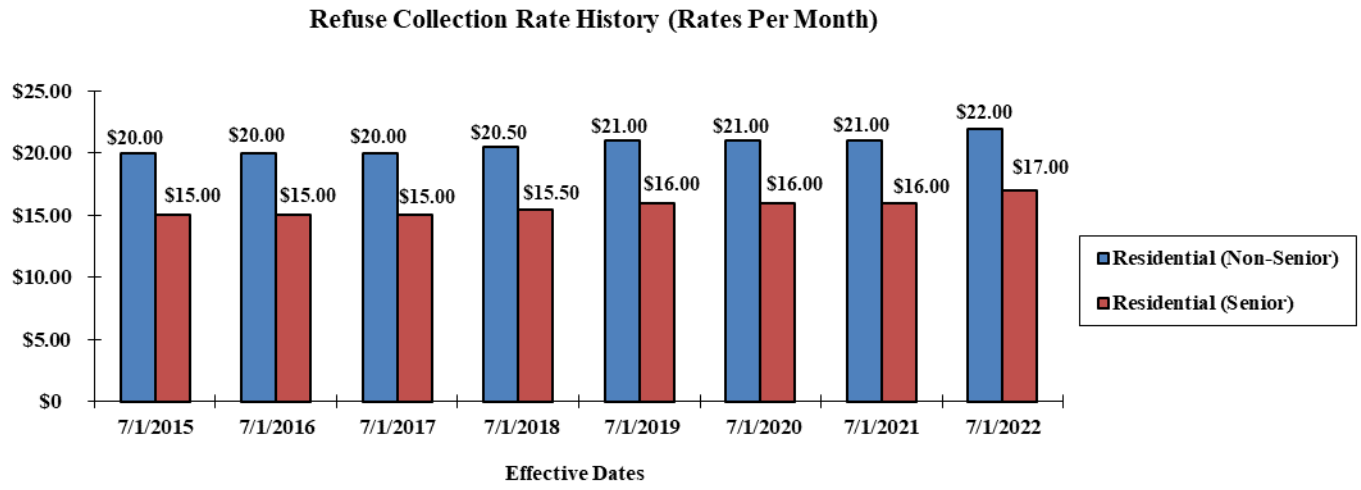


In April 2011 the City began a contracted single-sort curbside recycling program for all residential refuse collection customers. Allied Waste was selected as the contractor. This replaced the previous program which involved recycling trailers located throughout the community. Funding for the curbside recycling program has been incorporated into the refuse collection rates. The cost per customer per month for the curbside recycling program was $3.05 in the first year of the contract. The contract provided for increases to $3.14, $3.23, $3.33, and $3.43, respectively, for the 2nd through the 5th years of the contract. Allied Waste provided the containers for each customer as part of that fee.

The original contract with Allied Waste (now Republic Services) was scheduled to end on March 31, 2016. In December 2015 City Council approved a 5-year extension to this contract. For the first year of the new contract, the rate remained at $3.43 per customer per month. For the 2nd through the 5th year of the new contract the per-customer per-month rate increases to $3.53, $3.64, $3.75, and $3.86. The $3.64 rate went into effect April 1, 2018, the $3.75 rate went into effect April 1, 2019, and the $3.86 rate went into effect April 1, 2020. Republic Services agreed to a one-year extension to this contract at the rate of $3.86 per customer per month through March 31, 2022. The 2021/2022 revised estimate and 2022/2023 budget are based on a decrease in this rate to $3.61 per customer per month. Negotiations for a longer-term contract are in progress.

In calendar year 2016 the Refuse Collection activity was performed by five (5) full-time refuse drivers, one (1) solid waste lead worker, a Solid Waste Supervisor, and temporary refuse collection workers. Effective January 1, 2017 the number of full-time drivers was reduced to four (4). The City's first automated (one-person) truck was placed in service in December 2015 and the 2nd automated vehicle was placed in service in December of 2016. With the 2nd automated vehicle, one less fulltime driver was needed. In addition to regular weekly garbage pickup service, the City provides a curbside pickup service for large refuse items.

As an enterprise fund, it has been necessary to increase rates to assure the service fees properly cover the cost of this operation. The following chart reflects fee charges on a monthly basis for residential customers. The rates increased to $20.00 and $15.00 respectively, for regular and senior customers, effective April 1, 2011 when the single sort curbside recycling program was implemented. The rates for both regular residential customers and the senior rates increased by $.50 per month effective July 1, 2018. This rate increase was needed in order to generate funds to replace one of the regular refuse collection vehicles in 2019/2020. The rates for residential customers were increased by another $.50 per residential customer per month effective July 1, 2019. This increase was needed to begin to accumulate funds for another automated refuse collection vehicle in 2020/2021. The rate increases were also necessary since the monthly rate for the curbside recycling program has increased each year, which impacts the funds available for the regular refuse collection service. The 2022/2023 budget includes a $1.00 per residential customer per month increase. This increase was recommended due to the increased costs of providing the refuse collection service including increased fuel costs, increased wage and benefit costs, and increased costs of replacement vehicles.



CURRENT TRENDS AND ISSUES:

All refuse from the City's refuse collection division is delivered to the Transfer Station, compacted, and then taken to the landfill. The 2021/2022 and 2022/2023 budgets each include $540,000 for Transfer Station fees for disposal of an estimated 9,000 tons of waste at the budgeted rate of $60.00 per ton.

There were two significant changes in the Refuse Collection budget beginning in the 2019/2020 fiscal year. The first significant change involved changes to the Compost Site operation to only allow City of Muscatine and City of Fruitland residential customers to use the compost facility free of charge. A fee schedule was implemented for non-residents and commercial customers. This required a change of staffing with the former Compost Site Attendant position being eliminated and Compost Site Technicians added. The Technicians take payments and check identifications (or stickers of residents) to verify whether they are residents of the City of Muscatine or City of Fruitland. This change required a shed to be purchased, with utilities installed, at the entrance to the Compost Site. The primary purpose of this change was to reduce the volume of compost site material required to be chipped each year and/or to generate revenues to assist in paying the chipping costs.

The other significant change involved the elimination of Spring Cleanup Week starting in 2020. Cleanup Week has been replaced by a year-round bulky waste pickup program on a call-in basis. This required a ¾ time Refuse Driver position to be added for this service. This position works with the fulltime Refuse Driver assigned to the previous curbside bulky waste pickup operation.

Revised estimate expenditures for 2021/2022 are $39,300 more than the original budget. This overall increase is due to the net effect of (1) personal services costs are $26,200 more than the original budget, (2) contractual services are $7,700 more, and (3) capital outlay is $5,400 more than the original budget. The personal services increase is due to a change in the allocation of the Solid Waste Manager position to this budget from 7.5% to 35%. The Solid Waste Manager no longer oversees the Collection and Drainage activity which resulted in the allocation change. The revised estimate also includes an increased wage rate for part-time fill-in refuse collection employees from $13.00 per hour to $15.00 per hour effective April 1, 2022. The contractual services increase is due to increased vehicle maintenance costs. The increase in capital outlay is due to the actual cost for the new rear-loading refuse vehicle exceeding the budgeted amount.

The budgeted expenditures for 2022/2023 are $44,600 (1.9%) less than the original 2021/2022 budget. This overall decrease is due to the net effect of (1) personal services costs are $56,700 more than the prior year budget which includes the increased allocation of the Solid Waste Manager and the increased wage rate for the part-time fill-in refuse employees, (2) commodities are $32,000 more than the prior year budget, primarily due to the purchase of yard waste bags for re-sale, (3) contractual services are $23,300 less than the prior year budget, (4) capital outlay is $113,000 less, and (4) transfers are $3,000 more. The capital outlay allocation includes $65,000 for a one-ton truck for the curbside bulky waste service and $16,000 for replacement of rollout refuse bins. The overall decrease in capital outlay is due to the 2022/2023 budget not including any replacement refuse collection vehicles.

The 2022/2023 budget includes $392,000 for the contracted curbside recycling service. The budget also continues to fund the City of Muscatine's portion of the Solid Waste Management Agency annual assessment which began in 2008/2009 ($64,800).

Refuse collection charges for services revenue is estimated at $2,342,200 for the 2021/2022 revised estimate and $2,449,200 for the 2022/2023 budget. As noted previously, a $1.00 per month rate increase is budgeted for all residential customers which will increase the rates to $22.00 per month for regular residential customers and to $17.00 per month for senior customers. The department will also be reviewing rates charged to commercial customers. These rates vary based on dumpster sizes used by the customers as well as the frequency of pickup service.

The 2021/2022 and 2022/2023 budgets continue to include a 50% allocation of a fulltime Community Services Officer position in the Community Development department. This position deals with nuisance complaints including garbage and junk removal orders.

GOAL STATEMENT:

To provide efficient and cost-effective solid waste collection and recycling systems providing once per week pickup in all residential areas and providing service upon request to commercial and industrial customers to provide a clean and healthy environment for the residents of Muscatine.

PERFORMANCE MEASURES:

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Tons of Refuse Collected	8,436	8,559	8,940	9,000	9,000
Regular Residential Customers - December	7,190	7,184	7,232	7,284	7,300
Senior Residential Customers - December	1,109	1,105	1,070	1,027	1,030
Commercial and Industrial Customers December	260	264	264	265	265
Ripley's Mobile Home Court – Residential Units	285	265	263	258	260
Fruitland Residential Customers – December	336	336	345	345	345
Cleanup Week Collections (Tons) (1)	542	0 (1)	0	0	0
Single Sort Curbside Recycling (Tons)	1,255	1,323	1,260	1,300	1,400
Curbside Pickups (calendar year)	1,628	3,676 (1)	4,271	4,200	4,200

1. Spring Cleanup Week was discontinued beginning in 2020. It was replaced with a year-round bulky waste pickup program on a call-in basis, implemented in the spring of 2020.

RECENT ACCOMPLISHMENTS:

The Refuse Collection employees continue to provide excellent customer service. Staff work early mornings in all weather conditions, and do so safely. The refuse collection staff have worked around and through the COVID pandemic for the last two years, short staffed at times, but always finishing the day's work.

Staff continue to make the recently implemented bulky waste program a success, often going beyond what the program offers.

The additions of a new rear-loading commercial truck and an automated curbside truck this past summer, along with improved operation and maintenance of the existing fleet, have made a big difference in productivity.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To explore areas where waste diversion can be implemented and recycling can be increased. **(Strategic Plan - Excellent Customer Service)**
- To continue to improve equipment maintenance and reduce operating costs.
- To continue to search for community beautification and outreach programs. **(Strategic Plan-Vibrant Community)**
- To review and propose updates to the commercial refuse customer rates.

Refuse Collection Fund

Fund Statement

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	Actual 2019/2020		Actual 2020/2021		Budget 2021/2022		Revised Estimate 2021/2022		Budget 2022/2023	
Beginning Balance, July 1	$ 46,721		$ 205,629		$ 144,729		$ 196,631		$ 133,331	
Revenues										
Charges for Services	$ 2,340,676	(2)	$ 2,334,984		$ 2,342,200		$ 2,342,200		$ 2,449,200	(4)
Sales - Yard Waste Bags	15,395		14,566		15,800		15,800		15,800	
Compost Site Fees	4,919	(3)	10,369	(3)	11,500	(3)	11,500	(3)	11,500	(3)
Interest	1,153		434		0		0		0	
Sales Tax	6,815		6,751		6,800		6,800		6,800	
Insurance Reimbursement (Windstorm)	0		42,615		0		0		0	
Miscellaneous	4,975		5		0		0		0	
Sale of Equipment	24,750		0		0		0		0	
Transfers In:										
Surcharge Part II	41,619		40,980		0		0		0	
Total Revenues	$ 2,440,302		$ 2,450,704		$ 2,376,300		$ 2,376,300		$ 2,483,300	
Funds Available	$ 2,487,023		$ 2,656,333		$ 2,521,029		$ 2,572,931		$ 2,616,631	
Expenditures (1)	2,281,394		2,459,702		2,400,300		2,439,600		2,355,700	
Ending Balance, June 30	$ 205,629		$ 196,631		$ 120,729		$ 133,331		$ 260,931	
Increase (Decrease) in Fund Balance	**$ 158,908**		**$ (8,998)**		**$ (24,000)**		**$ (63,300)**		**$ 127,600**	

1. Expenditures include changes in compensated absences
2. A rate increase of $.50 per month for all residential customers went into effect July 1, 2019. This increase was needed to fund increases in costs for the contracted curbside recycling contract and for funding of future refus collection vehicles. This increased the regular residential rate to $21.00 per month and the senior rate to $16.0(
3. Non-resident and commercial fees were implemented at the Compost Site beginning in November of 2019. Th 2019/2020 amount reflects a partial year of revenues from this fee.
4. The 2022/2023 budget includes a rate increase of $1.00 per month for all residential customers effective July 1, 2022

Function:
Business Type Activity

Department:
Public Works

Activity:

Refuse Collection

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 623,336	$ 686,197	$ 737,700	$ 763,900	$ 794,400	7.69%
Commodities	46,181	44,564	65,900	65,900	97,900	48.56%
Contractual Services	1,290,168	1,341,325	1,305,600	1,313,300	1,282,300	-1.78%
Capital Outlay	185,696	252,460	194,000	199,400	81,000	-58.25%
Transfers	132,619	135,080	97,100	97,100	100,100	3.09%
Total Expenditures	$ 2,278,000	$ 2,459,626	$ 2,400,300	$ 2,439,600	$ 2,355,700	-1.86%
Funding Sources						
Charges for Services	$ 2,340,676	$ 2,334,984	$ 2,342,200	$ 2,342,200	$ 2,449,200	4.57%
Sales - Yard Waste Bags	15,395	14,566	15,800	15,800	15,800	0.00%
Compost Site Fees	4,919	10,369	11,500	11,500	11,500	0.00%
Sales Tax	6,394	6,751	6,500	6,800	6,800	4.62%
Interest	1,153	434	-	-	-	
Sale of Equipment	24,750	-	-	-	-	
Insurance Reimbursement	-	42,615	-	-	-	
Miscellaneous	4,975	5	-	-	-	
Total Funding Sources	$ 2,398,262	$ 2,409,724	$ 2,376,000	$ 2,376,300	$ 2,483,300	4.52%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Solid Waste Manager	- (1)	-	-	0.35 (1)	0.35	
Solid Waste & Sewer Systems Manager	0.08 (1)	0.08	0.08 (1)	- (1)	-	
Solid Waste Supervisor	0.75	0.75	0.75	0.75	0.75	
Refuse Truck Driver I	4.00	4.00	4.00	4.00	4.00	
Refuse Collection Leadworker	1.00	1.00	1.00	1.00	1.00	
Maintenance Worker II	0.50	0.50	0.50	0.50	0.50	
Community Services Officer (2)	0.15	0.50	0.50	0.50	0.50	
Office Coordinator	0.50	0.50	0.50	0.50	0.50	
Total Full Time	6.98	7.33	7.33	7.60	7.60	
Part Time:						
Compost Site Attendant	0.06	-	-	-	-	
Compost Site Technicians	0.34	0.78	0.84	0.78	0.84	
Community Service Officers (2)	0.27	-	-	-	-	
Refuse Driver I (3)	0.24	0.73	0.73	0.73	0.73	
Refuse Collection Laborers	0.81	0.81	0.81	0.81	0.81	
Clerk	0.37	0.38	0.36	0.38	0.36	
Total	9.08	10.02	10.07	10.29	10.35	$ 524,200
Employee Benefits						270,200
Total Personal Services						$ 794,400

1. A Public Works administrative staff reorganization was effective January 1, 2019. Another reorganization was effective in 2021/2022, eliminating the Solid Waste & Sewer System Manager position and reinstating the Solid Waste Manager position.
2. Effective 1-1-21, 50% of a fulltime Community Services Officer position is being allocated to Refuse Collection and the part-time position allocation was eliminated.
3. In 2019/2020, a 3/4 time Refuse Collection Driver was added for the year-round bulky waste pickup program which replaced Spring Cleanup Week.

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
One Ton Truck for Bulky Waste Pickup Program	1	Yes	$ 65,000
Curbside Rollout Refuse Containers (95 gallon)	200	Yes	16,000
			$ 81,000

SOLID WASTE MANAGEMENT FUNDS

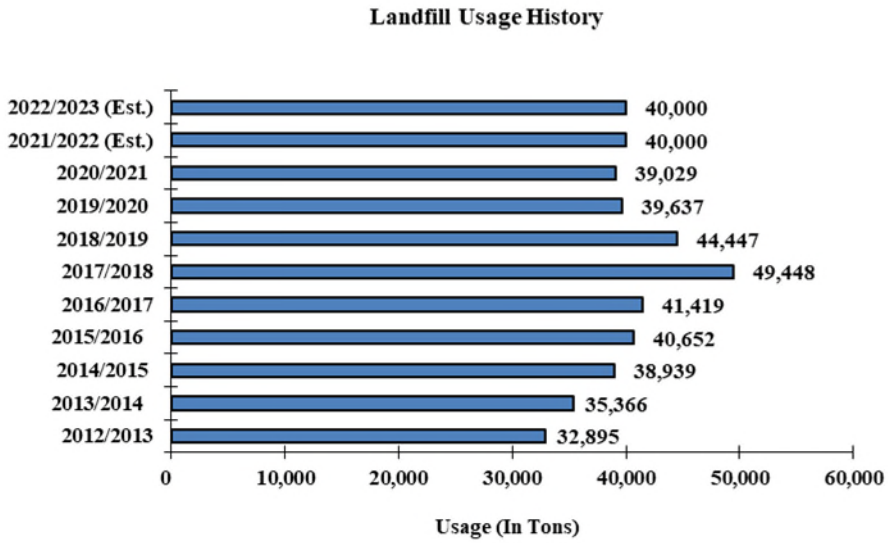
LANDFILL OPERATIONS

GENERAL INFORMATION:

The Solid Waste Management funds consist of three (3) operations, Refuse Collection, Landfill Operations, and Transfer Station Operations. The City of Muscatine is a member of the Muscatine County Solid Waste Management Agency. This agency contracts with the City of Muscatine to operate the landfill. The Agency is responsible for the disposal of solid waste in Muscatine County. The Transfer Station opened in August of 1995. This facility is used as a staging area for recycling, refuse collection, and the transfer of non-recyclable items to the landfill.

Under the terms of the agreement between the Solid Waste Management Agency and the City, the City is responsible for the costs incurred in the operation of the sanitary landfill, the maintenance of the entrance road, the cost of purchasing the landfill site, and certain special engineering fees. The City establishes an annual price per ton for waste disposal at the landfill. Beginning in 2008/2009 the Agency reinstated an annual assessment to each of its members in a total annual amount of $117,200. This was to assist in reducing the accumulated deficit in this fund.

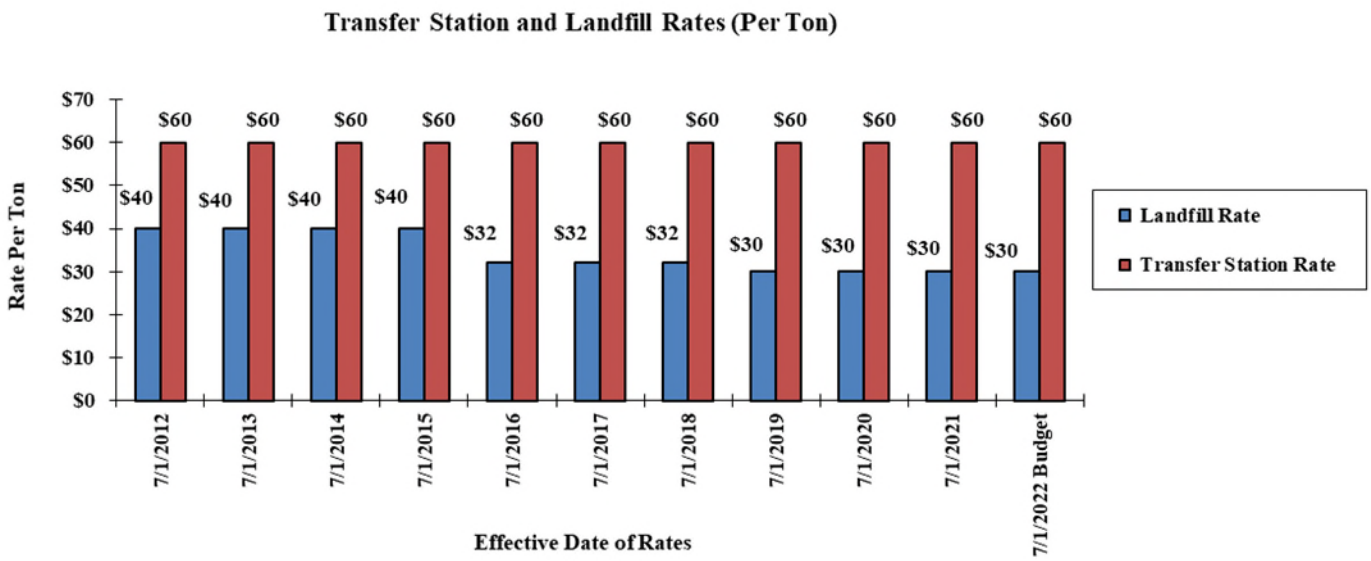
The following chart shows the tons of waste disposed of at the landfill since 2012/2013 as well as the projected waste volumes for 2021/2022 and 2022/2023.



Volumes at the landfill have fluctuated over the years shown above and the number and types of users have changed. The State of Iowa has also enacted regulations for volume reduction and restrictions on materials that can be deposited in landfills. The increase in waste volume in 2017/2018 is attributed to the June 2017 hailstorm that damaged roofs and siding of numerous homes and businesses in the community.

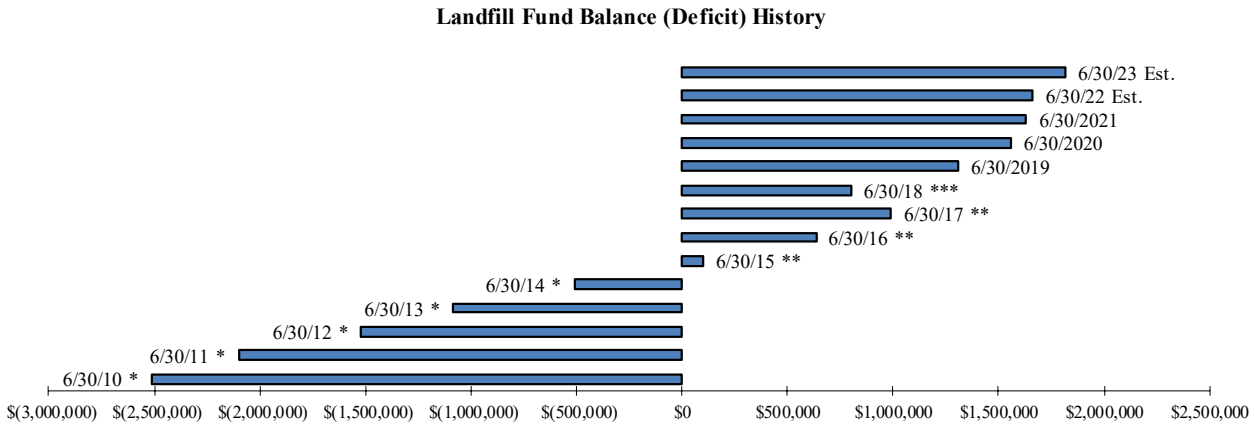
The following chart shows the Transfer Station regular rates since the 2012/2013 year and the portion of the transfer station fee paid to the Landfill fund. The regular Transfer Station rate has been $60.00 per ton since July 1, 2009 and that rate includes the portion of the rate the Transfer Station pays the Landfill as disposal fees. The landfill portion of the disposal rate increased from $25 to $40/ton July 1, 2009 due to the significant cost of developing the next landfill cells. Effective July 1, 2016 the portion of the transfer station rate paid to

the landfill was decreased from $40 to $32 per ton for the full rate tonnage accepted at the Transfer Station. This allowed more funds to remain in the Transfer Station fund for needed capital expenditures for that operation. This reduction was possible due to the elimination of the deficit in the Landfill fund and the funds accumulated for construction of the next landfill cell. For 2019/2020 the landfill portion of the transfer station rate decreased to $30 per ton for the full rate tonnage and that rate has been continued in the 2020/2021 through 2022/2023 budgets. This change was needed to continue to fund capital expenditures at the Transfer Station.



In addition to the rates shown in the table above, in 2009/2010 the City began offering industrial contracts for refuse disposal whereby industries can enter into an agreement with the City to dispose of their waste at the Transfer Station and be directly billed for the disposal fees. Under these agreements the industries qualified for a discounted industrial rate of $50/ton of which $30 of this rate was paid to the Landfill. In 2010 five new industrial contracts were negotiated which were expected to bring 5,000 tons of additional waste volume to the landfill each year. These were three-year contracts with variable disposal rates. All of the industrial contracts were first extended through June 30, 2015 and were further extended through June 30, 2020. Under those contracts the original industrial waste contracts were reduced by $5/ton from $50/ton to $45/ton and the negotiated contracts were each reduced by $2.50/ton. Agreements were reached to extend three of the industrial waste agreements for an additional five (5) years through June 30, 2025. Agreements have not yet been finalized for the other three agreements. Under the new agreements the regular industrial contracts decreased by $2.50 per ton to $42.50 per ton and the rates for the negotiated agreements did not change.

The fund balance for the Landfill Operation has varied over the past twelve (12) years. The following is a summary of actual and projected fund balances (deficits).



* Beginning June 30, 2003 there were interim loans to fund cell closure costs, costs to develop new cells, and other landfill capital and operating costs.

** The deficit was eliminated in 2014/2015 and funds began to be accumulated for design and construction of the next landfill cell.

*** There were sufficient funds available to fund construction of the next landfill cell in the 2017/2018 fiscal year and still keep a positive balance in this fund.

The deficit fund balances through June 30, 2014 were due to costs for capital projects at the landfill, costs to complete the purchase of landfill property formerly leased, loss of revenue due to capacity issues, and increased regulatory requirements. In 2007/2008 $767,200 in capital expenditures were required including $417,600 to develop the Phase II cell, $180,000 for drainage and erosion control, $58,000 for improvements to the side slope of Phase II, and $35,000 for a tarp system to use as daily cover. Due in part to the June 1, 2007 tornado, the Phase I cell was at capacity and was required to be closed prior to completion of the new cell. This required waste to be hauled to the Scott County Landfill and resulted in the loss of revenue to the Muscatine Landfill of approximately $400,000. These factors combined to result in a $1,026,781 deficit in the landfill fund as of June 30, 2008. The deficit increased to $2,211,935 as of June 30, 2009 and to $2,512,600 as of June 30, 2010 due primarily to costs to develop two new cells (III and IV) which were estimated to have a combined capacity of 298,800 tons and have an expected life of 8.5 years based on estimated waste volumes. The deficit was projected to be incrementally reduced as the capacity of those cells was filled.

The industrial contracts were a significant factor in the elimination of the deficit. The fund balance at the end of 2016/2017 was $993,064. This balance plus the revenues received in 2017/2018 were sufficient to fund costs for construction of the next landfill cell and still maintain a positive balance of $801,328 as of June 30, 2018. The fund balance increased to $1,305,972 as of June 30, 2019, to $1,556,270 as of June 30, 2020, and to $1,630,574 as of June 30, 2021. The fund balance is estimated to increase to $1,662,274 at the end of fiscal year 2021/2022, and decrease by $26,200 to $1,636,074 at the end of the 2022/2023 fiscal year. This balance will be available to fund future capital costs, including costs to develop the next landfill cell.

CURRENT TRENDS AND ISSUES:

The tipping fee rate at the Transfer Station was increased to $60 per ton effective July 1, 2009 with $40 of this rate being credited to the Landfill and the remaining $20 to the Transfer Station. This increase was directly related to capital costs for constructing the Phase III and IV cells as well as capital costs to close previous ravines. With this increase the landfill saw waste volume in 2009/2010 decrease to 29,916 tons. With the

continuing deficit in the Landfill fund, the Solid Waste Agency and the City considered implementing flow control measures which would have required all waste generated in the Agency area to be brought to the Transfer Station and Landfill. Area businesses and the Chamber requested a committee be formed of business leaders, city staff, an Agency member, and others, to discuss the impacts that flow control would have on area businesses and possible alternate solutions. The Committee's recommendations included allowing for additional negotiated industrial contracts that would bring additional waste volume and revenue to the Landfill and a long-term financial plan to incrementally reduce the Landfill Fund deficit with the goal of having it eliminated by the time the next landfill cell would need to be constructed. City Council approved the Committee's recommendations at their October 7, 2010 meeting and five new industrial contracts were entered into which were expected to bring in an estimated additional 5,000 tons of waste and $180,000 of revenues annually over the three years of the agreements. These agreements, as well as the original industrial agreements, were first extended through June 30, 2015 and were further extended through June 30, 2020. The reduction in the deficit was $411,988 in 2010/2011, an additional $582,320 reduction in the deficit (to $1,518,292) in 2011/2012, a further reduction of $435,957 (to $1,082,335) in 2012/2013, an additional $573,309 reduction (to $509,026) in 2013/2014, and a $608,274 reduction (to a positive balance of $100,576) in 2014/2015. These reductions in the deficit were slightly higher than the targeted reductions in the original financial plan.

The revised estimate expenditures for 2021/2022 are $99,400 more than the original budget. This overall increase is due to the net effect of (1) a $6,500 decrease in personal services costs, (2) a $27,300 increase in contractual services, (3) a $100,000 increase in capital outlay, and (4) a $21,400 decrease in transfers. The increase in contractual services is due to the increase in the landfill operator contract cost under the new agreement that was effective January 1, 2022. The increase in capital outlay allows for funding to address groundwater remediation requirements. The decrease in transfers is due to the transfers to the Landfill Closure and Post-Closure Reserves being less than allowed for in the original budget.

The budgeted expenditures for 2022/2023 for the Landfill are $157,300 (13.5%) more than the original 2021/2022 budget. The overall increase in expenditures is due to the net effect of (1) a $2,800 decrease in personal services costs, (2) a $44,600 increase in contractual services, (3) a $135,000 increase in capital outlay, and (4) a $19,500 decrease in transfers. The increase in contractual services is due to 2022/2023 being the first full fiscal year of the new landfill operator contract that was effective January 1, 2022. The capital outlay allocation for 2022/2023 totals $152,000 and includes (1) $40,000 for a new tarp machine, (2) $100,000 for a backup generator, and (3) $12,000 to regrade and cleanout the lagoon and reinstall the fence.

The waste volume for 2022/2023 is estimated at 40,000 tons which is the same as the 2021/2022 revised estimate.

Landfill fees for 2022/2023 are budgeted at $1,159,400 based on an estimated 40,000 tons. This is the same as the 2021//2022 revised estimate. This 40,000 ton waste estimate includes 27,200 tons at the full $30 rate ($816,000), 5,400 tons at the $25 industrial contract rate ($135,000), and 7,400 tons at the negotiated industrial rates ($208,400). The waste tonnage and revenue estimates for 2022/2023 are based on revenues from the three industrial contracts which have been extended through June 30, 2025 and based on extending the other three industrial contracts. The revenue from the negotiated contracts is all credited to the Landfill fund.

With the projected landfill revenues and expenditures, the landfill fund balance is projected to increase by $31,700 to $1,662,274 at the end of the 2021/2022 fiscal year. The fund balance at the end of the 2022/2023 fiscal year is estimated to decrease by $26,200 to $1,636,074. The fund balance will allow for any IDNR mandated costs that may be needed and also allows sufficient funding for construction of the next landfill cell. Having sufficient funds available for construction of Cell #5 in 2017/2018 without an interim loan, shows the success of the long-term deficit reduction/financing plan developed and implemented in 2010.

Private firms have been used to operate the landfill under contractual agreements with the City. The current contract is with Rittmer Inc. for $40,150 per month with a $2.00/ton additional payment for waste hauled in excess of 50,000 tons in a fiscal year. This contract also includes a fuel surcharge provision for fuel costs that exceed $2.92/gallon for off road diesel fuel. This contract was effective January 1, 2022 and runs for three and one-half years through June 30,2025. Other significant items in the budget are leachate hauling and analysis, engineering services, and payment of the State surcharge fees.

The State landfill surcharge was reduced from $3.75 to $3.65 per ton in 2002/2003 since the area landfills met the State-mandated waste reduction requirements. Of the $3.65 per ton rate, $2.10 per ton is required to be paid to the State and the remaining $1.55 per ton can be retained by the City in special reserves required to be used for specific purposes. Payments to the State are estimated at $84,000 for both the 2021/2022 revised estimate and 2022/2023 budget based on an estimated 40,000 tons of waste each year. The surcharge funds retained by the City are estimated at $62,000 for both 2021/2022 and 20221/2023. These funds are accounted for in the Landfill Surcharge Reserve Funds.

The Iowa Department of Natural Resources (IDNR) has specific requirements for the use of the local surcharge funds with the specific eligible uses of each portion of the surcharge funds to be reported quarterly to the IDNR. Part I of the retained surcharge funds are required to be used for local planning and environmental protection activities. Part II funds are required to be used for waste reduction, recycling, and small business pollution prevention purposes. In 2021/2022 and 2022/2023 it is estimated that there will be $20,000 in Part I funds each year which will be transferred to the Landfill fund for qualifying expenditures and an estimated $42,000 of Part II funds which will be transferred to the Transfer Station fund for qualifying expenditures.

The IDNR regulations also provide that funds must be set aside annually for Landfill closure and post closure costs. The estimated amount to be transferred to the Closure Reserve in both 2021/2022 and 2022/2023 is $140,700 and the amount to be transferred to the Post-Closure Reserve for both of these years is estimated at $47,200.

GOAL STATEMENT:

To provide a facility for the disposal of solid waste collected in Muscatine County in an efficient and effective manner and in accordance with environmentally sound practices established by the Environmental Protection Agency (EPA) and Iowa Department of Natural Resources (IDNR) and in accordance with the agreement with the Muscatine County Solid Waste Management Agency.

PERFORMANCE MEASURES:

	Actual 2018/2019	**Actual 2019/2020**	**Actual 2020/2021**	**Estimated 2021/2022**	**Estimated 2022/2023**
Tons of Waste Disposed	44,447	39,637	39,029	40,000	40,000
Estimated Landfill Capacity Remaining (Tons)	306,304	266,667	317,301	277,301	237,301
Years of Current Landfill Space Remaining (Estimate)	6.5	5.5	7.9	6.9	5.9
Leachate Collected in Gallons	4,312,136	3,506,579	2,669,502	2,500,000	2,500,000

RECENT ACCOMPLISHMENTS:

Work continues with waste being deposited in cell number five. Compaction rates are exceeding the requirements of the contract, thus extending the estimated number of years before needing to construct a new cell. Leachate generation has dropped, thus lowering the costs associated with hauling and treating leachate. More grading will take place in 2022 in an effort to reduce leachate even further.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To continue to identify areas to reduce leachate generation and work with the contract operator to determine remedies for these areas.

- To continue to work with the contract operator on methods to further improve compaction and extend the life of the landfill cell currently being filled. **(Strategic Plan - Reliable Public Infrastructure)**

- To install backup power generation for the landfill pumps, thus preventing leachate overflows during power outages. **(Strategic Plan - Reliable Public Infrastructure)**

Landfill Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,305,972	$ 1,556,270	$ 1,605,470	$ 1,630,574	$ 1,662,274
Revenues					
Charges for Services	$ 1,151,011	$ 1,130,507	$ 1,160,800 (3)	$ 1,159,400 (3)	$ 1,159,400 (3)
Agency Assessment (2)	117,177	117,177	117,200	117,200	117,200
Interest	72,512	9,937	5,000	1,000	1,000
Other	1,636	0	0	0	0
Transfers In:					
Landfill Surcharge Reserve	19,819	19,514	20,000 (4)	20,000 (4)	20,000 (4)
Total Revenues	$ 1,362,155	$ 1,277,135	$ 1,303,000	$ 1,297,600	$ 1,297,600
Funds Available	$ 2,668,127	$ 2,833,405	$ 2,908,470	$ 2,928,174	$ 2,959,874
Expenditures (1)	1,111,857	1,202,831	1,166,500	1,265,900	1,323,800
Ending Balance, June 30	$ 1,556,270	$ 1,630,574	$ 1,741,970	$ 1,662,274	$ 1,636,074
Increase (Decrease) in Fund Balance	**$ 250,298**	**$ 74,304**	**$ 136,500**	**$ 31,700**	**$ (26,200)**

1. Expenditures include changes in compensated absences
2. An Agency assessment was implemented beginning in 2008/2009 as part of the original plan to eliminate the accumulated deficit in this fund.
3. The revenue estimates for the 2021/2022 revised estimate and 2022/2023 budget are each based on an estimated 40,000 tons of waste.
4. The 2021/2022 and 2022/2023 transfers from the Landfill Surcharge Reserve are based on 40,000 tons at $.50 per ton.

Explanation of Changes in Fund Balances:

There was an accumulated deficit in this fund in previous years due to the reduced waste volumes being received at the landfill as well as landfill capital costs. This deficit was eliminated during the 2014/2015 year and funds started to be accumulated for construction of the next cell. The cell construction cost and related engineering totaled $739,800 which was included in 2017/2018 expenditures. Funds are again being accumulated for future landfill capital costs

Landfill Surcharge Reserve Part I

Local Planning and Environmental Protection Activities

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Transfers In					
Surcharge Fees	19,819	19,514	20,000 (1)	20,000 (1)	20,000 (1)
Funds Available	$ 19,819	$ 19,514	$ 20,000	$ 20,000	$ 20,000
Expenditures					
Transfers to Landfill Fund	19,819	19,514	20,000	20,000	20,000
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Transfers are based on 40,000 tons for the 2021/2022 Revised Estimate and the 2022/2023 Budget at $.50/ton.

Landfill Surcharge Reserve Part II

Waste Reduction, Recycling, and Small Business Pollution Prevention

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Transfers In					
Surcharge Fees	41,619	40,980	42,000 (1)	42,000 (1)	42,000 (1)
Funds Available	$ 41,619	$ 40,980	$ 42,000	$ 42,000	$ 42,000
Expenditures					
Transfers to Transfer Station Fund	41,619	40,980	42,000	42,000	42,000
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Transfers are based on 40,000 tons for the 2021/2022 Revised Estimate and the 2022/2023 Budget at $1.05/ton.

Landfill Closure Reserve (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,177,948	$ 1,337,341	$ 1,496,741	$ 1,478,042	$ 1,618,742
Revenues					
Transfers In					
Landfill Fund	159,393	140,701	159,400 (2)	140,700 (2)	140,700 (2)
Funds Available	$ 1,337,341	$ 1,478,042	$ 1,656,141	$ 1,618,742	$ 1,759,442
Expenditures	0	0	0	0	0
Ending Balance, June 30	$ 1,337,341	$ 1,478,042	$ 1,656,141	$ 1,618,742	$ 1,759,442
Increase (Decrease) in Fund Balance	**$ 159,393**	**$ 140,701**	**$ 159,400**	**$ 140,700**	**$ 140,700**

1. This reserve is required to be established to pay for the closure costs for the currently permitted landfill area.
2. Transfers to this reserve are determined annually based on the required annual engineering report submitted to the Iowa Department of Natural Resources. Estimated amounts are reflected since the actual amounts have not yet been determlned.

Landfill Post-Closure Reserve (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,019,375	$ 1,069,315	$ 1,119,215	$ 1,116,434	$ 1,163,634
Revenues					
Transfers In					
Landfill Fund	49,940	47,119	49,000 (2)	47,200 (2)	47,200 (2)
Funds Available	$ 1,069,315	$ 1,116,434	$ 1,168,215	$ 1,163,634	$ 1,210,834
Expenditures	0	0	0	0	0
Ending Balance, June 30	$ 1,069,315	$ 1,116,434	$ 1,168,215	$ 1,163,634	$ 1,210,834
Increase (Decrease) in Fund Balance	**$ 49,940**	**$ 47,119**	**$ 49,000**	**$ 47,200**	**$ 47,200**

1. Landfill owners are required to monitor and maintain landfill sites for 30 years after landfills are closed. Funds are required to be set aside annually in order to accumulate funds for this purpose.
2. Transfers to this reserve are determined annually based on the required annual engineering report submitted to the Iowa Department of Natural Resources. Estimated amounts are reflected since the actual amounts have not yet been determlned.

Function:
Business Type

Department:
Public Works

Activity:

Landfill Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 66,163	$ 69,815	$ 73,800	$ 67,300	$ 71,000	-3.79%
Commodities	9,215	17,769	17,400	17,400	17,400	0.00%
Contractual Services	626,881	712,423	723,900	751,200	768,500	6.16%
Capital Outlay	79,184	93,246	17,000	117,000	152,000	794.12%
Transfers	330,271	309,615	334,400	313,000	314,900	-5.83%
Total Expenditures	$ 1,111,714	$ 1,202,868	$ 1,166,500	$ 1,265,900	$ 1,323,800	13.48%
Funding Sources						
Charges for Services	$ 1,151,011	$ 1,130,507	$ 1,160,800	$ 1,159,400	$ 1,159,400	-0.12%
Agency Assessment	117,177	117,177	117,200	117,200	117,200	0.00%
Interest	72,512	9,937	5,000	1,000	1,000	-80.00%
Other	1,636	-	-	-	-	
Transfers In:						
Surcharge Reserve	19,819	19,514	20,000	20,000	20,000	0.00%
Total Funding Sources	$ 1,362,155	$ 1,277,135	$ 1,303,000	$ 1,297,600	$ 1,297,600	-0.41%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2021/2022
Full Time:						
Solid Waste & Sewer System Manager	0.35	0.35	0.35	0.35	0.35	
Solid Waste Supervisor	0.25	0.25	0.25	0.25	0.25	
Total Full Time	0.60	0.60	0.60	0.60	0.60	$ 48,400
Employee Benefits						22,600
Total Personal Services						$ 71,000

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Tarp Machine	1	Yes	$ 40,000
Backup Electric Generator	1	No	100,000
Regrade and Cleanout Lagoon, and Reinstall Fence	1		12,000
			$ 152,000

SOLID WASTE MANAGEMENT FUNDS

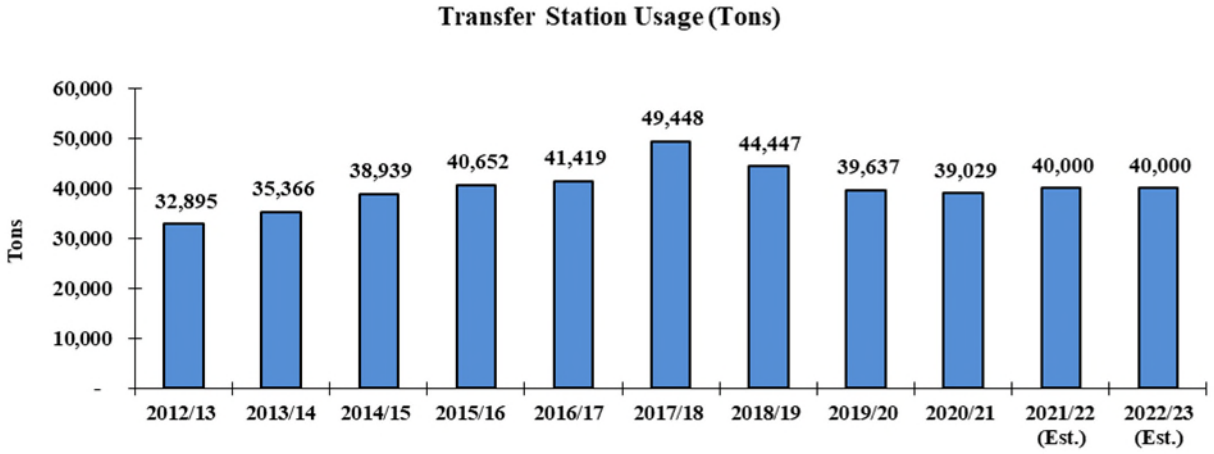
TRANSFER STATION OPERATIONS

GENERAL INFORMATION:

The Transfer Station opened in August of 1995. Project costs totaled approximately $10,128,000. The Solid Waste Manager oversees the operation of the Transfer Station. The primary responsibilities of this position involve overseeing the transfer station operation as well as the overall coordination of the refuse collection, transfer station, and landfill activities.

CURRENT TRENDS AND ISSUES:

Waste volumes at the Transfer Station have varied as shown in the table below. The local economy, private waste haulers using alternate disposal sites, and other factors have impacted the transfer station waste volume. Revenues and expenditures for the 2021/2022 revised estimate and 2022/2023 budget have each been based on 40,000 tons of waste. The higher waste volume in 2017/2018 was due to debris from the 2017 tornado, wind storm, and hail storm.



For the 2009/2010 budget, the transfer station tipping fee was increased from $41.00 to $60.00 per ton, primarily due to landfill cell development costs which resulted in a deficit of over $2 million in the Landfill fund. The landfill portion of the fee was increased from $25.00 to $40.00 per ton. In past years rates were held at a lower level due to concerns that increasing this rate may result in the loss of waste volume to Illinois landfills which have lower tipping fees. The rate increase was needed to generate funding to reduce the accumulated deficits in both the Landfill and Transfer Station funds.

With significant deficits in both the Landfill and Transfer Station funds, the Solid Waste Agency and the City considered implementing flow control measures which would have required all waste generated in the Agency's area to be brought to the Transfer Station and Landfill. Area businesses and the Chamber requested a committee be formed of business leaders, city staff, an Agency member, and others, to discuss the impacts that flow control would have on area businesses and possible alternate solutions. The Committee's recommendations included allowing for additional negotiated industrial contracts which would bring additional waste volume and revenue to the Landfill. City Council approved the Committee's recommendations at their October 7, 2010 meeting and five new industrial contracts were entered into

which were estimated to bring in an additional 5,000 tons of waste and $180,000 of revenues annually over a three-year period. These negotiated industrial contracts as well as the original industrial contracts were all extended through June 30, 2015 and were further extended through June 30, 2020. Under the contract extensions the original industrial waste contracts were reduced by $5/ton from $50/ton to $45/ton, with $25 of the $45 rate paid to the Landfill. The negotiated contracts were each reduced by $2.50/ton. While revenue from the negotiated industrial contracts passes through the Transfer Station budget as tipping fees, this additional revenue was directed toward the accumulated deficit in the Landfill fund and is not providing any funding for the Transfer Station.

Agreements were reached to extend three of the industrial waste agreements for an additional five (5) years through June 30, 2025. Agreements have not yet been finalized for the other three agreements. Under the new agreements the regular industrial contracts decreased by $2.50 per ton to $42.50 per ton and the rates for the negotiated agreements did not change.

As noted above, all of the revenue from the negotiated industrial contracts was directed to the Landfill fund to reduce the accumulated deficit in that fund. The Transfer Station has had minimal fund balances in recent years in part due to crediting all of the revenue from the negotiated contracts to the Landfill fund. As a result, the Transfer Station fund had been "absorbing" the direct and indirect costs for processing the waste from these contracts.

After the 2016/2017 budget was adopted the City Council approved a change in the portion of the Transfer Station fee paid to the landfill to address the deficit in the Transfer Station fund and to address equipment replacement needs at that facility. This was reviewed with the Chamber Landfill Committee at their May 13, 2016 meeting and the Committee recommended that the allocation of the $60 full rate tipping fee be changed from $40 Landfill/$20 Transfer Station to $32 Landfill/$28 Transfer Station for a two-year period (2016/2017 and 2017/2018). This allocation change allowed for the purchase of a new track loader funded from an internal loan and also eliminated the budget deficit in the Transfer Station fund.

In 2017/2018 there was a total of $219,732 in capital outlay expenditures including $150,382 to replace the wheel loader and $69,350 for improvements to the tunnel scale and tunnel door. There was a deficit fund balance of $60,468 in the Transfer Station fund on June 30, 2018.

Due to continuing capital outlay and deferred maintenance needs at the Transfer Station, the allocation of the full rate tipping fee was continued at the $32 Landfill/$28 Transfer Station allocation rate for the 2018/2019 fiscal year. This allocation rate allowed funds to be included in the 2018/2019 budget for replacement of the exterior scale. There was a $3,826 fund balance deficit at the end of the 2018/2019 fiscal year.

The 2019/2020 budget included a change in the allocation of the full rate tipping fee to $30 Landfill and $30 Transfer Station (changed from $32 Landfill/$28 Transfer Station). With the allocation change, the balance at the end of the 2019/2020 fiscal year increased to $172,851. The fund balance further increased to $387,619 at the end of 2020/2021. The allocation of the full rate tipping fee at $30 Landfill and $30 Transfer Station continued in the 2020/2021 through 2022/2023 budgets.

The 2021/2022 revised estimate expenditures are $41,400 more than the original budget. This overall increase is due to the net effects of (1) an increase in personal services costs of $21,600, (2) a $5,900 increase in commodities, (3) a $4,000 decrease in contractual services, and (4) a $17,900 increase in capital outlay. The personal services increase is due to a change in the allocation of the Solid Waste Manager position to this budget from 7.5% to 30%. The Solid Waste Manager no longer oversees the Collection and Drainage activity which resulted in the allocation change. The capital outlay increase is primarily due to the cost of the new transfer trailer exceeding the budget estimate.

Revised estimate tipping fee revenue is estimated at $2,069,900. The 2021/2022 budget includes a $200,000 transfer to fund a portion of the $650,000 capital project to replace the tipping floor at the Transfer Station. The remaining cost of the tipping floor replacement will be funded from the May 2022 bond issue. Based on revised estimate revenues and expenditures, a positive fund balance of $162,319 is projected for June 30, 2022.

The budgeted expenditures for 2022/2023 are $180,000 (7.5%) less than the original 2021/2022 budget. The 2022/2023 budget is based on 40,000 tons of waste, the same tonnage as the 2021/2022 revised estimate. The $180,000 overall expenditure decrease is due to the net effect of (1) a $37,500 increase in personal services costs which includes the increased allocation of the Solid Waste Manager, (2) a $4,000 increase in commodities, (3) a $76,300 increase in contractual services due primarily to scheduled repairs and maintenance of equipment, (4) a $98,000 decrease in capital outlay, and (4) a $199,800 decrease in transfers.

The 2022/2023 budgeted tipping fees are estimated at $2,069,900 based on the 40,000 tonnage estimate. Other revenue for both 2021/2022 and 2022/2023 includes $60,000 from renting the former recycling portion of the Transfer Station to the Water Pollution Control Plant being used for the High Strength Waste Receiving Station. This revenue replaced the lease revenue in previous years from Republic Services for that portion of the building. The Transfer Station fund balance is estimated at $158,419 at the end of the 2022/2023 fiscal year.

As noted previously, the allocation of the full Transfer Station tipping fee rate is budgeted to continue at $30 Landfill and $30 Transfer Station in 2022/2023. This allocation has assisted in providing funding to address capital and deferred maintenance needs at the Transfer Station and resulted in the positive fund balances in both the 2021/2022 revised estimate and 2022/2023 budget.

GOAL STATEMENT:

To operate the Transfer Station/Recycling Facility in an environmentally sound and fiscally responsible manner in order to provide for solid waste handling and disposal for the City of Muscatine and the Muscatine County Solid Waste Management Agency.

PERFORMANCE MEASURES:

	Actual 2018/2019	**Actual 2019/2020**	**Actual 2020/2021**	**Estimated 2021/2022**	**Estimated 2022/2023**
Tons of Waste Processed	44,447	39,637	39,029	40,000	40,000
Tons Recycled (Contractor) – Republic Services	1,256	1,323	1,262	1,400	1,400
Gallons of Waste Oil Collected	5,200	5,200	2,600	3,000	3,000

RECENT ACCOMPLISHMENTS:

During the past year this department worked on issues such as lift station repairs and pump replacements. Staff has done an excellent job working through and around COVID-19 and have managed to keep the Transfer Station operational even when staffing was short.

A recycling drop-off area was recently opened providing residents a place to bring recyclables when their curbside bins are full.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To continue to look for ways to divert materials from the Landfill.
- To continue to work on preventative maintenance at the Transfer Station.
- To continue public education and outreach activities with the goal of increased recycling and waste diversion from the landfill. **(Strategic Plan - Excellent Customer Service)**

Transfer Station Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance (Deficit), July 1	$ (3,826)	$ 172,851	$ 327,210	$ 387,619	$ 162,319
Revenues					
Charges for Services	$ 2,151,697	$ 2,091,764	$ 2,084,600 (2)	$ 2,069,900 (2)	$ 2,069,900 (2)
Household Hazardous Waste	0	0	300	0	-
Recycling Commissions	4,876	5,912	4,000	3,000	3,000
Recycling Center Rental Fees	60,000	60,000	60,000	60,000	60,000
Sales Tax	3,819	6,507	8,300	8,000	8,000
Electronic Waste Disposal Fees	13,645	16,834	15,500	15,500	15,500
Appliance Disposal Fees	9,144	9,680	9,000	9,000	9,000
FEMA Reimbursement	0	644	0	0	0
Sale of Equipment	0	0	0	0	0
Interest	536	529	2,000	200	200
Other	3,326	5,127	0	0	0
Transfers In:					
Surcharge Reserve	41,619	40,980	42,000	42,000	42,000
Total Revenues	$ 2,288,662	$ 2,237,977	$ 2,225,700	$ 2,207,600	$ 2,207,600
Funds Available	$ 2,284,836	$ 2,410,828	$ 2,552,910	$ 2,595,219	$ 2,369,919
Expenditures (1)	2,111,985	2,023,209	2,391,500 (3)	2,432,900 (3)	2,211,500
Ending Balance, June 30	$ 172,851	$ 387,619	$ 161,410	$ 162,319	$ 158,419
Increase (Decrease) in Fund Balance	**$ 176,677**	**$ 214,768**	**$ (165,800) (3)**	**$ (225,300)**	**$ (3,900)**

1. Expenditures include changes in compensated absences.
2. The revenue estimates for the 2021/2022 revised estimate and the 2022/2023 budget are based on a total of 40,000 tons with 27,200 tons at $60/ton plus 5,400 tons at the industrial rate of $42.50/ton, and $208,440 from the negotiated industrial contracts which is passed through to the Landfill.
3. The 2021/2022 expenditures include a $200,000 transfer to the Tipping Floor Replacement capital project fund.

Explanation of Changes in Fund Balances:

The deficit balances in this fund in recent years were primarily due to reduced waste volumes and crediting all of the revenue from the negotiated industrial contracts to the Landfill fund. Beginning in the 2016/2017 revised estimate, the portion of the full $60/ton rate paid to the Landfill was decreased from $40/ton to $32/ton. Beginning in 2019/2020 the Landfill portion of the full $60/ton rate was decreased to $30/ton. This allowed for more of the tipping fee funds to remain in the Transfer Station fund for capital outlay and deferred maintenance needs.

Transfer Station Closure Reserve (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 33,825	$ 33,825	$ 33,825	$ 33,825	$ 33,825
Revenues					
Transfers In					
Transfer Station Fund	0	0	0	0	0
Funds Available	$ 33,825	$ 33,825	$ 33,825	$ 33,825	$ 33,825
Transfer to Operations	0	0	0	0	0
Ending Balance, June 30	$ 33,825	$ 33,825	$ 33,825	$ 33,825	$ 33,825
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. This reserve is required according to State regulations.

Function:
Business Type

Department:
Public Works

Activity:

Transfer Station

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 280,034	$ 289,141	$ 290,500	$ 312,100	$ 328,000	12.91%
Commodities	31,143	22,944	32,300	38,200	36,300	12.38%
Contractual Services	1,635,298	1,642,226	1,722,600	1,718,600	1,798,900	4.43%
Capital Outlay	94,539	17,278	142,000	159,900	44,000	-69.01%
Transfers	76,396	44,041	204,100	204,100	4,300	-97.89%
Total Expenditures	$ 2,117,410	$ 2,015,630	$ 2,391,500	$ 2,432,900	$ 2,211,500	-7.53%
Funding Sources						
Charges for Services	$ 2,151,697	$ 2,091,764	$ 2,084,600	$ 2,069,900	$ 2,069,900	-0.71%
Recycling Commissions	4,876	5,912	4,000	3,000	3,000	-25.00%
Recycling Center Rental	60,000	60,000	60,000	60,000	60,000	0.00%
Sales Tax	3,819	6,507	8,300	8,000	8,000	-3.61%
Tire, E-Waste, Appliance Charges	22,789	26,514	24,500	24,500	24,500	0.00%
Other	3,862	6,300	2,300	200	200	
Transfer from Surcharge Reserve	41,619	40,980	42,000	42,000	42,000	0.00%
Total Funding Sources	$ 2,288,662	$ 2,237,977	$ 2,225,700	$ 2,207,600	$ 2,207,600	-0.81%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Solid Waste Manager	-	-	-	0.30	0.30	
Solid Waste & Sewer System Manager	0.08	0.08	0.08	-	-	
Equipment Operator III	1.00	1.00	1.00	1.00	1.00	
Equipment Operator I	1.00	1.00	1.00	1.00	1.00	
Maintenance Worker II	0.50	0.50	0.50	0.50	0.50	
Clerk	0.50	0.50	0.50	0.50	0.50	
Total Full Time	3.08	3.08	3.08	3.30	3.30	
Part Time:						
Clerk	0.38	0.36	0.36	0.36	0.36	
Total	3.46	3.44	3.44	3.66	3.66	$ 201,500
Employee Benefits						126,500
Total Personal Services						$ 328,000

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Grapple Bucket for Wheel Loader	1	No	$ 20,000
Lift Station Pumps	4	Yes	24,000
			$ 44,000

WATER POLLUTION CONTROL FUND

GENERAL INFORMATION:

The Water Pollution Control Fund consists of two reserve funds, one bond sinking fund, and six (6) operating activities. In order to provide a comprehensive picture of the financial status as an enterprise fund, it is necessary to review the reserve funds and each of the activities within the Water Pollution Control Fund.

RESERVE FUNDS

Water Pollution Control Plant (WPCP) Replacement Reserve. This reserve was known as the E.P.A. Replacement Reserve through the 2006/2007 year. This reserve was originally required under the terms and conditions of the receipt of federal funds for the construction of the Water Pollution Control Plant in 1976. The reserve is used to fund the replacement of equipment at the plant. According to the terms of the original agreement between the EPA and the City, a transfer of $90,000 annually was required to be made from the Water Pollution Control Operating fund. The funding transfers to this reserve for 2006/2007 through 2010/2011 were each set at $270,000. The transfer was reduced to $200,000 in 2011/2012 and that funding amount continued through 2015/2016. This reduction was due to funding the new West Hill Sewer Separation Long-Term Financing Plan Reserve discussed below. In 2016/2017 the budgeted transfer was increased by $500,000 (to $700,000) so there would be sufficient funds available in this reserve for the High Strength Waste Receiving Station (HSWRS) project as further discussed below. The $700,000 funding transfer was continued in the 2017/2018 and 2018/2019 budgets to fund the HSWRS. The transfers for 2019/2020 through 2022/2023 have each been set at $400,000 as recommended in the 2018 sewer rate study.

In 2009/2010 through 2012/2013 a total of approximately $2 million from this reserve was used as part of the overall financing of the Water Pollution Control Comprehensive Plant Improvement project. The primary funding source for the Comprehensive Plant Improvement project was a State Revolving Fund Loan in the amount of $16,500,000 with the $2,000,000 from this reserve used to reduce the overall debt financing for this project. The contract for this project was awarded in the fall of 2008 and the contract was closed out in June of 2013.

In 2011/2012 through 2013/2014 this reserve funded a total of approximately $289,600 for the upgrade of the Slough/Sunset Park pump stations. This reserve also funded the Lab Renovation project that was completed in 2014/2015 at a total cost of $760,400. Engineering design for the High Strength Waste Receiving Station (HSWRS) began in 2013/2014 and was completed in 2019. In 2019/2020 $2,315,109 from this Reserve funded engineering costs and contract and equipment costs for this project. In 2020/2021 $228,243 from this reserve funded additional contract and equipment costs for this project.

The original 2021/2022 budget was based on funding the next phase of the HSWRS project for the digester conversions from this Reserve. Due to much higher cost estimates for the digester conversions, this project has been placed on hold. The revised estimate includes a funding transfer to the HSWRS project of $107,500 based on costs incurred to date this fiscal year. No funds are budgeted to be expended from this Reserve in 2022/2023. Placing the digester conversion project on hold will allow staff time to prioritize the digester conversion project with other needs at the Water Pollution Control Plant.

West Hill Sewer Separation Long-Term Financing Plan Reserve. In January of 2012 City staff working with Public Financial Management (PFM), the City's financial consultant, completed a long-term plan for financing the West Hill Sewer Separation project. This $50+ million project is mandated by an E.P.A. Consent Order to be completed by 2028. This plan was updated in 2017. Plans are to complete this project in

phases over the next six years. The 80% allocation of Local Option Sales Tax approved by voters to be used for storm and sanitary sewer improvements will provide funding for a portion of the project costs. The referendum to extend this tax from its expiration date of June 30, 2019 through June 30, 2034 was held on March 6, 2018, and the tax was again approved by voters with 88% voting in favor of the extension.

Local option taxes will need to be supplemented with other resources to complete the scheduled work on this project. This reserve fund was established in 2011/2012 to accumulate funds to assist in financing this project. The 2011/2012 through 2022/2023 budgets each included $200,000 in transfers from the Water Pollution Control fund. Like amounts for those same years are being transferred from the Collection and Drainage fund. Annual allocations from both of these funds are proposed to continue to be set aside each year throughout the project. Based on the assumptions used in the long-term financial plan, the Local Option Sales Tax funds and funds from this reserve are expected to be sufficient to cash flow project costs until 2023 when a State Revolving Fund (SRF) loan will be needed to fund the remaining project costs.

SEWER BOND SINKING FUND

The City used the State Revolving Fund (SRF) Loan program to finance $16.5 million of the cost for the Comprehensive Plant Facilities Improvement project. Interest was at an effective rate of 3.25%. The effective interest rate on this loan was reduced to 2.00% as of December 1, 2018. Under the SRF Loan program, the City is required to transfer funds on a monthly basis into the Sewer Bond Sinking fund. Transfers to this fund in 2021/2022 and 2022/2023 are $941,515 and $950,618, respectively. Interest payments are $193,760 in 2021/2022 and $178,820 in 2022/2023. The principal payments on this loan are $747,000 in 2021/2022 and $771,000 in 2022/2023.

CONSTRUCTION FUNDS

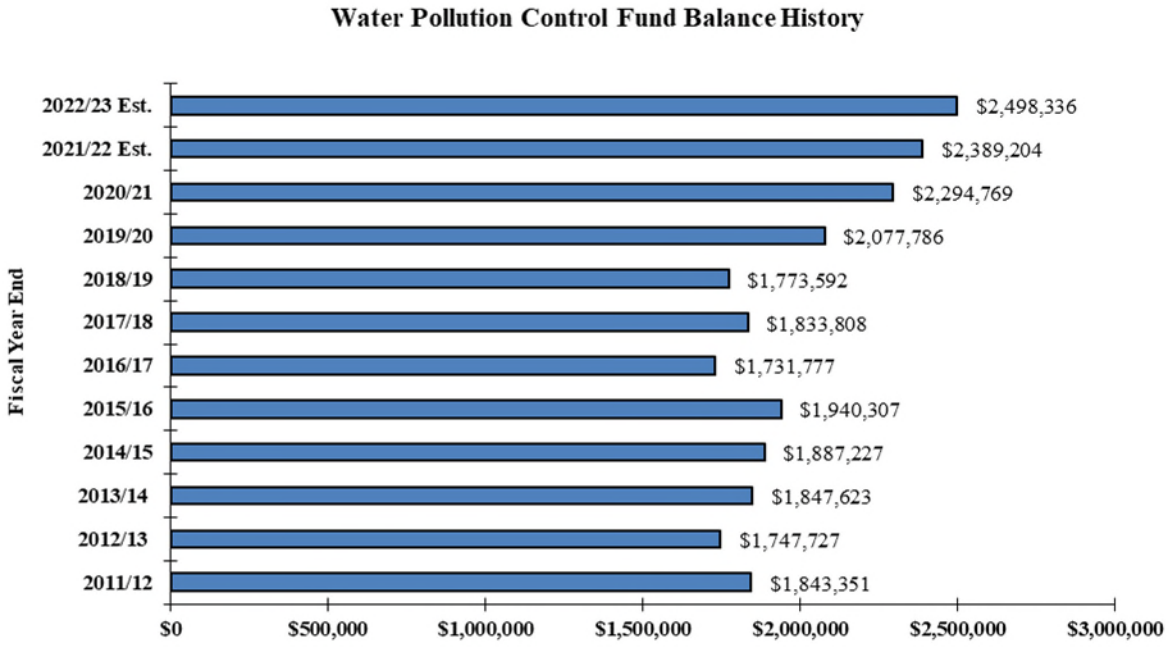
The existing Water Pollution Control Plant was completed in the fall of 1976. A renovation project was initiated in 1984 and completed in 1989 which included major rehabilitation of the plant equipment and major changes in both the wet process and the sludge disposal program. The total cost of the project was $8.9 million. A Plant Modifications Project was completed in 1999. This project included construction of a new grit facility for grit removal, cleaning, and storage.

A comprehensive Water Pollution Control Plant review was completed in 2006. Recommendations from this review included reconstruction of existing processes with upgrades directed toward process optimization through equipment upgrades, operational flexibility, and optimizing energy utilization. The total cost of these improvements was approximately $18.5 million with $2 million funded from the WPCP Replacement Reserve and $16.5 million from the State Revolving Fund Loan program. Construction on this project began in December, 2008 and the contract for this project was closed out in June of 2013.

Construction of the High Strength Waste Receiving Station (HSWRS) for the WPCP was completed in 2020. This was originally planned to be a new facility at the Water Pollution Control Plant. The initial bids for the project, however, were significantly higher than originally estimated and this facility was constructed in the former recycling area of the Transfer Station. This facility will accept FOG (Fats, Oils, and Grease) waste from local restaurants and other food waste. This waste helps produce methane gas in the Plant's anaerobic digesters. This gas can be used to run the boilers, heat buildings, and produce fuel. The City will receive disposal fees from waste haulers, greatly reduce carbon emissions, and save on energy costs at the Plant. As noted previously, phase 2 of the HSWRS project for the digester conversions, has been placed on hold due to higher cost estimates.

WATER POLLUTION CONTROL OPERATING FUND

As the Muscatine Water Pollution Control Plant is substantially dependent on the waste from its major industrial customers, their economic growth substantially impacts the fund balance of this fund. The following chart shows the Water Pollution Control fund balance history.

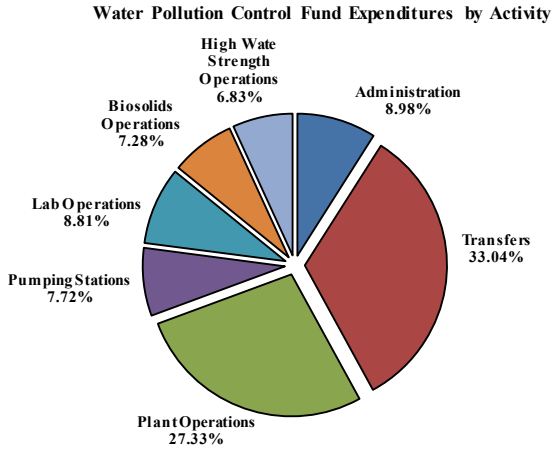


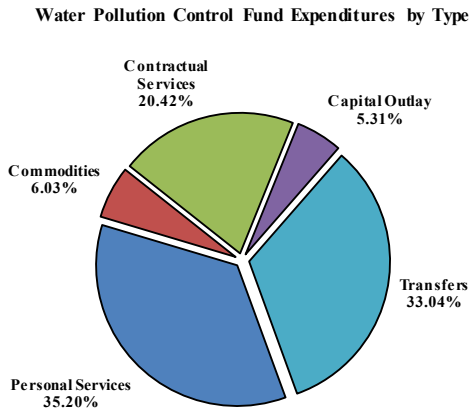
The fund balances listed above fluctuated partly as a result of variable volumes received from industrial customers. In addition, the City increased rates during this time period to cover inflationary cost increases and to ensure sufficient funds would be available for the debt service requirements on the State Revolving Fund (SRF) Loan. The lower fund balances in 2016/2017, 2017/2018, and 2018/2019 were due to $500,000 increases in the transfers to the Plant Replacement Reserve in these years. Those increased transfers were needed to fund the High Strength Waste Receiving Station project.

In 2002 the City contracted for consultant services to assist in developing a new sewer rate structure. One component of the new rate structure was a multi-year contract with the City's major industrial sewer customer which provides a guaranteed minimum of industrial sewer revenue. Another component was to provide for a separate "Collection and Drainage" charge as part of all residential and commercial customer sewer bills. With the implementation of the new rate structure, the Collection and Drainage activity, formerly accounted for within the Water Pollution Control Fund, is now accounted for as a separate fund.

There were several multi-year sewer rate increases since the revised rate structure was implemented. The most recent rate study was completed in 2018. The recommended rates were adopted by ordinance which set rates to be effective July 1, 2018 and annually thereafter for the next four years (through July 1, 2022). The rate study recommended 3% annual increases in sewer rates and 2% annual increases in collection and drainage rates to be effective each July 1 from 2018 to 2022. The 2021/2022 budget includes funding for a new rate study.

The Water Pollution Control Fund consists of six different activities, including administration, plant operations, pumping stations, laboratory operations, biosolids operations, and the high strength waste receiving station. Full-time equivalent employees for these six activities total 20.25 for 2022/2023. The specific employee allocations are detailed in each of the six (6) activity budgets. The following charts show the distribution of budgeted expenditures by activity and by type for 2022/2023:





The past fiscal years have been challenging times for the City in operating its water pollution control system. Major changes have taken place in the operation of the facility, the character of the waste being treated, and the volume of waste received. In addition, with the reconstruction and equipment upgrades, the city is striving to further increase operating efficiency and flexibility as well as optimizing energy utilization at the plant. With careful planning and financial management, the City has provided and will continue to provide an excellent facility which will treat wastewater and meet Federal and State regulations at a reasonable cost.

CURRENT TRENDS AND ISSUES:

The 2021/2022 revised estimate expenditures are $356,300 more in total than the original budget. There were increases or decreases in each of the individual activity budgets including (1) a $129,300 increase in the Water Pollution Control Administration budget, (2) a $246,900 increase in the Plant Operations budget primarily due to unforeseen equipment repairs including an upgrade to the Supervisory Control and Data Acquisition (SCADA) system, (3) a $29,300 decrease in the Pumping Stations budget, (4) a $9,300 decrease in the Lab budget, (5) a $100 decrease in the Biosolids budget, and (6) an $18,800 increase in the High Strength Waste Operations budget. The revised estimate for the Administration budget includes a new $100,000 allocation for a Facilities Plan which will assist in identifying and prioritizing improvements needed at the WPCP.

The 2022/2023 budgeted expenditures of $5,661,468 are $250,603 (4.6%) more than the original 2021/2022 budget. This overall increase is due to (1) a $100,700 (5.3%) increase in personal services costs, (2) a $68,400 (25.1%) increase in commodities, (3) a $61,300 (5.6%) increase in contractual services, (4) a $2,100 increase in capital outlay, and (5) an $18,103 increase in transfers.

As noted previously, the 2018 sewer rate study recommended a 3% increase in sewer rates to be effective July 1, 2022.

GOAL STATEMENT:

To operate the Muscatine Water Pollution Control Operations in a manner to assure that all residential, commercial, and industrial wastewater is treated in an environmentally sound, efficient, and cost-effective manner to meet the requirements established by Federal and State regulatory agencies.

PERFORMANCE MEASURES:

Fiscal Year Measures		Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Million Cubic Feet of Wastewater Treated		318.7	185.1	198.5	200	200
Biological Oxygen Demand Treated (1,000 lbs/yr.)		3,633	3,630	5,211 (1)	4,224	3,990
Total Suspended Solids Treated (1,000 lbs/yr.)		2,739	2,268	3,087	2,773	2,650
Number of Customer Bills	Industrial	115	96	112	110	110
	Non-Industrial	110,956	110,914	110,901	110,000	110,000
	Total	111,071	111,010	111,013	110,110	110,110

1. The Biological Oxygen Demand Treated in 2020/2021 is higher due to Heinz loads being heavier; reduced loads are expected in future years.

Calendar Year Measures	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
High Strength Solid Waste Received in Tons (1)	N/A	406	1,569	2,774	3,000
HSW Liquid Waste Received in Gallons (1)	2,730,813	3,444,052	3,306,364	3,949,980	4,000,000
Gallons of Sludge/Number of Acres	3,591,746/ 311 (2)	5,976,114/ 460	5,956,106/ 438	8,434,384/ 459	8,000,000/ 473
Lift Station Preventive Maintenance Tasks	9,259	4,500 (3)	4,616 (3)	4,818 (3)	5,000
Lift Station Corrective Work Orders	102	110	130	138	140
Plant Preventive Maintenance Tasks	11,277	4,272 (3)	5,151(3)	6,618 (3)	6,000
Plant Corrective Work Orders	115	229 (3)	219 (3)	219 (3)	220

1. The volume of HSW liquid and solid waste can vary if large loads come in from sources that do not have consistent needs for services.
2. Crops were not out until late October 2018 and an early freeze shortened the season.
3. Implementation of the new Preventive Maintenance software is not complete.

RECENT ACCOMPLISHMENTS:

The Water and Resource Recovery Facility (WRRF) is the proposed new name of what was once the Water Pollution Control Plant (WPCP), the Wastewater Treatment Plant, and the Sewer Plant. This evolution is important as it better describes what the department does within the community. While wastewater treatment is still the primary function, there is much more going on in this operation.

The new High Strength Waste Receiving Facility and newly opened Muscatine Organics Recycling Center (MORC) were awarded the Grand Prize along with Grand Conceptor Award from the American Council of Engineering Companies. The facility was also awarded the Iowa Chapter Project of the Year from the American Public Works Association. The response from the public has been extremely positive and the new free food waste drop-off site at the Transfer Station where the MORC is located is being filled almost every week. The volume from regional industries continues to increase as more industries become aware of this new service.

The Nutrient Reduction Study, completed in May of 2021, outlined multiple options for how the treatment plant can meet nutrient permit requirements. A final report is being drafted and will incorporate past nutrient studies, the current study, and the new Memorandum of Understanding (MOU) that the Department of Natural Resources recently approved. The MOU will allow the City to implement additional nutrient reduction practices into the watershed rather than relying solely on expensive capital projects. There will be a pilot study done on the use of an algae system to reduce power use, reduce pipe clogging struvite formation, reduce nutrient discharge, and reduce solids production.

Asset management has been the main focus of the Maintenance and Lift Station departments as these divisions analyze what equipment and processes need the most attention and rate them for repair or replacement. A new program is being developed that will help streamline this process and make it less subjective. This is intended to improve efficiency, enhance reliability and minimize life-cycle costs to both linear and vertical assets throughout the city.

The Muscatine Environmental Laboratory (MEL) at the WRRF is providing testing of drinking water for Muscatine County residents through the Grants to Counties Drinking Water program, which tests for Nitrates/Nitrites and Total Coliforms from private wells. The test is provided free to the residents once per year and the County pays the WRRF for the tests. The MEL is also testing the biogas produced by the digesters that will eventually be converted to renewable energy. The laboratory continues to offer the service of testing total coliforms for public pools at Muscatine High School, at Parks and Recreation, at the Wilton pool, the hotel pools, and the fountains and spas, for Coliform and Pseudomonas testing.

The Biosolids and High Strength Waste divisions have been challenged with new systems and more solids but have had two very successful application seasons. They will be working with farmers and county conservationists to explore irrigating with the biosolids decant water and possibly effluent from the plant. This will bring a new option for the land owner to increase yields during dry seasons and increase nutrient application.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To contract for and conduct a new sewer rate study.
- Digester Rehabilitation Project (on hold)
- To submit the Nutrient Reduction Report to the Iowa Department of Natural Resources (IDNR).

- To implement asset management program enhancements.
- To begin writing a Sustainable Muscatine Plan.
- To continue implementing Lean principles.
- To explore options using the new IDNR Memorandum of Understanding for nutrient reduction within the watershed.

WATER POLLUTION CONTROL FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

State Revolving Fund Loan
Comprehensive Plant Improvement Project
$16,500,000 Issue Dated November 4, 2008 *

Fiscal Year	Principal	Interest and Fees	Total Requirements
2021/22	$ 747,000	$ 193,760	$ 940,760
2022/23	771,000	178,820	949,820
2023/24	796,000	163,400	959,400
2024/25	822,000	147,480	969,480
2025/26	849,000	131,040	980,040
2026/27	876,000	114,060	990,060
2027/28	905,000	96,540	1,001,540
2028/29	934,000	78,440	1,012,440
2029/30	964,000	59,760	1,023,760
2030/31	996,000	40,480	1,036,480
2031/32	1,028,000	20,560	1,048,560
Total	$ 9,688,000	$ 1,224,340	$ 10,912,340

* This schedule reflects the interest rate reduction that was effective December 1, 2018.

WATER POLLUTION CONTROL FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose Bonds

Water Pollution Control Plant Digester Conversion Project

$755,000 of $4,550,000 Total Issue Dated May 23, 2018

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 70,000	$ 22,950	$ 92,950
2022/23	75,000	20,150	95,150
2023/24	75,000	16,400	91,400
2024/25	80,000	12,650	92,650
2025/26	85,000	8,650	93,650
2026/27	85,000	5,250	90,250
2027/28	90,000	2,700	92,700
Total	$ 560,000	$ 88,750	$ 648,750

Water Pollution Control Fund

Water Pollution Control Plant Replacement Reserve

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 3,693,037	$ 1,836,816	$ 1,056,816	$ 2,013,274	$ 2,305,974
Revenues					
Interest	$ 58,888	$ 4,701	$ 2,000	$ 200	$ 200
Transfers In					
Water Pollution Control Operations Fund	400,000 (1)	400,000	400,000	400,000	400,000
Total Revenues	$ 458,888	$ 404,701	$ 402,000	$ 400,200	$ 400,200
Funds Available	$ 4,151,925	$ 2,241,517	$ 1,458,816	$ 2,413,474	$ 2,706,174
Expenditures					
Transfers Out:					
High Strength Waste Receiving Station	2,315,109	228,243	0	107,500 (2)	0 (2)
Total Expeditures	$ 2,315,109	$ 228,243	$ 0	$ 107,500	$ 0
Ending Balance, June 30	$ 1,836,816	$ 2,013,274	$ 1,458,816	$ 2,305,974	$ 2,706,174
Increase (Decrease) in Fund Balance	**$ (1,856,221)**	**$ 176,458**	**$ 402,000**	**$ 292,700**	**$ 400,200**

1. The annual funding transfer to this fund is $400,000 beginning in 2019/2020, which was the amount recommended in the 2018 rate study.
2. Due to the higher costs of the project , the digester conversion portion of the HSWRS project has been put on hold. The need for this project will be prioritized with other needs at the Plant.

West Hill Sewer Separation Project Long-Term Financing Plan Reserve

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 3,309,970	$ 3,776,241	$ 4,191,241	$ 4,185,577	$ 4,587,577
Revenues:					
Interest	$ 66,271	$ 9,336	$ 15,000	$ 2,000	$ 2,000
Transfers In:					
Water Pollution Control Fund (1)	200,000	200,000	200,000	200,000	200,000
Collection & Drainage Fund (1)	200,000	200,000	200,000	200,000	200,000
Total Revenues	$ 466,271	$ 409,336	$ 415,000	$ 402,000	$ 402,000
Funds Available	$ 3,776,241	$ 4,185,577	$ 4,606,241	$ 4,587,577	$ 4,989,577
Expenditures:					
Transfer to West Hill Sewer Project	0	0	0	0	0
Ending Balance, June 30	$ 3,776,241	$ 4,185,577	$ 4,606,241	$ 4,587,577	$ 4,989,577
Increase (Decrease) in Fund Balance	**$ 466,271**	**$ 409,336**	**$ 415,000**	**$ 402,000**	**$ 402,000**

1. Since 2011/2012 the WPCP and Collection and Drainage funds have each included $200,000 in annual transfers to this Reserve which was established to accumulate funds for the West Hill Sewer Separation project mandated by the Consent Order with the E.P.A. Funds from this Reserve will be used when Local Option Sales Tax funds are insufficient to fund project costs for this multi-year, multi-phase project.

Sewer Revenue Bond Sinking Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 117,228	$ 126,916	$ 129,712	$ 128,687	$ 129,542
Revenues:					
Interest	$ 8,939	$ 976	$ 2,000	$ 100	$ 100
Transfers In:					
Water Pollution Control Fund	922,970	932,015	941,515	941,515	950,618
Total Revenues	$ 931,909	$ 932,991	$ 943,515	$ 941,615	$ 950,718
Funds Available	$ 1,049,137	$ 1,059,907	$ 1,073,227	$ 1,070,302	$ 1,080,260
Expenditures:					
Bonds (1)	$ 700,000	$ 723,000	$ 747,000	$ 747,000	$ 771,000
Interest and Fees (1)	222,221	208,220	193,700	193,760	178,820
Total Expenditures	$ 922,221	$ 931,220	$ 940,700	$ 940,760	$ 949,820
Ending Balance, June 30	$ 126,916	$ 128,687	$ 132,527	$ 129,542	$ 130,440
Increase (Decrease) in Fund Balance	**$ 9,688**	**$ 1,771**	**$ 2,815**	**$ 855**	**$ 898**

1. Interest and fees since December of 2018, are based on the amended State Revolving Fund Loan debt schedule that was effective December 1, 2018. The amendment provided for a reduction in the effective interest rate on the loan from 3.25% to 2.00%.

Water Pollution Control Operations Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,773,592	$ 2,077,786	$ 2,005,720	$ 2,294,769	$ 2,389,204
Revenues	5,338,572	5,631,872	5,668,900	5,861,600	5,770,600
Funds Available	$ 7,112,164	$ 7,709,658	$ 7,674,620	$ 8,156,369	$ 8,159,804
Expenditures (1)	5,034,378	5,414,889	5,410,865	5,767,165	5,661,468
Ending Balance, June 30	$ 2,077,786	$ 2,294,769	$ 2,263,755	$ 2,389,204	$ 2,498,336
Increase (Decrease) in Fund Balance	**$ 304,194**	**$ 216,983**	**$ 258,035**	**$ 94,435**	**$ 109,132**

1. Expenditures include changes in compensated absences.

Water Pollution Control Operations Fund

Summary of Revenues

	Actual 2019/2020		Actual 2020/2021		Budget 2021/2022		Revised Estimate 2021/2022		Budget 2022/2023	
Sewer Charges-Residential and Commercial (Billed by MP&W)	$ 3,398,965	(1)	$ 3,467,096	(1)	$ 3,605,000	(1)	$ 3,555,000	(1)	$ 3,650,000	(1)
Industrial and City-billed Commercial Sewer Charges	1,433,375	(1)	1,480,917	(1)	1,475,000	(1)	1,610,000	(1)	1,545,000	(1)
Charges for Fats, Oils, and Grease (FOG)	245,436		418,398		250,000		400,000		300,000	
Charges for High Strength Waste	15,926	(2)	89,872	(2)	150,000		96,000		100,000	
Wastewater Discharge Permits	2,375		1,600		2,400		2,400		1,600	
Interest	29,725		4,310		8,000		500		500	
Sale of Equipment/Other Sales	1,197		3,175		0		0		0	
Analytical Income	104,779		96,235		105,000		105,000		100,000	
Sales Tax	63,649		60,449		64,500		64,500		64,500	
FEMA Reimbursement	15,185		1,369		0		0		0	
Insurance Reimbursement	18,893		0		0		17,000		0	
Miscellaneous	9,067		8,451		9,000		11,200		9,000	
Total Revenues	$ 5,338,572		$ 5,631,872		$ 5,668,900		$ 5,861,600		$ 5,770,600	

1. A sewer rate study was completed in the spring of 2018 which set rates for the next five years. Per the rate study, 3% rate increases were implemented July 1, 2018, July 1, 2019, July 1 ,2020, and July 1, 2021. An additional 3% increase will be implemented July 1, 2022. The 2021/2022 budget includes funding for a new rate study.
2. The High Strength Waste operation opened in the spring of 2020. The 2020/2021 year was the first full fiscal year for this operation.

Water Pollution Control Operations Fund

Summary of Expenditures

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Administration	$ 2,215,142	$ 2,235,889	$ 2,292,165	$ 2,421,465	$ 2,379,168
Plant Operations	1,417,142	1,512,993	1,437,800	1,684,700	1,547,100
Pumping Stations	438,020	566,456	509,800	480,500	437,200
Laboratory Operations	424,926	419,244	479,900	470,600	498,900
Biosolids Operations	337,713	382,211	380,000	379,900	412,400
High Strength Waste Operations	193,875	287,319	311,200	330,000	386,700
Total Expenditures	$ 5,026,818	$ 5,404,112	$ 5,410,865	$ 5,767,165	$ 5,661,468

Function:
Business Type

Department:
Water Pollution Control

Activity:

Administration

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 212,640	$ 220,010	$ 229,300	$ 231,400	$ 238,600	4.06%
Commodities	4,600	5,340	4,700	4,900	4,900	4.26%
Contractual Services	177,932	176,774	205,700	232,700	265,100	28.88%
Capital Outlay	-	-	-	100,000	-	
Transfers	1,819,970	1,833,765	1,852,465	1,852,465	1,870,568	0.98%
Total Expenditures	$ 2,215,142	$ 2,235,889	$ 2,292,165	$ 2,421,465	$ 2,379,168	3.80%
Funding Sources						
Sewer Charges	$ 2,429,684	$ 2,238,388	$ 2,453,400	$ 2,349,059	$ 2,430,300	-0.94%
Interest	29,725	4,310	8,000	500	500	-93.75%
Total Funding Sources	$ 2,459,409	$ 2,242,698	$ 2,461,400	$ 2,349,559	$ 2,430,800	-1.24%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Director of Water Pollution Control	1.00	1.00	1.00	1.00	1.00	
Office Coordinator	1.00	1.00	1.00	1.00	1.00	
Total	2.00	2.00	2.00	2.00	2.00	$ 174,400
Employee Benefits						64,200
Total Personal Services						$ 238,600

Function:
Business Type

Department:
Water Pollution Control

Activity:
Plant Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 662,306	$ 668,648	$ 706,600	$ 708,900	$ 773,200	9.43%
Commodities	98,399	143,774	117,800	172,100	166,900	41.68%
Contractual Services	485,828	565,200	536,800	600,400	538,000	0.22%
Capital Outlay	61,220	128,345	76,600	186,600	69,000	-9.92%
Transfers	109,389	7,026	-	16,700	-	
Total Expenditures	$ 1,417,142	$ 1,512,993	$ 1,437,800	$ 1,684,700	$ 1,547,100	7.60%
Funding Sources						
Sewer Charges	$ 1,306,776	$ 1,437,949	$ 1,361,900	$ 1,606,600	$ 1,471,200	8.03%
Sales Tax	63,649	60,449	64,500	64,500	64,500	0.00%
Other Revenues	11,442	10,051	11,400	13,600	11,400	0.00%
Insurance Reimbursement	18,893	-	-	-	-	
FEMA Reimbursement	15,185	1,369	-	-	-	
Sale of Equipment	1,197	3,175	-	-	-	
Total Funding Sources	$ 1,417,142	$ 1,512,993	$ 1,437,800	$ 1,684,700	$ 1,547,100	7.60%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions:						
Plant Maintenance Manager	1.00	1.00	1.00	1.00	1.00	
Environmental Coordinator	0.75	0.75	0.75	0.75	0.75	
Treatment Plant Operator III	-	-	-	1.00	1.00	
Treatment Plant Operator II	2.00	2.00	1.00	-	-	
Treatment Plant Operator I	1.00	1.00	2.00	2.00	2.00	
Treatment Plant Mechanic II	1.00	1.00	1.00	1.00	1.00	
Treatment Plant Mechanic I	1.00	1.00	1.00	1.00	1.00	
Total Full Time	6.75	6.75	6.75	6.75	6.75	
Part Time:						
Custodian II	0.68	0.73	0.73	0.73	0.73	
Total	7.43	7.48	7.48	7.48	7.48	$ 500,300
Employee Benefits						272,900
Total Personal Services						$ 773,200

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
RAS VFD Replacements	3	Yes	$ 39,000
RAS Shut Off Valve Overhauls	3	No	24,000
Drinking Fountains	2	Yes	4,000
Ice Maker	1	No	2,000
			$ 69,000

Function:
Business Type

Department:
Water Pollution Control

Activity:

Pumping Stations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 139,876	$ 170,199	$ 181,300	$ 181,500	$ 187,100	3.20%
Commodities	35,748	26,575	32,200	28,600	31,000	-3.73%
Contractual Services	183,146	262,340	179,300	187,700	169,100	-5.69%
Capital Outlay	79,250	107,342	117,000	82,700	50,000	-57.26%
Transfers	-	-	-	-	-	
Total Expenditures	$ 438,020	$ 566,456	$ 509,800	$ 480,500	$ 437,200	-14.24%
Funding Sources						
Sewer Charges	$ 438,020	$ 566,456	$ 509,800	$ 480,500	$ 437,200	-14.24%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Lift Station/Plant Maintenance Supervisor	0.58	1.00	1.00	1.00	1.00	
Ttreatment Plant Mechanic I	1.00	1.00	1.00	1.00	1.00	
Lift Station Leadworker	0.17	-	-	-	-	
Total	1.75	2.00	2.00	2.00	2.00	$ 128,700
Employee Benefits						58,400
Total Personal Services						$ 187,100

Capital Outlay

Item	***Quantity***	***Replacement***	***Amount***
Isett Lift Station Asbestos Abatement	1	No	$ 40,000
Explosion-Proof Heater	1	No	5,000
Doors for Stewart Lift Station Wet Well	2	No	5,000
			$ 50,000

Function:
Business Type

Department:
Water Pollution Control

Activity:

Laboratory Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 312,827	$ 321,760	$ 334,100	$ 318,200	$ 333,000	-0.33%
Commodities	60,733	54,571	63,300	68,900	76,000	20.06%
Contractual Services	32,971	33,007	35,200	35,200	39,200	11.36%
Capital Outlay	18,395	9,906	47,300	48,300	50,700	7.19%
Transfers	-	-	-	-	-	
Total Expenditures	$ 424,926	$ 419,244	$ 479,900	$ 470,600	$ 498,900	3.96%
Funding Sources						
Sewer Charges	$ 320,147	$ 323,009	$ 374,900	$ 365,600	$ 398,900	6.40%
Analytical Charges	104,779	96,235	105,000	105,000	100,000	-4.76%
Total Funding Sources	$ 424,926	$ 419,244	$ 479,900	$ 470,600	$ 498,900	3.96%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Chemist	1.00	1.00	1.00	1.00	1.00	
Laboratory Technician I	2.00	2.00	2.00	2.00	2.00	
Total Full Time	3.00	3.00	3.00	3.00	3.00	
Part Time:						
Laboratory Technician I	0.73	0.73	0.73	0.73	0.73	
Total	3.73	3.73	3.73	3.73	3.73	$ 243,800
Employee Benefits						89,200
Total Personal Services						$ 333,000

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Composite Sampler	1	Yes	$ 8,000
BOD Robot	1	No	37,000
BOD Probe	1	Yes	1,200
pH Meter	1	Yes	1,300
BOD Computer	1	Yes	1,400
COD Digestion Block	1	Yes	1,800
			$ 50,700

Function:
Business Type

Department:
Water Pollution Control

Activity:

Biosolids Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 263,605	$ 273,206	$ 269,800	$ 269,900	$ 282,600	4.74%
Commodities	42,807	68,485	40,300	44,500	44,500	10.42%
Contractual Services	16,217	29,789	32,200	27,300	29,300	-9.01%
Capital Outlay	15,084	10,731	37,700	38,200	56,000	48.54%
Transfers	-	-	-	-	-	
Total Expenditures	$ 337,713	$ 382,211	$ 380,000	$ 379,900	$ 412,400	8.53%
Funding Sources						
Sewer Charges	$ 337,713	$ 382,211	$ 380,000	$ 379,900	$ 412,400	8.53%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Solids Handling Leadworker	1.00	1.00	1.00	1.00	1.00	
Treatment Plant Mechanic I	1.00	1.00	1.00	1.00	1.00	
Treatment Plant Mechanic II	1.00	1.00	1.00	1.00	1.00	
Total	3.00	3.00	3.00	3.00	3.00	$ 177,200
Overtime						15,400
Employee Benefits						90,000
Total Personal Services						$ 282,600

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
6" Supply Hose (660 feet)	1	Yes	$ 7,500
5" Drag Hose (660 feet)	1	Yes	8,500
Biosolids Dredge Pump Replacement	1	Yes	40,000
			$ 56,000

Function:
Business Type

Department:
Water Pollution Control

Activity:

High Strength Waste Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 99,508	$ 161,260	$ 171,000	$ 171,600	$ 178,300	4.27%
Commodities	12,669	19,778	14,500	17,900	17,900	23.45%
Contractual Services	77,298	106,281	105,700	120,500	115,500	9.27%
Capital Outlay	4,400	-	20,000	20,000	75,000	275.00%
Transfers	-	-	-	-	-	
Total Expenditures	$ 193,875	$ 287,319	$ 311,200	$ 330,000	$ 386,700	24.26%
Funding Sources						
Fats, Oils, & Grease (FOG) Fees	$ 245,436	$ 418,398	$ 250,000	$ 400,000	$ 300,000	20.00%
High Strength Waste Fees	15,926	89,872	150,000	96,000	100,000	-33.33%
Total Funding Sources	$ 261,362	$ 508,270	$ 400,000	$ 496,000	$ 400,000	0.00%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Treatment Plant Mechanic I	1.34	* 2.00	2.00	2.00	2.00	
Total	1.34	2.00	2.00	2.00	2.00	$ 112,100
Employee Benefits						66,200
Total Personal Services						$ 178,300

* Budgeted hire dates were July; actual hire dates were in October, 2019

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Cleansweep Material Screen	1	No	$ 75,000

COLLECTION AND DRAINAGE

GENERAL INFORMATION:

The Collection and Drainage operation is a division of the Public Works department with links to the Water Pollution Control Plant (WPCP). Since the 2003/2004 fiscal year this operation has been budgeted as a separate Enterprise Fund. This was done for a number of reasons. Federal regulations pertaining primarily to collection of storm and sanitary water will be requiring additional collection procedures. The additional costs associated with these regulations need to be specifically identified and tracked. Towards that end, beginning in 2003 the Collection and Drainage portion of the total sewer bill has been shown as a separate line item on customer bills. While the Collection and Drainage function will remain associated with the WPCP, the revenues and expenditures of this enterprise fund are budgeted independently. For reporting purposes only, Collection and Drainage is included with all other WPCP activities in the City's annual financial report. Effective July 1, 2006, the storm water operation became an activity of the Collection and Drainage fund. Information on the storm water activity immediately follows this budget.

CURRENT TRENDS AND ISSUES:

In 2007 the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. Construction on the second and final phase of the Hershey Avenue sewer improvement project was completed in 2011/2012. This was a major project mandated by the Consent Order. The remaining project in the Consent Order is the separation of the combined sewers in the West Hill area.

Construction was substantially completed on Phase 3-C of the West Hill Sewer Separation project in 2017. With the completion of Phase 3, the overall West Hill Sewer Separation project was approximately 35% completed. Phase 4-A of the West Hill project was completed in 2018, Phase 4-B was substantially completed in 2019, and Phase 4-C was substantially completed in 2020. Engineering design for Phase 5 was completed in 2021 and construction of Phase5-A is currently underway.

Public Financial Management (PFM), the City's financial consultant, prepared a long-term financing plan for the West Hill project based on the project cost estimates in the schedule prepared by Stanley Consultants. The City has been setting aside $400,000 each fiscal year since 2011/2012 to assist in financing the West Hill Sewer project ($200,000 from the WPCP fund and $200,000 from the Collection and Drainage fund). These funds are available to supplement the 80% allocation of Local Option Sales Tax being used to fund the West Hill Sewer project (approx. $2 million each year). Local Option Sales Taxes and the set-aside funds are projected to be sufficient to fund project costs through all of Phase 5. The PFM financing plan was based on the 15-year extension of the Local Option Sales Tax. The referendum to extend this tax from its previous expiration date of June 30, 2019 through June 30, 2034 was held on March 6, 2018, and the tax was again approved by voters with 88% voting in favor of the extension.

A State Revolving Fund (SRF) Loan is projected to be needed by 2023 to fund all 5 phases of Phase 6 plus the work required at the Papoose Pumping Station at the end of the project. Based on current project cost estimates, PFM estimates the SRF Loan needed to complete the financing of this project at $22,800,000. Initial interest on this loan would be based on Loan proceeds drawn down as needed for project costs. The interest rate for the SRF loan is 2.0%. PFM has prepared a preliminary SRF Loan repayment schedule showing principal and interest payments on a 10-year loan with the final year of the loan in 2033/2034.

The PFM financing plan was based on renewal of the Local Option Tax and continuation of the 80% allocation for sewer projects through the SRF loan repayment period (through June 30, 2034). This required the Local Option Tax be in place from its previous expiration date of June 30, 2019 through June 30, 2034. This required a 15-year Local Option Tax period which is the term approved by voters at the Local Option Tax renewal referendum.

The 2021/2022 revised estimate for the Collection and Drainage operations activity is under the original budget by $28,100. Personal services costs are estimated to be $61,000 less than the original budget. This includes the elimination of the 50% allocation of the Solid Waste & Sewer Manager position to this budget, the addition of a Sewer Maintenance Supervisor position, and the elimination of the Collection and Drainage Leadworker position. The revised estimate for contractual services is under the original budget by $3,800, capital outlay is over by $1,700, and transfers are over the original budget by $35,000. The increase in transfers is to fund the engineering costs for the Lake Park Watershed study.

The 2022/2023 budget is $406,900 (28.3%) higher than the 2021/2022 budget. This increase is due to (1) a $39,000 decrease in personal services costs, which continues the same staffing organization as 2021/2022, (2) a $2,800 increase in contractual services, (3) a $137,000 increase in capital outlay, and (4) a $306,100 increase in transfers. The capital outlay allocation includes $100,000 for sewer lining, $15,000 for manhole lining, $75,000 for phase 1 of a sewer inflow and infiltration study, and sewer maintenance projects estimated at $50,000. The increase in transfers includes $305,000 for the Lake Park Watershed Improvements construction project.

Other budgeted transfers for 2022/2023 include the transfer of $350,000 to the Sewer Extension Reserve based on the most recent rate study. Transfers also include $200,000 to the reserve for the West Hill Sewer Separation project, $17,000 for the cost allocation of the Communications Manager position, and a total of $18,000 in administrative transfers for general, information technology, and public works administration.

The Collection and Drainage fee is currently $13.15 per customer per month. This fee was effective July 1, 2021 based on the ordinance approved by City Council in 2018 setting both sewer and collection and drainage fees for five years with the rates effective each July 1 from July 1, 2018 through July 1, 2022. This fee will increase to $13.40 per customer per month effective July 1, 2022.

GOAL STATEMENT:

To maintain a conveyance system that captures and transports sanitary and storm water in an environmentally sound, efficient, and cost-effective manner to meet Federal and State regulatory requirements.

PERFORMANCE MEASURES:

Calendar Year Measures	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Estimated 2022
Sewers Cleaned and Flushed (Miles)	19.7	16	24	22	23
CCTV Inspections (Feet)	1,375*	1,000	1,000	1,000	1,000
Inspections at Combined Sewer Overflows (CSO)	12	12	12	12	12
Inspections of Blockage Prone Manholes (Various Locations)	10	12	12	12	12
Inspection of Blockage Prone Ditch/Ravine Drains (Various Locations)	13	12	12	12	12
Inspection of Off-Road Sanitary Sewers (Man Hours)	154	150	155	150	155
Inspection and Maintenance of Storm Water Discharge and Intake Points (Man Hours)	79	56	78	96	80
Cleaning Storm Structures (Man Hours)	1,231	1,135	1,246	1,087	1,200
Corrective Repairs – Sewers	14	10	11	10	10
Corrective Repairs – Structures	19	8	6	10	10
Corrective Repairs – Force Mains	7	1	0	0	1
Utility Locates - Total	3,372	4,975	4,935	3,347	3,500
After Hours	12	15	12	12	12
Request for Service Responses – Total	70	56	22	31	45
After Hours	16	7	11	11	12
Sanitary Sewer Overflows (SSO)	5	5	8	4	5
Backups Due to City Lines	7	6	4	4	5
Routine Equipment Operation/Maintenance (Man Hours)	544	600	580	584	580
Work for Other Departments (Man Hours)	475	325	600	580	600
Work on Capital Improvement Projects (Man Hours)	946	250	550	416	500

* Footage shown for the CCTV Inspections is only for inspections done with the self-propelled camera.

RECENT ACCOMPLISHMENTS:

The Collection and Drainage division continues to meet city-wide goals for improving organizational effectiveness and enhancing interdepartmental cooperation by (1) continuing to provide ongoing investigative (dye testing, televising, etc.) and technical support for the West Hill Sewer Separation Project and other capital improvement projects, (2) working with the Public Works department with planning of future projects, and (3) using the sewer cleaning machine to assist other departments/divisions in cleaning lift stations, wet wells, wash bay pits, culvert pipes, tree removal, etc. The division has also continued to meet citywide goals for technology in the field.

Other accomplishments include:

- Having no on-the-job injuries
- Worked with the Street department on snow removal
- Worked with Engineering on multiple projects
    - West Hill Sewer Separation project
    - Grandview Avenue Reconstruction project
    - Levee inspections
- Flushed all of Zone 2 (22.5 miles)
- Televised all sewer lines for Phase 6A of the West Hill Sewer project
- Reshaped the ditch on Pinefield Street
- Reshaped the ditch at Kindler and Fulliam
- Replaced 83 feet of storm sewer and the catch basin on New Hampshire
- Replaced 60 feet of sanitary sewer on Houser Street
- Replaced the catch basin on Diagonal Road

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To complete Zone 3 of the sanitary collection system flushing and inspection program (22.6 miles). **(Strategic Plan – Reliable Public Infrastructure)**
- To work on identifying inflow and infiltration issues and areas that need to be addressed in the established sanitary sewer zones. **(Strategic Plan – Reliable Public Infrastructure)**
- To work on planning future capital projects such as slip lining, infrastructure replacement, and sewer studies based on issues discovered in the inflow and infiltration zones studied. **(Strategic Plan – Reliable Public Infrastructure)**

Collection and Drainage Fund

Sewer Extension and Improvement Reserve (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,092,854	$ 1,453,671	$ 1,326,171	$ 1,394,837	$ 1,631,537
Revenues					
Interest	$ 24,171	$ 3,682	$ 5,000	$ 500	$ 500
Sewer Connection Fees	17,047	12,220	15,000	63,700	15,000
Transfers In					
Collection and Drainage Fund	350,000	350,000	350,000	350,000	350,000
Total Revenues	$ 391,218	$ 365,902	$ 370,000	$ 414,200	$ 365,500
Funds Available	$ 1,484,072	$ 1,819,573	$ 1,696,171	$ 1,809,037	$ 1,997,037
Expenditures					
Transfers Out:					
Papoose Force Main Redundant Line - Design (2)	$ 30,401	$ 126,236	$ 0	$ 80,000	$ 0
Arbor Commons Sewer Benefit District (3)	0	298,500	0	0	0
Shamrock Drive Sewer Repair	0	0	0	97,500	0
Total Expenditures	$ 30,401	$ 424,736	$ 0	$ 177,500	$ 0
Ending Balance, June 30	$ 1,453,671	$ 1,394,837	$ 1,696,171	$ 1,631,537	$ 1,997,037
Increase (Decrease) in Fund Balance	**$ 360,817**	**$ (58,834)**	**$ 370,000**	**$ 236,700**	**$ 365,500**

1. This fund was formerly the Depreciation, Extension and Improvement Reserve and was accounted for in the Water Pollution Control Fund. As of June 30, 2006 the former E.P.A Replacement Reserve was allocated between the Water Pollution Control Replacement Reserve and the Sewer Extension and Improvement Fund. This fund is now a reserve fund for the Collection and Drainage Fund to be used for sewer extension or improvement projects.
2. The City has a mandate to construct a redundant line from the Papoose Lift Station to the Water Pollution Control Plant. This project is required to be completed by 2026. Engineering design is expected to be completed in 2021/2022. The cost estimate for project construction is $3,154,800. Construction will be completed in a future fiscal year.
3. As part of the Arbor Commons new housing development, a sewer benefit district was created where the developer installed the new sewer and the City has reimbursed them for a portion of the costs. The City will receive sewer connection fees to recoup these costs as individual homes tie on to the sewer.

Collection and Drainage
(Including Stormwater Operations)
Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 681,893	$ 756,811	$ 723,511	$ 819,960	$ 764,360
Revenues					
Collection and Drainage Fees	$ 1,399,464 (1)	$ 1,435,422 (1)	$ 1,462,500 (1)	$ 1,463,300 (1)	$ 1,491,100 (1)
Grease Discharge Permits	16,940	17,790	18,000	18,000	18,000
Interest	14,089	1,965	3,000	500	500
State Grant	60,000	0	0	0	0
ICAP Safety Grant	0	0	0	1,000	0
FEMA Reimbursement	2,645	60	0	0	0
Miscellaneous	2,021	1,566	100	100	100
Total Revenues	$ 1,495,159	$ 1,456,803	$ 1,483,600	$ 1,482,900	$ 1,509,700
Funds Available	$ 2,177,052	$ 2,213,614	$ 2,207,111	$ 2,302,860	$ 2,274,060
Expenditures:					
Collection and Drainage	$ 1,290,629	$ 1,323,718	$ 1,438,200	$ 1,410,100	$ 1,845,100
Stormwater Operations	129,612	69,936	120,700	128,400	126,100
Total Expenditures	$ 1,420,241	$ 1,393,654	$ 1,558,900	$ 1,538,500	$ 1,971,200
Ending Balance, June 30	$ 756,811	$ 819,960	$ 648,211	$ 764,360	$ 302,860
Increase (Decrease) in Fund Balance	**$ 74,918**	**$ 63,149**	**$ (75,300)**	**$ (55,600)**	**$ (461,500)**

1. Monthly collection and drainage charges on sewer bills were $12.65 in 2019/2020. The rate increased to $12.9(in 2020/2021 and increased again to $13.15 per customer per month in 2021/2022. This rate increased to $13.15 per customer per month in 2021/2022 and will increase to $13.40 per customer per month in 2022/2023 based on the rate study.

Function:
Business Type

Department:
Public Works

Activity:

Collection and Drainage

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 504,538	$ 539,188	$ 575,500	$ 514,500	$ 536,500	-6.78%
Commodities	37,022	24,720	50,000	50,000	50,000	0.00%
Contractual Services	104,129	94,398	125,800	122,000	128,600	2.23%
Capital Outlay	63,540	82,712	103,000	104,700	240,000	133.01%
Transfers	581,400	582,700	583,900	618,900	890,000	52.42%
Total Expenditures	$ 1,290,629	$ 1,323,718	$ 1,438,200	$ 1,410,100	$ 1,845,100	28.29%
Funding Sources						
Collection & Drainage Fees	$ 1,290,629	$ 1,323,718	$ 1,438,200	$ 1,410,100	$ 1,845,100	28.29%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Positions/Position Allocations:						
Sewer Maintenance Supervisor	-	-	-	1.00	1.00	
Solid Waste and Sewer System Manager	0.50	0.50	0.50	-	-	
Collection & Drainage Leadworker	1.00	1.00	1.00	-	-	
Equipment Operator III	3.58	3.00	3.00	2.00	2.00	
Equipment Operator II	-	0.00	0.00	1.00	2.00	
Equipment Operator I	0.33	1.00	1.00	1.00	-	
Maintenance Worker II	0.20	0.20	0.20	0.20	0.20	
Right-of-Way Inspector	0.06	0.25	0.25	0.25	0.25	
Administrative Secretary	0.33	0.33	0.33	0.33	0.33	
Total	6.00	6.28	6.28	5.78	5.78	$ 356,400
Employee Benefits						180,100
Total Personal Services						$ 536,500

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Sewer Maintenance Projects			$ 50,000
Sewer Lining		Yes	100,000
Manhole Lining		Yes	15,000
Sewer Study Phase I			75,000
			$ 240,000

STORM WATER OPERATIONS

GENERAL INFORMATION:

The Storm Water activity budget was first established January 1, 2005 in order to address federal regulations which are placing additional demands on cities to monitor, regulate, and treat storm water. Funding for this program has been from the Collection and Drainage fund.

This budget currently includes an allocation of 1/3 of the Community Development Inspector II position and 1/4 of the Environmental Coordinator position. The Water Pollution Control department currently oversees the Storm Water operations program.

CURRENT TRENDS AND ISSUES:

The 2021/2022 revised estimate is $7,700 more than the original budget. The overall increase is due to the net effect of (1) a $7,300 increase in personal services costs, (2) a $4,000 decrease in commodities, (3) a $2,500 increase in contractual services, and (4) a $1,900 increase in capital outlay. The personal services increase include a change from single to family health insurance for the Inspector II position.

The 2022/2023 budget is $5,400 (4.5%) more than the original budget for 2021/2022. This overall increase includes (1) a $9,400 increase in personal services costs, (2) a $4,000 decrease in commodities, (3) a $2,000 decrease in contractual services, and (4) a $2,000 increase in capital outlay. The capital outlay allocation of $30,000 is for two backflow prevention valves. The backflow prevention valves will help protect properties near Iowa Field from flooding during heavy rain events.

GOAL STATEMENT:

To develop and implement a comprehensive fiscal and pollution prevention program to assist the city in its efforts to comply with EPA Phase II storm water requirements.

PERFORMANCE MEASURES

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Grease Discharge Permits Issued	147	121	124	125	125
Food Service Establishments Inspected for Fats, Oils, and Grease (FOG)	37	25	27	30	30
Permitted Significant Industrial Users	14	14	14	14	14
Significant Industrial Users Inspected	14	14	14	14	14
Commercial Waste Hauling Permits Issued	18	18	15 (3)	15	15
Construction Site Inspections	26	32	20	21	25
River and Creek Samples Taken	1	13	17	6 (2)	24
Tests Performed on River and Creek Samples	6 (1)	364	102	36 (2)	144

1. Due to equipment damage from lightning strikes, staff turnover, and other factors, limited sampling and testing was done in 2018/2019.

2. Sampling was not performed from March 2021 – November 2021 due to the lack of laboratory and other staff due to the COVID-19 pandemic.

3. The reduction of three commercial waste hauler permits was due to the removal of three haulers of only FOG (Fat, Oil, and Grease) materials. The permitting used for regulation of hauled septic waste and chemical toilet waste is monitored by the EPA and the Iowa Department of Natural Resources (IDNR).

RECENT ACCOMPLISHMENTS:

The Stormwater division continues to maintain the multiple stormwater practices around the City. These include the Mulberry Habitat Basin, the City Hall Biocell, the Sycamore Alley Biocell, and the Houser Street Pollinator Park. New informational signs are ready to be installed at these locations that highlight their benefits including species diversification and beautification of the urban environment.

The Nutrient Reduction Alternatives (NRA) Study was completed in May of 2021. It outlines multiple areas where stormwater can be collected and treated to reduce the discharge of harmful pollutants, including nitrogen and phosphorus, as well as reduce local flooding. The study details are still being evaluated by City staff and a final report is being prepared to submit to the IDNR in the spring of 2022. It outlines the use of the current wetland in the City's Houser Street Pollinator Park to reduce flooding and remove nutrients.

Work on the Muscatine Slough beyond Houser Street is on-going and has reduced local flooding near the Kent Stein entrance. Work will continue on the area beyond the Dog Park entrance to remove sediment, trees, and vegetation. This area is also being studied for a new nature trail and wetland boardwalk for public education and habitat restoration.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To complete cleaning of the lower end of the Muscatine Slough between the Dog Park entrance and the Transfer Station entrance.

- To remove invasives from the Pollinator Park, Sampson Prairie, and the Water Pollution Control Plant (on-going).

- To install backflow prevention valves for the Iowa Field intakes.

- To develop a cleaning plan for the Soccer Complex ditch that flows into the Muscatine Slough.

Function:
Business Type

Department:
Water Pollution Control

Activity:

Storm Water Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 57,694	$ 60,476	$ 56,100	$ 63,400	$ 65,500	16.76%
Commodities	6,056	1,926	8,800	4,800	4,800	-45.45%
Contractual Services	2,204	7,534	27,800	30,300	25,800	-7.19%
Capital Outlay	63,658	-	28,000	29,900	30,000	7.14%
Transfers	-	-	-	-	-	
Total Expenditures	$ 129,612	$ 69,936	$ 120,700	$ 128,400	$ 126,100	4.47%
Funding Sources						
Grease Discharge Permits	$ 16,940	$ 17,790	$ 18,000	$ 18,000	$ 18,000	0.00%
Collection & Drainage Funds	112,672	52,146	102,700	110,400	108,100	5.26%
Total Funding Sources	$ 129,612	$ 69,936	$ 120,700	$ 128,400	$ 126,100	4.47%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time Position:						
Inspector II	0.33	0.33	0.33	0.33	0.33	
Environmental Coordinator	0.25	0.25	0.25	0.25	0.25	
Total Full Time	0.58	0.58	0.58	0.58	0.58	$ 44,200
Employee Benefits						21,300
Total Personal Services						$ 65,500

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Backflow Prevention Valves	2	No	$ 30,000

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

EMPLOYEE BENEFITS FUND

GENERAL INFORMATION:

The Employee Benefits Special Revenue Fund was established by State law to allow for the levying of taxes for certain employee benefits. For the City of Muscatine, the Employee Benefits levy includes funding for costs of police and fire pension contributions, police and fire medical insurance costs for on-the-job injuries, worker's compensation, unemployment, health insurance, life insurance, dental insurance, FICA, IPERS, long-term disability insurance, and post-employment health plan costs.

When the General Fund levy of a city reaches the legal limit of $8.10 per $1,000 of assessed valuation, the employer's share of Social Security, Medicare, and IPERS may be levied from the Employee Benefits Special Revenue Fund levy. The City of Muscatine has been at the $8.10 General Fund levy limit for many years. The cost of Social Security, Medicare, and IPERS for General Fund employees is estimated at $802,939 for 2021/2022 and it is budgeted to increase to $843,387 for 2022/2023. FICA and Medicare contribution rates will remain at 6.2% and 1.45%, respectively, for 2022/2023. The IPERS rate will remain at 9.44% in 2022/2023.

The pension contribution rate for police and fire personnel has varied since the statewide Municipal Fire and Police Retirement System of Iowa (MFPRSI) replaced the former local systems on January 1, 1992. The contribution rate was 17% through the 1992/93 year, 19.66% for 1993/94, 18.71% for 1994/95, 17.66% for 1995/96, and 17.00% for 1996/97 through 2002/2003. For 2003/2004 it increased to 20.48%, 24.92% for 2004/2005, and 28.21% for 2005/2006. For 2006/2007, the pension contribution rate decreased to 27.75%, and then further decreased to 25.48% for 2007/2008, to 18.75% for 2008/2009, and to 17.0% for 2009/2010. The pension contribution rate increased to 19.90% for 2010/2011, to 24.76% for 2011/2012, and to 26.12% for 2012/2013. The pension contribution rate increased again to 30.12% in 2013/2014 and further increased to 30.41% in 2014/2015. The pension contribution rate decreased in 2015/2016 to 27.77% and further decreased in 2016/2017 to 25.92%. The rate decreased slightly to 25.68% in 2017/2018, increased to 26.02% in 2018/2019, and decreased to 24.41% in 2019/2020. The rate increased to 25.31% in 2020/2021 and further increased to 26.18% for 2021/2022. The rate decreased to 23.90% for 2022/2023. Property tax funding for police and fire pension will decrease from the $1,615,458 budgeted for 2021/2022 to $1,538,003 budgeted for 2022/2023.

The City is also obligated by the State Code to pay job-related medical costs for former police and fire employees who terminated employment due to work-related injuries or illnesses. A total of $24,376 of medical costs related to several individuals' injuries or illnesses were incurred in 2011/2012, $28,184 in 2012/2013, $28,074 in 2013/2014, $38,657 in 2014/2015, $36,855 in 2015/2016, $47,610 in 2016/2017, $82,618 in 2017/2018, $79,125 in 2018/2019, $14,147 in 2019/2020, and $70,956 in 2020/2021. The retiree medical costs are estimated at $45,000 for both the 2021/2022 and the 2022/2023 budgets.

The Employee Benefits Special Revenue Fund tax levy also funds premiums for health insurance, dental insurance, life insurance, worker's compensation, and unemployment costs for employee benefits associated with the General Fund. Also included is funding for police and fire medical insurance costs for on-the-job injuries of current employees. The police and fire pension systems provide disability payments for police officers and firefighters injured on the job. However, the pension systems do not include a provision for funding medical costs resulting from these injuries. For 2015/2016 through 2017/2018, the annual cost for police and fire medical insurance was $54,000. Due to the City's claims, the premium increased to $56,698

for 2018/2019 through 2020/2021. The premium further increased to $60,366 for 2021/2022 through 2023/2024.

Health insurance costs for the City of Muscatine have increased significantly over the last ten years. The cost of health insurance for employees in the General Fund is estimated at $2,277,158 for 2022/2023. The cost would be higher if the City had not chosen to participate in a cost-plus funding plan with the insurance carrier. The City basically pays costs incurred plus a monthly administrative fee. When claims of an individual reach a certain amount, stop loss insurance pays for the costs over the maximum limit. Each month the City sets aside in the Health Insurance Internal Service Fund certain premium amounts to fund actual medical costs, administrative fees, and the stop-loss fee.

Since the inception of the cost-plus funding plan for health insurance, the premium costs established have varied. Effective January 2013, rates were $440.43 and $1,171.54, respectively, for single and family coverage. In 2013, deductibles were $400 for single and $800 for family health coverage. The annual out-of-pocket maximums were $800 and $1,600 for single and family coverage. In 2014, the rates were maintained at $440.43 and $1,171.54, respectively, for single and family coverage. The deductibles increased from $400 to $500 for single and from $800 to $1,000 for family health coverage. The annual out-of-pocket maximums also increased from $800 to $1,000 and from $1,600 to $2,000 for single and family coverage. In 2015, the rates were maintained at $440.43 and $1,171.54, respectively, for single and family coverage. However, in 2016, rates were increased 15% to $506.49 and $1,347.27, respectively, for single and family coverage. Also in 2016, the deductibles increased from $500 to $600 for single and from $1,000 to $1,200 for family health coverage. In 2017, rates further increased by 15% to $582.46 and $1,549.36, respectively, for single and family coverage. The annual out-of-pocket maximums also increased from $1,000 to $1,200 and from $2,000 to $2,400 for single and family coverage. Effective January 1, 2017 the employee contribution increased from 5% to 6%. Effective January 1, 2018, rates increased by 1% to $588.28 and $1,564.85, respectively, for single and family coverage and the employee contribution increased to 7%. Effective January 1, 2019 rates increased another 1% to $594.16 and $1,580.50, respectively, for single and family coverage and the employee contribution increased to 8%. Effective January 1, 2020, rates increased 5% to $623.87 and $1,659.53 respectively, for single and family coverage and the employee contribution was maintained at 8%. Effective January 1, 2021, rates were increased by 7.5% to $670.66 and $1,783.99 respectively, for single and family coverage and the employee contribution was increased to 9%. Effective January 1, 2022, rates were increased by 5% to $704.19 and $1,873.19 respectively, for single and family coverage.

Employee benefit costs for life insurance will increase from the $13,415 budgeted in 2021/2022 to $14,108 in 2022/2023. In October of 2011, the City changed life insurance companies. The life insurance rates decreased from 22 cents per month per $1,000 of coverage to 18 cents per month per $1,000 of coverage. Effective July 1, 2016, a life insurance rate decrease was negotiated that decreased the rate to 15 cents per month per $1,000 of coverage. This rate was further decreased in October 2020 to 12.5 cents per month per $1,000 of coverage. Basic provisions for coverage for each employee remain the same for 2022/2023.

The dental insurance rate for City employees in 2016 was $32.39 per month for single coverage. This rate was maintained for 2017. The dental insurance rate increased to $33.87 effective January 2018 and this rate remained the same for 2019 and 2020. The dental insurance rate decreased to $31.94 effective January 2021 primarily due to lower claims in recent years. The dental insurance rate increased to $33.23 effective January 2022. Effective in January of 2014, employees began contributing $1 per month for single coverage. The employee contribution was implemented due to provisions of the Affordable Care Act. Employees fund 100% of the additional cost if they opt for family coverage. The City's dental plan is a self-insured plan through Wellmark. For 2022/2023, the cost of dental insurance for General Fund employees is budgeted at $54,304 compared to the $51,965 budgeted for 2021/2022.

In regard to workers' compensation, the City of Muscatine continues to experience fluctuations in rates. For the respective fiscal years from 2009/2010 through 2018/2019, the workers' compensation experience modification factors were .89, .87, .82 .77, .72, .73, .75, .94, .89, and .90. These represent the factors applied to the base rates for each job classification based on the claims history of the employer. For 2019/2020 the experience modification decreased to .72. For 2020/2021, the experience modification rate increased to .89 and it increased to .91 for 2021/2022. For 2022/2023, the experience modification rate is estimated at .90. The tax funding amount for General Fund employee workers' compensation budgeted for 2021/2022 was $37,606 and it is expected to increase to $44,863 for 2022/2023.

The City's unemployment rate effective January 1, 2015 was .8% of $27,300 of wages and the rate was .4% of $28,300 of wages effective January 1, 2016. The rate effective January 1, 2017 was .3% of $29,300 of wages and the rate was .5% of $29,900 of wages effective January 1, 2018. The rate effective January 1, 2019 was .7% of $30,600 of wages and the rate effective January 1, 2020 increased to 1.2 % of $31,600 of wages. The rate effective January 1, 2021 was 1% of $32,400 of wages. The rate effective January 1, 2022 is 1% of $34,800. The 2022/2023 budget provides funding for this rate to continue at 1.0% of applicable wages of $35,800 as of January 1, 2023. The tax funding amount for 2022/2023 is estimated at $60,091 compared to the $54,731 originally budgeted for 2021/2022.

Long-term disability insurance was only provided to full-time non-union employees through the 2013/2014 fiscal year. Beginning in 2014/2015 this benefit was added for blue/white collar bargaining unit employees in their new union contract. The long-term disability rate was .27% of base wages for non-union employees and .50% of base wages for blue/white collar bargaining unit employees through June of 2016. Effective July 2016, the long-term disability rates were negotiated and decreased to .26% of base wages for non-union employees and .40% of base wages for blue/white collar bargaining unit employees. Effective October 2020, the long-term disability rates again decreased to .34% of base wages for blue/white collar bargaining unit employees. The rate of .26% of base wages for non-union employees was maintained. The estimated cost for General Fund employees is $14,429 for 2022/2023 compared to $13,772 budgeted for 2021/2022.

The budget also includes funding for a retirement health savings plan for full-time and permanent part-time non-union, fire bargaining unit, and blue/white collar bargaining unit employees. This plan provides funding of contributions to individual accounts of these employees and also provides that the payout of 40% of accumulated sick leave at retirement be paid into these accounts. For the blue/white collar bargaining unit group, vacation balances at retirement are also paid into this plan. The tax funding amount for 2022/2023 is budgeted at $45,603.

CURRENT TRENDS AND ISSUES:

The 2021/2022 and 2022/2023 Employee Benefits tax levy is budgeted to fund 100% of General Fund employee benefits.

The City has had beginning balances in the Employee Benefits Fund in recent years due to actual employee benefit costs being less than budgeted due to vacancies or benefit rates being lower than projected. With the estimated 2022/2023 beginning fund balance of $62,404, the Employee Benefit tax levy for 2022/2023 is $4,766,720 compared to the $4,500,900 budgeted for 2021/2022 (an increase of 5.9%). This requires a tax levy rate of $5.05175 per $1,000 of valuation compared to $4.76979 for the 2021/2022 budget year, an increase of 5.9% in the levy rate.

Employee Benefits Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 75,959	$ 203,933	$ 169,279	$ 213,065	$ 62,404
Revenues					
Property Tax	4,064,781	4,337,665	$ 4,483,824	$ 4,483,824	$ 4,750,687
Utility Tax Replacement Excise Tax	15,721	19,161	17,076	17,076	16,033
Commercial/Industrial State Reimbursement	179,345	186,363	186,768	186,768	168,188
Total Revenues	$ 4,259,847	$ 4,543,189	$ 4,687,668	$ 4,687,668	$ 4,934,908
Funds Available	$ 4,335,806	$ 4,747,122	$ 4,856,947	$ 4,900,733	$ 4,997,312
Expenditures					
Transfers Out					
Police Retirement	$ 666,908	$ 733,380	$ 795,724	$ 773,636	$ 748,014
Fire Retirement	680,686	749,255	819,734	804,906	789,989
Police & Fire Retiree Medical	14,147	70,956	45,000	45,000	45,000
Health Insurance	1,844,858	1,969,099	2,124,136	2,100,553	2,277,158
Dental Insurance	47,155	46,559	51,965	50,140	54,304
Life Insurance	14,623	13,280	13,415	13,250	14,108
Police and Fire Medical Insurance	56,698	56,698	62,368	60,366	60,366
Long-term Disability Insurance	12,548	13,171	13,772	13,939	14,429
Post-Employment Health Plan	39,528	72,932	35,541	69,904	45,603
Workers Compensation	25,733	38,394	37,606	43,686	44,863
Unemployment	54,894	54,908	54,731	60,010	60,091
Deferred Compensation	600	0	0	0	0
FICA/IPERS	673,495	715,425	802,955	802,939	843,387
Employee Benefit Levy Reduction	0	0	0 (1)	0	0 (1)
Total Expenditures	$ 4,131,873	$ 4,534,057	$ 4,856,947	$ 4,838,329	$ 4,997,312
Ending Balance, June 30	$ 203,933	$ 213,065	$ 0	$ 62,404	$ 0
Increase (Decrease) in Fund Balance	**$ 127,974**	**$ 9,132**	**$ (169,279)**	**$ (150,661)**	**$ (62,404)**

1. The 2021/2022 and 2022/2023 Employee Benefits tax levies will fund 100% of the General Fund employee benefit costs.

Explanation of Changes in Fund Balance:

The Employee Benefits Tax Levy funds costs of benefits for General Fund employees. The balances at the end of 2019/2020 and 2019/2020 were due to savings in employee benefit costs due to vacancies and changes in insurance coverage for employees. The balance in this fund at the end of 2021/2022 is estimated at $62,404 compared to the zero balance originally budgeted for similar reasons. That balance will be used for employee benefit costs in 2022/2023.

SPECIAL REVENUE FUNDS

EMERGENCY TAX LEVY / EMERGENCY FUND

GENERAL INFORMATION/HISTORY:

State statutes allow cities in the State of Iowa to levy an "emergency tax" of up to $.27 per $1,000 of valuation if the General Fund tax levy of a city is at its limit. This tax is required to be levied in a Special Revenue Fund and transferred to the General Fund. Until the 2001/2002 budget year, the City of Muscatine had not levied an emergency tax in more than twenty years.

The City implemented the emergency tax levy for 2001/2002 to help offset the loss of revenue from the State reimbursement for lost taxes on Machinery and Equipment (M&E) valuations. The State of Iowa eliminated taxes on machinery and equipment primarily used in manufacturing, effective with equipment and machinery acquired after January 1, 1994. The law provided that this M&E tax elimination plan would be phased in over a ten-year period. During the first five years of the plan, cities were reimbursed by the State for the reduced taxes due to the reduction in M&E values. Beginning in the sixth year (2001/2002 budget), however, the State reimbursement was also to begin to be phased out according to provisions in the state law. Cities were required to offset increases in commercial and industrial valuations since January 1, 1994 against the loss in M&E valuations before computing a state reimbursement. Since the City of Muscatine's increase in commercial and industrial valuations since January 1, 1994 exceeded the loss of M&E tax values, the City was no longer eligible to receive a State reimbursement for lost M&E taxes beginning in 2001/2002. The State reimbursement for M&E taxes was $415,419 for 2000/2001 and it was reduced to zero for 2001/2002.

After the City's 2003/2004 budget was completed, the state eliminated funding to cities of the Population Allocation, General Allocation, and Moneys and Credits. This was a direct reduction of $360,000 in General Fund revenues for 2003/2004 and future years. Due to these funding reductions, the City continued to use the Emergency Tax to fund city services until the 2011/2012 fiscal year.

The emergency levy generated a total of $196,964 of property tax and utility tax replacement excise tax revenue for 2009/2010. These amounts are usually transferred to the General Fund. In 2009/2010 $80,000 of these funds were budgeted to remain in the Emergency Tax Levy fund. With economic uncertainties in the national, state, and local economy, these funds were set aside for future General Fund needs or for future emergency events. These funds along with the interest earned on these funds, are budgeted to remain in the Emergency Tax Levy fund through the 2021/2022 fiscal year.

For 2010/2011 the City Council chose to implement a Utility Franchise Fee for Alliant Energy, the franchised provider of natural gas in the community. Changes were made in the State Code of Iowa which allow cities to impose franchise fees of up to 5% on providers of electricity and natural gas in cities. As Muscatine Power & Water is a municipal utility which furnishes electric service in the city, it is not under a franchise agreement and therefore is not eligible for a franchise fee. Implementation of this fee allowed the City to reduce the Emergency Levy rate for 2010/2011 from $.27/$1,000 to $.08/$1,000 which generated $59,447.

The Emergency Tax levy was eliminated beginning in the 2011/2012 budget and continuing through the 2020/2021 budget.

CURRENT TRENDS AND ISSUES:

The $80,000 from the 2009/2010 Emergency Tax levy that was set aside for future General Fund needs was budgeted to remain in the Emergency Tax Levy fund through 2021/2022. With interest, those funds have grown to $85,934.

In October of 2020, the City received $561,628 in COVID-19 Local Government Relief funds from the State. These funds were credited to the Emergency Tax Levy / Emergency Fund. This brought the total in this fund to $647,562 at the end of 2020/2021.

The 2021/2022 budget included levying $134,270 ($139,735 including the State Commercial and Industrial Reimbursement) from the Emergency Tax levy, which required an Emergency Tax levy rate of $.14229 per $1,000 of valuation. These funds will be transferred to the General Fund in 2021/2022. This levy was added in 2021/2022 without increasing the City's total tax levy by eliminating the Transit Tax levy for 2021/2022. Transit received a significant amount of CARES Act funding that allowed for the Transit levy to be eliminated for 2021/2022.

The 2021/2022 budget also included transferring $300,000 of the State COVID-19 Local Government Relief funds to the General Fund to assist in balancing the General Fund budget.

The 2022/2023 proposed budget includes levying $254,766 ($263,755 including the State Commercial and Industrial Reimbursement) from the Emergency Tax levy, which required the maximum Emergency Tax levy rate of $.27 per $1,000 of valuation. These funds will be transferred to the General Fund in 2022/2023.

The 2022/2023 budget also includes (1) transferring the prior year Emergency Tax funds that were set aside in previous years to the General Fund (now $86,162 including interest), and (2) transferring the remaining $261,600 of State COVID-19 Local Government Relief funds to the General Fund. This funding was needed to continue existing General Fund services to the community. This results in a zero balance in this fund at the end of 2022/2023.

Emergency Tax Levy Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 83,414 (1)	$ 84,989	$ 546,689	$ 647,562	$ 347,662
Revenues					
Property Tax (2)	$ 0	$ 0	$ 133,759 (3)	$ 133,759	$ 253,909 (5)
Utility Tax Replacement Excise Tax	0	0	511 (3)	511	857 (5)
Commercial/Industrial State Reimbursement	0	0	5,465 (3)	5,465	8,989 (5)
COVID - Local Government Relief Funds	0	561,628	0	0	0
Interest	1,575	945	0	100	100
Total Revenues	$ 1,575	$ 562,573	$ 139,735	$ 139,835	$ 263,855
Funds Available	$ 84,989	$ 647,562	$ 686,424	$ 787,397	$ 611,517
Expenditures					
Transfers Out					
General Fund:					
Emergency Tax Levy (Current Year)	$ 0	$ 0	$ 139,735 (3)	$ 139,735 (3)	$ 263,755 (5)
Emergency Tax Levy (Prior Year Balance)	0	0	0	0	86,162 (1)
COVID- Local Government Relief Funds	0	0	300,000 (4)	300,000 (4)	261,600 (4)
Total Expenditures	$ 0	$ 0	$ 439,735	$ 439,735	$ 611,517
Ending Balance, June 30	$ 84,989	$ 647,562	$ 246,689	$ 347,662	$ 0
Increase (Decrease) in Fund Balance	**$ 1,575**	**$ 562,573**	**$ (300,000)**	**$ (299,900)**	**$ (347,662)**

1. For the 2009/2010 budget, City Council chose to transfer all except $80,000 of this levy to the General Fund. This was due to economic uncertainties in the national, state, and local economies. These funds have been set aside for future General Fund needs or for future emegency events. These funds are budgeted to be transferred to the General Fund in 2022/2023.
2. The City did not levy an Emergency Levy in any of the fiscal years from 2011/2012 through 2020/2021.
3. In 2021/2022, the City levied a portion of the Emergency Tax levy (approximately $.14/$1,000 of the $.27/$1,000 maximum) to assist in offsetting the reductions in other General Fund revenue sources due to the COVID-19 pandemic.
4. The COVID Local Government Relief funds received from the State in 2020/2021 are budgeted to be transferred to the General Fund in fiscal year 2021/2022 and 2022/2023.
5. The budget for 2022/2023 includes the maximum Emergency Fund levy of $.27 per $1,000 of valuation. This levy rate was budgeted in order to maintain current service levels while taxable valuations remained essentially the same as the prior year.

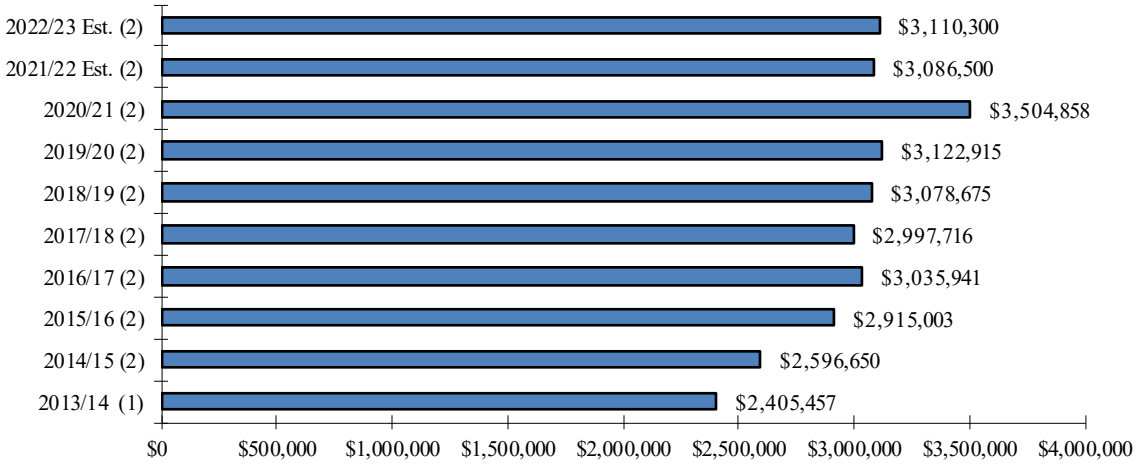
SPECIAL REVENUE FUNDS

ROAD USE TAX FUND

GENERAL INFORMATION:

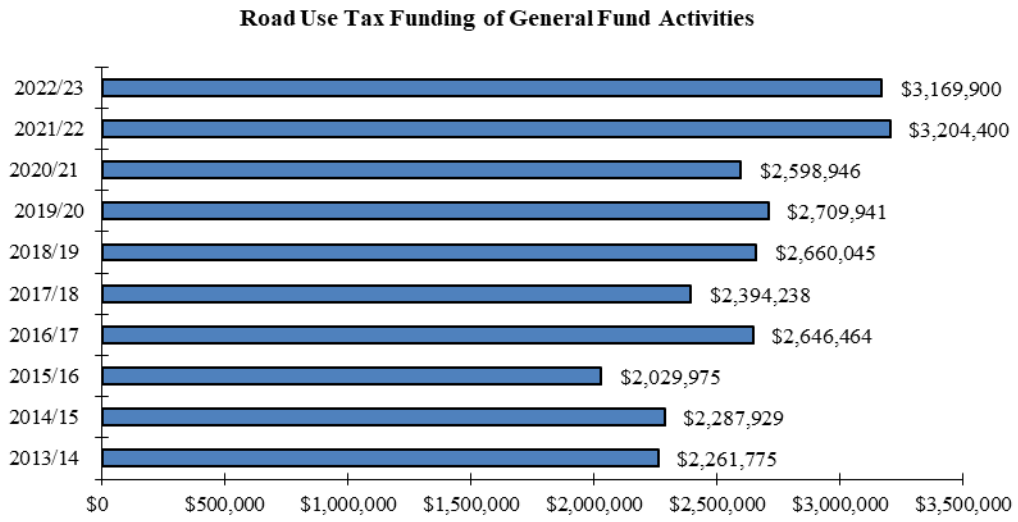
This fund accounts for all revenues received from the State of Iowa from gasoline taxes, license fees, and weight taxes. These funds are returned to the City as road use taxes and are distributed to cities on a per capita formula basis. The following chart shows road use taxes received over the past eight (8) years and estimated amounts for the current year and 2022/2023. As noted in the footnotes to the table, road use tax revenue increased in 2013/2014 due to annexations which increased the City's population. Road use tax revenue further increased beginning March 1, 2015 due to the $.10 per gallon increase in the gas tax.

Road Use Tax Revenue History



1. The 2013/2014 Road Use Tax increase was in part due to a full year with the increased population from the Heatherlynn/Irish Ivy and Ripley's voluntary annexations.
2. After the 2015/2016 budget was adopted, the State legislature approved a $.10 per gallon increase in the gas tax effective March 1, 2015. This is expected to generate an additional $416,700 in road use tax revenue each year.

A major use of road use taxes is an appropriation to the General Fund to support the Public Works Administration, Engineering, Roadway Maintenance, Traffic Control, Snow and Ice Control, Street Cleaning and Right-of-Way Mowing activities. The appropriations to the General Fund over the past eight (8) years and amounts estimated for 2021/2022 and 2022/2023 are shown in the following chart:



CURRENT TRENDS AND ISSUES:

Road use tax revenues are estimated at $3,086,500 for the 2021/2022 revised estimate and $3,110,300 for the 2022/2023 budget. This is equivalent to $129.70 per capita for the revised estimate and $130.70 for the 2022/2023 budget. The Iowa Department Transportation (IDOT)'s per capita estimates were $125.50 per capita for 2021/2022 and $126.50 per capita for 2022/2023. Based on prior year actual road use tax amounts and payments received to date in 2021/2022, the IDOT's per capital estimates were each increased by $100,000 for the revised estimate and 2022/2023 budget. The City is cautiously using these higher estimates but will continue to monitor actual road use payments as they are received each month.

The IDOT's per capita road use tax estimates are based on the current law regarding revenue to and disbursements from the State's Road Use Tax fund. Any changes in the law could change the per capita amount to be distributed to cities.

The 2021/2022 revised estimate and the 2022/2023 budget include $3,204,400 and $3,169,900 respectively, to fund General Fund street-related costs. These transfers will fund the total costs (net of related revenues) for the street activities of the General Fund previously listed.

In recent years road use tax funds have also been used for street-related capital projects. These funds combined with the 20% allocation of Local Option Taxes approved by voters to be used for the pavement management program, have allowed for approximately $1 million each year to be available for various pavement management projects. These projects include full depth concrete patching, street resurfacing work, and alley resurfacing projects.

In addition to the 2021/2022 revised estimate transfer of $3,204,400 to the General Fund for Public Works operating activities, a total of $517,600 will be used for other capital projects. The capital project allocations include $225,100 for the Pavement Management program, $100,000 for Grandview Avenue sidewalks, and $192,500 to complete the design and begin to construct new sidewalks on 67th Street. Local option tax funds in 2021/2022 will also provide $774,900 in funding for the Pavement Management program bringing the total to $1,000,000 in funding for this program.

The 2022/2023 budget includes a transfer of $3,169,900 to the General Fund for Public Works operating activities. The budget also includes $316,100 for the Pavement Management program, $210,000 for Lake

Park Bridge deck repairs, and $154,500 to complete construction of the new sidewalks on 67th Street. The $316,100 road use tax allocation for the Pavement Management program will be combined with $683,900 of local option sales tax funding to bring the total allocation to $1,000,000 for this program. This total funding allocation will allow the City to complete a significant amount of pavement management work in 2022/2023. It should be noted that in addition to the street improvements funded from Road Use Taxes and Local Option Taxes, streets in the West Hill area are being improved as sewer work is completed for the West Hill Sewer Separation project and construction continues on the Grandview Avenue Reconstruction project. With all of these projects combined, there has been an unprecedented amount of street reconstruction and improvement work that has been completed in the last few years and scheduled for the current and upcoming years.

The $.10 per gallon increase in the fuel tax effective March 1, 2015 has resulted in the additional funds that are now available for improvements funded from Road Use Taxes.

The estimated fund balance on June 30, 2023 is projected at $351,748 based on estimated road use taxes of $129.70 per capita for 2021/2022 and $130.70 per capita in 2022/2023. With accruing two months of road use tax receipts at fiscal year-end, a minimum of $350,000 in fund balance is generally needed in order to keep the actual cash balance in a positive position at year-end. If road use tax receipts are less than the budget estimates or operating expenditures significantly higher than projected, street-related expenditures may need to be reduced in a like amount to maintain a positive cash balance in this fund at the end of the 2022/2023 fiscal year.

Road Use Tax Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 1,365,772	$ 1,329,029	$ 1,203,329	$ 1,727,448	$ 1,091,948
Revenues					
Road Use Tax	$ 3,122,915	$ 3,504,858	$ 3,013,100 (1)	$ 3,086,500 (1)	$ 3,110,300 (1)
Funds Available	$ 4,488,687	$ 4,833,887	$ 4,216,429	$ 4,813,948	$ 4,202,248
Expenditures					
Transfers Out:					
General Fund	$ 2,709,941	$ 2,598,646	$ 2,919,800	$ 3,204,400	$ 3,169,900
Capital Projects Funds:					
Asphalt Overlay/Other Street Improvements	449,262	406,396	365,700	225,100	316,100
Railroad Crossing Improvements	0	82,353	0	0	0
Mulberry Avenue Improvements	455	186	0	0	0
Lake Park Bridge Deck Repairs	0	0	0	0	210,000
New Sidewalk Program	0	18,858	160,000	192,500	154,500
New Sidewalk - Grandview	0	0	0	100,000	0
Total Expenditures	$ 3,159,658	$ 3,106,439	$ 3,445,500	$ 3,722,000	$ 3,850,500
Ending Balance, June 30	$ 1,329,029	$ 1,727,448	$ 770,929	$ 1,091,948	$ 351,748
Increase (Decrease) in Fund Balance	**$ (36,743)**	**$ 398,419**	**$ (432,400)**	**$ (635,500)**	**$ (740,200)**
Per Capita Road Use Taxes (Actual and Estimated)	$ 131.11	$ 147.15	$ 126.50	$ 129.70 (1)	$ 130.70

1. Revenues for both the Revised Estimate and the upcoming budget are generally based on IDOT estimates for road use taxes. Actual road use tax revenue can vary from these estimates due to changes in fuel consumption or if there would be any changes in the distribution formula by the State. The IDOT has estimated the 2021/2022 road use tax at $125.50 per capita and 2022/2023 at $126.50 per capita. In recent years, however, the actual road use tax revenues have exceeded the IDOT's estimates. For budgeting purposes, the Revised Estimate and the 2022/2023 budget have each been increased by $100,000 from the per capita estimates.

SPECIAL REVENUE FUNDS

LOCAL OPTION SALES TAX FUND

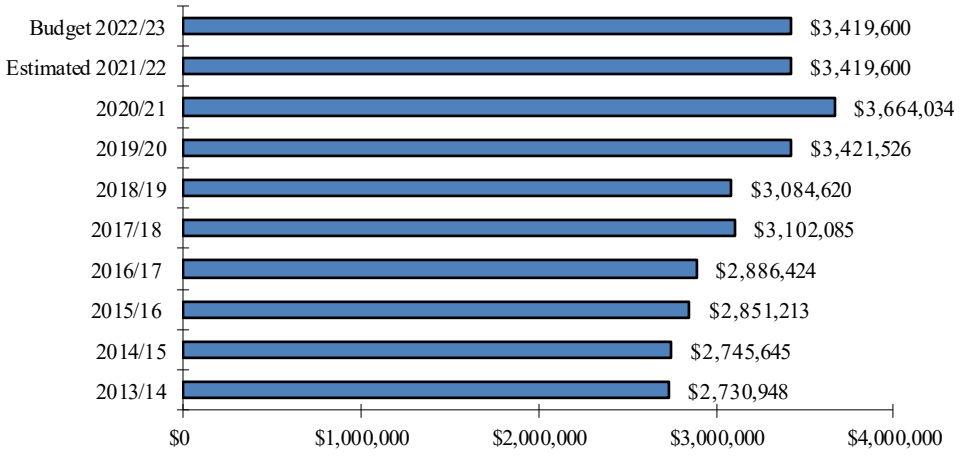
GENERAL INFORMATION:

In May of 1994, voters in the City of Muscatine approved a 1% local option sales and service tax for a five year period beginning July 1, 1994. All of the proceeds from the tax were required by the referendum to be used for City storm and sanitary sewer projects. In August of 1998, voters approved the extension of the local option tax for an additional five years to continue the storm and sanitary sewer improvements. In January 2003, voters approved using up to 10% of the proceeds from the local option sales tax for the "Pearl of the Mississippi" improvement projects effective April 30, 2003. On January 27, 2004 voters approved extending this tax for an additional five years with 90% of the tax to be used for sewer improvements and up to 10% for "Pearl of the Mississippi" projects.

In August, 2008 voters again approved the extension of the local option tax for a period of ten years with up to 20% of the tax to be used for the City's Pavement Management Program and the remainder to be used for storm and sanitary sewer projects. The focus of the sewer improvements over this ten-year period was on projects mandated in the E.P.A. Consent Order. This 10-year local option sales tax period was scheduled to end on June 30, 2019 and a referendum was held on March 6, 2018 on the proposal to extend this tax for an additional 15 years to fund future sewer (80%) and street (20%) improvement projects. The 15-year extension of this tax was again approved by voters with 88% voting in favor of the extension.

Each fiscal year the Iowa Department of Revenue makes estimated local option sales tax payments to the City. The following fiscal year the City receives an additional payment which reconciles actual local option sales tax amounts to the estimates previously remitted to the City. The following chart shows the local option sales taxes earned by the City each fiscal year. These amounts include the reconciliation amounts received the following year. The amounts shown for both 2021/2022 and 2022/2023 have been estimated conservatively at the State's projected levels without any estimated reconciling amounts to be received in the succeeding years.

Local Option Sales Tax Revenue by Fiscal Year
(* Includes Reconciling Amounts Received in Succeeding Fiscal Year)



** Both the 2021/22 and 2022/23 amounts have been conservatively estimated at the State's preliminary allocation level without an estimated reconciling amount.

CURRENT TRENDS AND ISSUES:

For the revised estimate for 2021/2022 and the 2022/2023 budget, the estimated local option sales tax revenues are $3,874,700 and $3,419,600, respectively. The 2022/2023 amount is projected conservatively using the State's estimate for the current year without any prior year reconciliation amount. Transfers out of the Local Option Sales Tax Fund for qualifying City storm and sanitary sewer projects are estimated for the current and upcoming year as follows:

Local Option Sales Tax-Funded Sewer Projects
Revised Estimate 2021/2022 and Estimated 2022/2023

	Estimated 2021/2022	Projected 2022/2023
Projects:		
West Hill Sewer Separation - Completion of Phase 5-A and Start of Phase 5-B	$ 3,810,900	$ -
West Hill Sewer Separation - Completion of Phase 5-B and Start of Phase 6-A	-	2,735,800
Totals	$ 3,810,900	$ 2,735,800

In 2007 the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. Construction on the second and final phase of the Hershey Avenue sewer improvement project was completed in 2011/2012. This was a major project mandated by the Consent Order. The remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. Construction has been completed on phases 1 through 4 of the West Hill Sewer Separation project and construction is currently underway for Phase 5-A of the project. Phase 5-B construction is scheduled to begin in 2022.

Public Financial Management (PFM), the City's financial consultant, prepared a long-term financing plan for the West Hill project based on the project cost estimates in the schedule prepared by Stanley Consultants. The City has been setting aside $400,000 each fiscal year since 2011/2012 to assist in financing the West Hill Sewer project ($200,000 from the WPCP fund and $200,000 from the Collection and Drainage fund). These funds are available to supplement the 80% allocation of Local Option Sales Tax being used to fund the West Hill Sewer Separation project. Local Option Sales Taxes and the set-aside funds are projected to be sufficient to fund project costs through both phases of Phase 5.

A State Revolving Fund (SRF) Loan is projected to be needed by 2023 to fund all 5 phases of Phase 6 plus the work required at the Papoose Pumping Station at the end of the project. Based on current project cost estimates, PFM estimates the SRF Loan needed to complete the financing of this project at $22,800,000. The interest rate for the SRF loan is 2.0%.

The PFM financing plan was based on renewal of the Local Option Tax and continuation of the 80% allocation for sewer projects through the loan repayment period (through June 30, 2034). This required the Local Option Tax be in place from its previous expiration date of June 30, 2019 through June 30, 2034. This was term requested and approved in the Local Option Tax renewal referendum.

As authorized by the sales tax referendum, funding transfers of $774,900 in the revised estimate and $683,900 in the 2022/2023 budget have been included to fund ongoing costs of the Pavement Management program. This represents the 20% allocation of the local option tax allowed for this program in the 2008 and 2018 voter referendums. A separate sub-fund was established to account for the portion of the local option tax allocated

for the pavement management program. Transfers out of the Local Option Sales Tax Fund for qualifying pavement management projects are estimated for the current and upcoming fiscal year as follows:

Local Option Sales Tax-Funded Pavement Management Projects
Revised Estimate 2021/2022 and Estimated 2022/2023

	Estimated 2021/2022	Projected 2022/2023
Project:		
Pavement Management Program	$ 774,900	$ 683,900

The $774,900 Local Option Sales Tax allocation for the Pavement Management program in 2022/2023 and the $316,100 allocation of Road Use Taxes for the Pavement Management program will allow for $1,000,000 in street improvements to be completed in 2022/2023. The increased allocation of Road Use Taxes in recent years is due in part to the $.10 per gallon increase in the fuel tax which began March 1, 2015. The specific projects to be completed will be determined based on results of the most recent pavement condition index study.

It should be noted that in addition to the street improvements funded from Road Use Taxes and Local Option Taxes, streets in the West Hill area are being improved as sewer work is completed for the West Hill Sewer Separation project and construction continues on the Mississippi Drive/Grandview Corridor. With all of these projects combined, there is an unprecedented amount of street reconstruction and improvement work that has been completed in the last few years and scheduled for the current and upcoming years.

Local Option Sales Tax Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 566,491	$ 257,778	$ 258,278	$ 1,011,007	$ 300,007
Revenues					
Local Option Sales Tax	$ 2,965,519	$ 3,693,591	$ 3,208,900	$ 3,874,700 (1)	$ 3,419,600 (2)
Interest	3,224	1,731	500	100	100
Total Revenues	$ 2,968,743	$ 3,695,322	$ 3,209,400	$ 3,874,800	$ 3,419,700
Funds Available	$ 3,535,234	$ 3,953,100	$ 3,467,678	$ 4,885,807	$ 3,719,707
Expenditures					
Transfers Out:					
West Hill Sewer Project	$ 2,684,352	$ 2,203,375	$ 2,567,100	$ 3,810,900	$ 2,735,800
Pavement Management Program (3)	593,104	738,718	641,800	774,900	683,900
Total Expenditures	$ 3,277,456	$ 2,942,093	$ 3,208,900	$ 4,585,800	$ 3,419,700
Ending Balance, June 30	$ 257,778	$ 1,011,007	$ 258,778 (4)	$ 300,007 (4)	$ 300,007 (4)
Increase (Decrease) in Fund Balance	**$ (308,713)**	**$ 753,229**	**$ 500**	**$ (711,000)**	**$ 0**

1. The Revised Estimate Local Option Tax revenue amount is the State's estimate ($3,419,591.78) plus a prior year reconciliation amount of $455,108.07.
2. The 2022/2023 Local Option Tax revenue amount is estimated conservatively at the State's projected 2021/2022 level of $3,419,591.78.
3. Effective July 1, 2009 up to 20% of Local Option Tax revenue is being used for the Pavement Management Program per the voter referendum. This 20% allocation is transferred to a subfund to separately account for this portion of the tax.
4. A $300,000 ending balance is the approximate amount of the accrued Local Option Tax at the end of each fiscal year. (If this was transferred to the West Hill Sewer project, there would be a deficit cash balance at fiscal year end.)

Local Option Sales Tax Fund

Pavement Management Allocation (20%)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Transfers In:					
Local Option Sales Tax (1)	593,104	738,878	$ 641,800 (3)	$ 774,900	$ 683,900
Interest	0	0	0	0	0
Total Revenues	$ 593,104	$ 738,878	$ 641,800	$ 774,900	$ 683,900
Funds Available	$ 593,104	$ 738,878	$ 641,800	$ 774,900	$ 683,900
Expenditures					
Transfers Out:					
Pavement Management (Street and Alley Resurfacing, Full Depth Patching, Crack Sealing, etc.)	$ 593,104	$ 738,878	$ 641,800	$ 774,900	$ 683,900
Total Expenditures	$ 593,104	$ 738,878	$ 641,800	$ 774,900	$ 683,900
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Beginning July 1, 2009 up to 20% of Local Option Tax revenue has been allocated to the Pavement Management Program per the voter referendums.
2. The Revised Estimate Local Option Tax revenue amount is 20 % of the State's estimate ($3,419,591.78) plus a prior year reconciliation amount of $455,108.07.
2. The 2022/2023 Local Option Tax revenue amount is estimated conservatively at 20% of the States's projected 2021/2022 level of $3,419,591.78.

SPECIAL REVENUE FUNDS

AMERICAN RESCUE PLAN ACT (ARPA) FUND

GENERAL INFORMATION:

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. This Act provided $1.9 trillion dollars of funding for families, governments, businesses, schools, non-profits, and others impacted by the COVID-19 public health crisis. The allocation for State and local governments totaled $350 billion. The allocation for cities with populations less than 50,000 totaled $19.5 billion. The City of Muscatine's allocation is estimated at $3,533,377 with half of these funds ($1,766,688) received in the 2021/2022 fiscal year with the balance to be received in 2022/2023.

The initial guidance on the uses of the American Rescue Plan funds to local governments was completed and available to local governments on May 10, 2021. Initial information on the eligible uses of the funding included**:**

1. Revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency
2. Premium pay for essential workers
3. Assistance to small businesses, households, and hard-hit industries, and economic recovery
4. Investments in water, sewer, and broadband infrastructure

The initial guidance provided that a calculation be done in order to use funds for revenues replacement. The final guidance allows governments to claim up to $10 million for revenue replacement without the previously required calculation. The City plans to claim all of the ARPA allocation for revenue replacement, then allocate these funds for specific uses.

CURRENT TRENDS AND ISSUES:

The 2021/2022 revised estimate includes $1,766,700 in ARPA revenues and the 2022/2023 budget includes the same amount for the 2nd and final payment of these funds.

The 2021/2022 revised estimate expenditures total $274,500 with $222,000 transferred to the General Fund for revenue replacement and $52,500 for one-time capital purchases or programs as detailed in the attachment to the fund statement.

The 2022/2023 budgeted expenditures total $1,440,700 with $324,200 transferred to the General Fund for revenue replacement and $1,116,500 for one-time capital purchases or programs as detailed in the attachment to the fund statement.

The transfers to the General Fund in both years are the amounts needed to balance the General Fund budgets and maintain services to residents. These transfers were needed due to continued reduced revenues in several areas (hotel/motel taxes, building permits, interest, etc.) due to the COVID-19 pandemic. If the full amount of ARPA funds allowed for each year is not needed to balance the General Fund budget, these funds will remain in the ARPA fund to be used for one-time capital or other expenditures.

American Rescue Plan Act (ARPA) Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 1,492,200
Revenues					
American Rescue Plan Act Funds	$ 0	$ 0	$ 0	$ 1,766,700 (1)	$ 1,766,700 (1)
Funds Available	$ 0	$ 0	$ 0	$ 1,766,700	$ 3,258,900
Expenditures					
Transfers Out:					
General Fund:					
Projected FY 22 Revenue Reduction	$ 0	$ 0	$ 0	$ 222,000	$ 0
Projected FY 23 Revenue Reduction	0	0	0	0	324,200
Capital Expenditures and Programs	0	0	0	52,500 (2)	1,116,500 (2)
Total Expenditures	$ 0	$ 0	$ 0	$ 274,500	$ 1,440,700
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 1,492,200	$ 1,818,200
Increase (Decrease) in Fund Balance	**$ -**	**$ -**	**$ -**	**$ 1,492,200**	**$ 326,000**

1. The first payment of the ARPA funds was received in August of 2021. A like amount is budgeted to be received in August of 2022.
2. See attached detailed list of capital expenditures and programs.

Budgeted Uses of ARPA Funds
Fiscal Year 2021/2022 Revised Estimate and Fiscal Year 2022/2023 Budget

	Revised Estimate 2021/2022	2022/2023	Total - Both Years
Capital Requests from Department Operating Budgets:			
City Administrator Requests:			
Citizen Request Management System	$ -	$ 25,000	
Agenda and Meeting Management Software	-	15,000	
Human Resources Request:			
Online Application and Tracking Software	-	15,000	
Community Development:			
Large Format Scanner	-	6,000	
Large Monitor	-	4,100	
Art Center:			
GoPro Camera	-	600	
Firewall/Switch WIFI	-	4,000	
Laptop	-	1,500	
Subtotal - Capital Requested in Operating Budgets	$ -	$ 71,200	$ 71,200
Other Requests from Department Operating Budgets:			
Community Development:			
Grant Writer	$ 25,000	$ 25,000	
Housing Study	-	50,000	
Heart and Soul Coordinator	11,700	23,400	
Subtotal - Other Requests in Operating Budget	$ 36,700	$ 98,400	206,300
Other Requests from Departments:			
Art Center Security Cameras	$ -	$ 70,000	
Art Center Alarm System Upgrade	-	11,000	
Community Development Comprehensive Plan Update	-	85,000	
Neighborhood/Housing Initiatives (revolving loan fund, property maintenance pilot project, etc.)	-	250,000	
Economic Recovery/Development Initiatives for Small Businesses (loans, grants, etc.)	-	250,000	
Keycard Swipe System for City Hall	-	155,000	
Cleanup of Property on Grandview Avenue		100,000	
Springbrook Financial Software Upgrade to Cloud Version:			
Fixed Fee for Conversion	15,800	-	
Increased Annual Costs for FY 23	-	25,900	
Subtotal - Other Requests	$ 15,800	$ 946,900	1,169,000
Totals Before General Fund Revenue Loss Allocations	$ 52,500	$ 1,116,500	$ 1,169,000
Amounts Allowed to Balance General Fund Budgets	222,000	324,200	546,200
Total Budgeted Uses	$ 274,500	$ 1,440,700	$ 1,715,200

SPECIAL REVENUE FUNDS

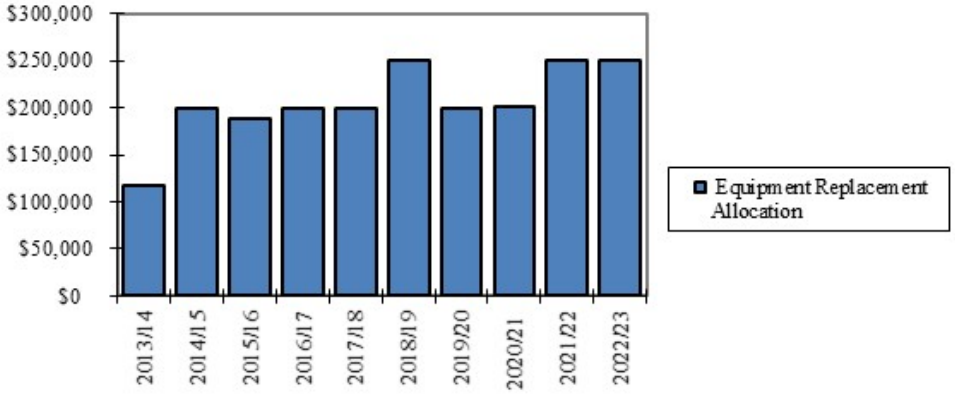
EQUIPMENT REPLACEMENT FUND

GENERAL INFORMATION:

The Equipment Replacement Fund was established in an effort to provide a more systematic method of replacing equipment and leveling the cost of replacing such equipment. This activity has funded equipment replacements in the General Fund with the exception of equipment eligible for Road Use Tax funding. Equipment to be replaced in the Enterprise Funds is funded directly from each Enterprise activity.

A comprehensive inventory of all equipment currently owned by the City including autos, pickup trucks, dump trucks, heavy equipment, and other miscellaneous equipment has been completed in an effort to assess the overall condition of the City's inventory. Staff has developed a replacement and cost schedule for each piece of equipment. An equipment maintenance cost program has also been developed and is used in conjunction with the replacement schedule to determine the most cost effective and economical time to replace City equipment.

Annual funding transfers have normally been made from the General Fund to fund current requirements and to anticipate and prepare for future equipment replacement needs. Over the last ten years these amounts have ranged from $117,000 in 2013/2014 to $250,000 for 2021/2022. A history of funding levels is shown in the following chart. It should be noted that this chart only reflects the regular transfers to the Equipment Replacement Fund. As such, it does not include the funding transfer in 2015/2016 specifically designated for the purchase of a new ambulance at a total cost of $148,500.



CURRENT TRENDS AND ISSUES

Since the 2014/2015 fiscal year, General Fund allocations to the Equipment Replacement Fund have been between $200,000 and $250,000. The budgeted transfer for 2021/2022 is $250,000 and that same amount has been budgeted for 2022/2023.

Purchases from the Equipment Replacement Fund in 2021/2022 total $258,300. This includes $100,000 for two new Police patrol vehicles (Tahoes), $25,000 for a police staff vehicle, $23,200 for a new code enforcement vehicle for Community Development, $21,800 for a wide area mower for the cemetery, $65,500 for two Park Maintenance trucks, and $22,800 for a zero-turn mower for Park Maintenance.

Purchases from the Equipment Replacement Fund in 2022/2023 total $289.000. This includes $159,000 for three new Police patrol vehicles (Tahoes), $35,000 for a police staff vehicle, $25,000 for a new code enforcement vehicle for Community Development, $25,000 for a Community Development Building Inspector vehicle, $15,000 for a mower for the cemetery, and $30,000 for a Park Maintenance truck. The balance in the Equipment Replacement Fund on June 30, 2023 is estimated at $72,619.

Equipment Replacement Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 26,085	$ 91,190	$ 77,390	$ 105,319	$ 104,319
Revenues					
Interest	$ 4,676	$ 365	$ 400	$ 100	$ 100
Lease of Vehicle (Police Grant)	7,200	7,200	7,200	7,200	7,200
Sale of Vehicles	2,535	12,013	0	0	0
Donations for Armored Vehicle	50,000	0	0	0	0
Transfers In					
General Fund Allocation	200,000	202,000	250,000	250,000	250,000
Total Revenues	$ 264,411	$ 221,578	$ 257,600	$ 257,300	$ 257,300
Funds Available	$ 290,496	$ 312,768	$ 334,990	$ 362,619	$ 361,619
Expenditures					
Equipment Purchases	199,306	207,449	239,000	258,300	289,000
Ending Balance, June 30	$ 91,190	$ 105,319	$ 95,990	$ 104,319	$ 72,619
Increase (Decrease) in Fund Balance	**$ 65,105**	**$ 14,129**	**$ 18,600**	**$ (1,000)**	**$ (31,700)**

Functions:
Public Safety
Community & Economic Development
Culture and Recreation

Departments:
Police
Community Development
Parks and Recreation

Activity:
Equipment Replacement

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Police:			
Police Vehicles (Tahoes)	3	Yes	$ 159,000
Staff Vehicle (Drug Task Force)	1	Yes	35,000
Community Development:			
Code Enforcement Vehicle	1	Yes	25,000
Building Inspector Vehicle	1	Yes	25,000
Park Maintenance:			
Truck	1	Yes	30,000
Cemetery:			
Zero Turn Mower	1	Yes	15,000
			$ 289,000

SPECIAL REVENUE FUNDS

COMPUTER REPLACEMENT FUND

GENERAL INFORMATION:

The 2000/2001 budget for the first time included funding for a Computer Replacement Fund to be used for the purchase of computer hardware for General Fund departments. All computer hardware purchases are coordinated by the City's Information Technology Manager. The allocations to this fund have varied since the fund was created.

The 2012/2013 through 2018/2019 budgets each included $40,000 funding allocations. The 2019/2020 and 2020/2021 funding allocations were increased to $50,000. The 2022/2023 budget allocation was decreased to $40,000 due to funding limitations in the General Fund.

Beginning in the 2010/2011 budget, a separate Computer Replacement sub-fund was established to set aside moneys from the Library budget for future computer replacement needs. In prior years grants and donations provided a significant portion of the Library's funding for computers. These funds, however, have become more limited. Any unspent funds in the Library budget at the end of each fiscal year are generally budgeted to be set aside in this fund to accumulate funding for computer replacement needs. These funds could be supplemented with funds from the Library Trust fund at the direction of the Library Board of Trustees.

There were no transfers to the Library Computer Replacement fund in 2016/2017 and 2017/2018; instead, the library chose to transfer their remaining budget balances of $45,253 and $64,394, respectively, to the new Musser Public Library and HNI Community Center building renovation project fund. In 2018/2019 a transfer of $40,571 was made to the Library Computer Replacement Fund, in 2019/2020 the transfer was $25,881, and in 2020/2021 the transfer was $32,594. The transfer in 2020/2021 was capped at the amount to bring the ending fund balance for the 2020/2021 fiscal year to $50,000.

In 2017/2018, $23,185 was expended from this fund for computer equipment. The remaining balance of $16,962 was transferred to the new library renovation capital project fund. No purchases were made from this fund in 2018/2019. In 2019/2020 $28,636 was expended, and in 2020/2021 $21,021 was expended from this fund.

The 2021/2022 revised estimate includes $35,000 of computer related purchases and the 2022/2023 budget has an estimated $10,000 of computer related purchases. In 2021/2022 and 2022/2023, unspent funds in the Library budget at the end of each fiscal year will again be considered for transfer to this fund for future computer replacement needs.

Computer Replacement Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 49,278	$ 18,170	$ 0	$ 59,424	$ 0
Revenues					
Interest	$ 796	$ 74	$ 0	$ 0	$ 0
Sale of Equipment	0	5,660	0	0	0
Transfers In					
General Fund	50,000	50,000	50,000	50,000	40,000
Total Revenues	$ 50,796	$ 55,734	$ 50,000	$ 50,000	$ 40,000
Funds Available	$ 100,074	$ 73,904	$ 50,000	$ 109,424	$ 40,000
Expenditures					
Computer-Related Purchases	81,904	14,480	50,000	109,424	40,000
Ending Balance, June 30	$ 18,170	$ 59,424	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ (31,108)**	**$ 41,254**	**$ 0**	**$ (59,424)**	**$ 0**

Computer Replacement Fund - Library

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 40,571	$ 38,340	$ 23,340	$ 50,000	$ 15,000
Revenues					
Interest	$ 524	$ 87	$ 0	$ 0	$ 0
Transfer In:					
Library Remaining Appropriations	25,881	32,594	0	0	0
Total Revenues	$ 26,405	$ 32,681	$ 0	$ 0	$ 0
Funds Available	$ 66,976	$ 71,021	$ 23,340	$ 50,000	$ 15,000
Expenditures					
Computer-Related Purchases	$ 28,636	$ 21,021	$ 15,000	$ 35,000	$ 10,000
Total Expenditures	$ 28,636	$ 21,021	$ 15,000	$ 35,000	$ 10,000
Ending Balance, June 30	$ 38,340	$ 50,000	$ 8,340	$ 15,000	$ 5,000
Increase (Decrease) in Fund Balance	**$ (2,231)**	**$ 11,660**	**$ (15,000)**	**$ (35,000)**	**$ (10,000)**

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND - DOWNTOWN

GENERAL INFORMATION AND HISTORY:

This fund was first established in order to separately account for the incremental taxes collected and debt service payments on an April 1980 bond issue for $780,000. This issue represented the permanent financing of a downtown project known as Urban Renewal Project No. 2, which incorporated one-half of a city block. Debt service requirements on the Tax Increment Revenue Bonds were funded from incremental taxes received from the property benefited from the project. The incremental tax levy is the total current levy of the City, County, and School less the total debt service levy for those governmental units. The tax levy is applied to the additional value of the property above the initial frozen value as determined at the beginning of the project. In November of 1995 the balance in the Downtown Tax Increment Fund was sufficient to call all outstanding bonds relating to the 1980 tax increment bond issue.

In August of 1994 the City expanded the Downtown Urban Renewal Area originally created for Project No. 2, to incorporate a much larger area including most of the downtown and the riverfront. As a result of state mandated reductions in commercial property values, the Downtown TIF was restructured in 1996. The current Downtown TIF includes most city owned properties in the immediate downtown area and only those private properties that produce a significant increment.

Improvement costs were incurred by the City beginning in 1995 for the acquisition of property, demolition costs, and the development of a public parking lot across from City Hall. The new parking lot opened in 1996. Interim financing notes were used to finance the improvement costs until the long-term bonds were issued June 26, 1997 in the amount of $1,795,000. This issue funded the Downtown Parking Lot Project previously mentioned as well as the Downtown Streetscaping Project, City Hall building improvements, and improvements to the heating, ventilation and air conditioning (HVAC) system at the City's Public Safety Building. The final payment on this issue was made in 2010/2011.

In 1995 the City entered into a Development Agreement with HON Industries which provided for a rebate of two-thirds of the incremental taxes for 15 years from their construction of a new warehouse and manufacturing facility on Orange Street. The final payment on this rebate agreement was made in 2011/2012.

In September of 1998 the Council amended the Downtown TIF to include new increment-producing properties. This action was consistent with the direction and intent that the City Council established in August of 1994 when they first amended the Downtown TIF area.

In 2003/2004 the City acquired the Hawkeye Lumber property located in the riverfront area. Downtown tax increment funds were used to finance the purchase with $10,878 of project costs funded from the available balance in this fund and $420,000 funded from Tax Increment revenue bonds sold in April of 2004. The final payment on this issue was made in 2011/2012.

In 2009/2010 the City completed a number of capital projects in the Downtown Tax Increment area which were funded from the TIF portion of the June 2010 general obligation bond issue. The TIF portion of the bond issue totaled $1,535,000. These bonds were repaid with annual incremental taxes from the downtown area. Improvements funded from this issue included improvements to the 3rd and Chestnut parking lot, resurfacing of other downtown parking lots, downtown handicapped ramps, Cedar Street

resurfacing, improvements on the Riverfront related to the 2008 flood, and funds to replace the boiler at City Hall. This bond issue was retired in 2019/2020.

CURRENT TRENDS AND ISSUES:

Engineering design started in December of 2018 on the Downtown Streetscaping project, which was identified as the next project to be funded from the Downtown Tax Increment fund. In November of 2018 City Council adopted a resolution approving an internal advance of $100,000 of funds which allowed for Downtown TIF funds to be used to fund a portion of the engineering design costs for this project. The 2019/2020 budget included a transfer of $40,000 of the accumulated balance in this fund to the Downtown Streetscaping capital project fund to fund a portion of the engineering design costs.

In November of 2019 City Council adopted a resolution approving an additional internal advance of $185,000 to fund the balance of the engineering design costs for this project.

Construction costs for the Downtown Streetscaping project were financed with proceeds from the May 2020 bond issue with the annual debt service requirements on this issue funded from future incremental taxes. Due to the cost estimate for this project and the annual debt service requirements, annual debt service costs for this project are budgeted to be funded from the Southend TIF fund. This will allow Downtown TIF funds to be available for other purposes.

The 2021/2022 budget included transfers out for the TIF Administrative and Professional Support costs and the TIF Economic Development grant to the Chamber (GMCCI) which totaled $213,400. The 2022/2023 budget also includes transfers out for the TIF Administrative and Professional Support costs and the TIF Economic Development grant to GMCCI which total $217,500. In prior years these allocations were funded from the Southend TIF fund.

Since 2008/2009 the City has not claimed the full amount of incremental taxes due to the balance which had accumulated in the Downtown Tax Increment Fund. This has allowed a portion of the incremental values to go back to regular taxable valuations for all of the local taxing entities. For 2011/2012 the amount claimed was $125,000 less than the amount available, for 2012/2013 $126,000 less, for 2013/2014 $125,000 less, for 2014/2015 $115,000 less, for 2015/2016 $126,600 less, for 2016/2017 $150,000 less, for 2017/2018 $157,000 less, for 2018/2019 $151,000 less, for 2019/2020 $167,700 less, and for 2020/2021 the amount claimed was $125,600 less than the amount available. For 2021/2022, the amount claimed was $157,400 less than the amount available. The amount claimed for 2022/2023 is $217,500, which is approximately $159,500 less than the amount available.

The balance in the Downtown TIF fund is estimated at $9,378 at the end of the 2022/2023 fiscal year.

Tax Increment Fund - Downtown

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 54,322	$ 13,282	$ 9,782	$ 9,878	$ 9,378
Revenues					
Incremental Taxes	$ 202,867 (1)	$ 241,415 (2)	$ 213,400 (3)	$ 212,900 (3)	$ 217,500 (4)
Interest	2,343	181	100	0	0
Total Revenues	$ 205,210	$ 241,596	$ 213,500	$ 212,900	$ 217,500
Funds Available	$ 259,532	$ 254,878	$ 223,282	$ 222,778	$ 226,878
Expenditures:					
Transfers:					
Bonds	$ 200,000 (5)	$ 0	$ 0	$ 0	$ 0
Interest	6,250 (5)	0	0	0	0
Transfers Out:					
Downtown Streetscape Design	40,000 (6)	245,000 (7)	0	0	0
TIF Administrative and Professional Support Costs	0	0	170,400 (8)	170,400 (8)	174,500 (8)
Economic Development Grant (GMCCI)	0	0	43,000 (8)	43,000 (8)	43,000 (8)
Total Expenditures	$ 246,250	$ 245,000	$ 213,400	$ 213,400	$ 217,500
Ending Balance, June 30	$ 13,282	$ 9,878	$ 9,882	$ 9,378	$ 9,378
Increase (Decrease) in Fund Balance	**$ (41,040)**	**$ (3,404)**	**$ 100**	**$ (500)**	**$ 0**

1. For the 2019/2020 year, the City certified approximately $167,700 less than the total available increment.
2. For the 2020/2021 year, the City certified approximately $125,600 less than the total available increment.
3. For the 2021/2022 year, the City certified approximately $157,400 less than the total available increment.
4. For the 2022/2023 year, the City certified approximately $159,500 less than the total available increment.
5. The final payments on the June 2010 bond issue were made in 2019/2020.
6. In November 2018 the City Council approved an Internal Advance in the amount of $100,000 toward the design of the Downtown Streetscape project. TIF funds claimed in 2019/2020 funded a portion of this cost. Of this amount, $40,000 was repaid in FY 20 and $60,000 was repaid in FY 21.
7. In November 2019 the City Council approved an Internal Advance in the amount of $185,000 toward the design of the Downtown Streetscape project. This amount plus the $60,000 balance of the prior year internal advance fully funded the engineering design costs for this project.
8. For 2021/2022 and 2022/2023, the TIF Administrative and Professional Support costs and the TIF Economic Development grant to the Chamber (GMCCI) will be funded from the Downtown Tax Increment fund and the Heinz TIF fund. In prior years these allocations were funded from the Southend TIF fund.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND - SOUTH END

GENERAL INFORMATION:

In August of 1994 the City created an Urban Renewal/Tax Increment area in the south end of the City. For 1994 there was only $300 of expenditures qualifying for tax increment revenue funding. In 1995/96 an additional $85,000 of expenditures were incurred in the form of an economic development grant to Musco Sports Lighting Inc. In 1995/96 and 1996/97 south end incremental tax revenues of $9,912 and $42,642, respectively, were received which funded a portion of the $85,300 project costs. The balance of the $85,300 project costs ($32,563) was funded from TIF revenues in the 1997/98 fiscal year. The remaining portion of the 1997/98 TIF revenues ($31,811) were used to fund a portion of the costs of Phase I of the Southend Sewer Project. The 1998/99 revenues of $81,975 were used to fund a portion of the $92,931 cost of the Briar's Ditch Drainage Improvement Project. The balance of the project cost ($10,956) was funded from 1999/2000 incremental taxes. The remainder of the 1999/2000 incremental taxes ($79,521) were used to fund a portion of the cost of Phase I of the Southend Sewer Project. TIF revenues for 2000/2001 totaled $123,297, for 2001/2002 $141,756, and for 2002/2003 $194,442. These funds were also used for Phase I of the Southend Sewer Project.

In 2003/2004 incremental taxes of $200,151 were received. In 2003/2004 $8,915 of Southend TIF funds were used for the wetlands relocation project and $115,000 was used for the Southend Water Extension Project.

Two TIF rebate agreements were entered into by the City in 2003; one with Robison Logistics and one with Musco Sports Lighting. The Robison Logistics TIF rebated 100% of taxes received for 10 years and the Musco Sports Lighting TIF rebated 67% of taxes received for 15 years. The final payment on the Musco rebate was made in 2019/2020.

Tax increment revenue bonds in the amount of $1,885,000 were sold in June of 2004 to fund the Airport Terminal Building project ($900,000) and the Southend Water Extension project ($985,000). Debt service payments on this issue began in 2004/2005. The final payments for the 2004 issue were in 2020/2021.

A TIF rebate agreement with Musser Street Investments L.C. was entered into in 2004. This agreement provided for the rebate of 100% of the incremental taxes on this property for a 5-year period up to a maximum of $275,000. The final payment on this rebate agreement was made in 2010/2011.

In 2009 the City entered into two TIF rebate agreements; one with Curry's Transportation Services Inc. and the other with Newcomb Properties LLC. These agreements provided that 50% of the incremental taxes would be rebated to these businesses over a ten-year period. The first payments on these agreements were in 2010/2011. The 2019/2020 payment to Newcomb Properties was the final rebate payment. It was also the final year of the Curry's Transportation agreement. Payments under the Curry's agreements were withheld for failure to comply with provisions of the development agreement.

A TIF rebate agreement with A & E Convenience, LLC was approved in January, 2011. The first rebate under this agreement was made in the 2012/2013 fiscal year. This was a 50%, ten-year agreement. The final rebate payments under this agreement will be made in 2021/2022.

In June of 2013 the City entered into a TIF rebate agreement with Wal-View Developments for construction of a new warehousing and distribution facility. This 10-year agreement provides for the rebate of 100% of the

incremental taxes in the first five years of the agreement and 50% of the incremental taxes in the last five years. The first rebate under this agreement was in the 2015/2016 fiscal year in the amount of $541,755. The rebates under this agreement are subject to annual appropriation according to the terms in the development agreement.

In 2012 the City Council approved $12,500 in matching funds to the Bi-State Economic Development Loan program which provided assistance to a local business. This was funded from Southend TIF funds in 2013/2014 as well as $62,536 in funds to complete the Museum Boiler project.

In December of 2014 the City entered into another agreement with Wal-View Developments for a 2nd warehouse and distribution facility. This is also a 10-year agreement with the rebate percentages in the first four years decreasing by 10% annually from 100% the first year to 70% the fourth year. Thereafter the rebates will be 60% in the fifth and sixth year, 50% in the seventh and eighth year, and 40% in the ninth and tenth year. Rebate payments for this agreement began in 2017/2018. These rebates are also subject to annual appropriations.

In October of 2015 the City entered into an agreement with Union Tank Car Company to expand their facilities, operations, and workforce in Muscatine. This agreement rebated 50% of the incremental taxes to Union Tank Car Company to a maximum rebate total of $45,000. The first rebate was paid in the 2017/2018 fiscal year. The maximum rebate amount was reached in the 2020/2021 fiscal year. These rebates were also subject to annual appropriations.

In November of 2019 the City entered into an agreement with Musco Sports Lighting LLC for the expansion of their manufacturing facilities and operations in Muscatine, including the addition of 40 or more employees. This is a ten-year 50% rebate to a maximum of $515,000. Rebates under this agreement are subject to annual appropriation. The first rebates under this agreement will be made in 2022/2023.

In 2019/2020 TIF funding in the amount of $135,000 was used for a forgivable loan to a private contractor to rehabilitate the dilapidated property at 500 Mulberry Avenue. Also in 2019/2020, City Council approved TIF funds to be used for an “Economic Assistance for Muscatine Small Business” program for small businesses impacted by the COVID-19 public health crisis. Local businesses could apply for a one-time forgivable loan up to $2,500. Ninety-four (94) loans were approved for a total of $231,257.

In 2020/2021 TIF funding of $16,000 was used for the local share of the Riverfront Recreation Area Lighting Improvement Project. Musco Sports Lighting LLC donated the lights for the project and other contributions (including the City’s allocation) funded the remaining costs of this project.

CURRENT TRENDS AND ISSUES:

Incremental tax revenue for 2021/2022 is estimated at $1,150,000. In 2021/2022 Southend TIF funds will be used to fund $352,900 in debt requirements for the portion of the May 2020 bond issue that funded the Downtown Streetscaping project. In 2021/2022 TIF funds will also be used for the final rebate payment to A&E Convenience (estimated at $3,100), the 7th year rebate under Wal-View Developments Agreement #1 (estimated at $310,600), and the 5th year rebate under Wal-View Agreement #2 (estimated at $177,900). In 2021/2022 incremental taxes will again be used to fund the Small Business Forgivable Loan program ($100,000), the Forgivable Loan program for City Code compliance and ADA Improvements in designated blighted areas ($50,000), and the Forgivable Loan program for Downtown Façade Improvements ($100,000).

In the 2021/2022 revised estimate, $200,000 of funding was approved for forgivable loans to businesses along the Grandview Avenue Corridor that were impacted by both the Grandview Avenue Reconstruction project and the COVID-19 pandemic. In 2021/2022 TIF funding of $50,000 was also used for the preliminary design costs for the Riverfront Amphitheater project.

For 2021/2022 the City chose to continue to not claim the full amount of incremental taxes available due to the balance which had accumulated in the Southend Tax Increment Fund. The amount claimed for the year was approximately $563,300 less than the total that would have been available. This allowed a portion of the incremental values to go back to regular taxable valuations for the various local taxing entities.

In 2022/2023 the City is claiming $1,260,000 of incremental taxes from this district which will fund $357,000 in debt requirements for the bond issue that funded the Downtown Streetscaping project), the 8th year rebate under Wal-View Developments Agreement #1 (estimated at $318,000), the 6th year rebate under Wal-View Agreement #2 (estimated at $182,000), and the first year payment for the Musco Sports Lighting rebate ($53,000). TIF funding for multiple forgivable loan programs will continue in 2022/2023. Those include funding for the Small Business Forgivable Loan program in the amount of $100,000, funding for the Forgivable Loan program for City Code compliance and ADA Improvements in designated blighted areas in the amount of $50,000, and funding for the forgivable loan program for downtown façade improvements in the amount of $100,000.

For 2022/2023 the City is claiming approximately $886,000 less than the total incremental taxes available from this TIF district. The estimated balance in this fund at the end of 2022/2023 is $430,490. In future years the City will be considering using a portion of the Southend TIF fund balance or future southend incremental tax funds to fund the annual costs (estimated at $150,000) for the new Wayfinding program, or to facilitate other economic development programs and projects.

Tax Increment Fund - Southend

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 983,984	$ 654,256	$ 554,022	$ 524,590	$ 330,290
Revenues:					
Incremental Taxes	$ 1,451,247 (1)	$ 1,378,725 (2)	$ 1,150,000 (3)	$ 1,150,000 (3)	$ 1,260,000 (4)
Commercial and Industrial State Reimbursement	57,414	0	0	0	0
Interest	22,806	2,199	1,500	200	200
Total Revenues	$ 1,531,467	$ 1,380,924	$ 1,151,500	$ 1,150,200	$ 1,260,200
Funds Available	$ 2,515,451	$ 2,035,180	$ 1,705,522	$ 1,674,790	$ 1,590,490
Expenditures:					
Bonds	$ 145,000	$ 150,000 (6)	$ 0	$ 0	$ 0
Interest	16,965	8,700 (6)	0	0	0
Tax Rebate - Musco Sports Lighting	80,910 (5)	0	0	0	0
Tax Rebate - Newcomb Properties LLC	11,197 (5)	0	0	0	0
Tax Rebate - A & E Convenience, LLC	3,921	3,180	3,900	3,100 (10)	0
Tax Rebate - Wal-View Project #1	633,240	314,610 (7)	318,000	310,600	318,000
Tax Rebate - Wal-View Project #2	235,151	210,192	182,000	177,900	182,000
Tax Rebate - Union Tank Car Company	16,354	8,174 (6)	0	0	
Tax Rebate - Musco Sports Lighting Project #2	0	0	0	0	53,000 (11)
Transfers Out:					
TIF Administrative and Professional Support Costs	164,200	159,000	0 (9)	0	0
TIF Economic Development Grant (GMCCI)	38,000	43,000	0 (9)	0	0
Small Business Forgivable Loan Program	100,000	100,000	100,000	100,000	100,000
Small Business COVID Forgivable Loan Program	231,257	0	0	0	0
Forgivable Loan Program - Code Improvements	50,000	50,000	50,000	50,000	50,000
Forgivable Loan Program - Façade Improvements	0	100,000	100,000	100,000	100,000
Forgivable Loan - Dilapidated Property	135,000		0	0	0
Forgivable Loan - Grandview Avenue Businesses	0	0	0	200,000	0
Riverside Park - Local Share of Recreation Area Lighting Project	0	16,000	0	0	0
Riverfront Amphitheater - Preliminary Design	0	0	0	50,000	0
Debt Service Fund - Downtown Streetscape					
Bonds	0	280,000 (8)	295,000	295,000	305,000
Interest	0	67,734 (8)	57,900	57,900	52,000
Total Expenditures	$ 1,861,195	$ 1,510,590	$ 1,106,800	$ 1,344,500	$ 1,160,000
Ending Balance, June 30	$ 654,256	$ 524,590	$ 598,722	$ 330,290	$ 430,490 (12)
Increase (Decrease) in Fund Balance	**$ (329,728)**	**$ (129,666)**	**$ 44,700**	**$ (194,300)**	**$ 100,200**

1. For the 2019/2020 year, the City certified approximately $498,600 less than the total available in incremental taxes.
2. For the 2020/2021 year, the City certified approximately $538,600 less than the total available in incremental taxes.
3. For the 2021/2022 year, the City certified approximately $563,300 less than the total available in incremental taxes.
4. For the 2022/2023 year, the City certified approximately $886,000 less than the total available in incremental taxes.
5. Fiscal year 2019/2020 was the final year for the Musco Sports Lighting and Newcomb TIF rebates.
6. Fiscal year 2020/2021 was the final year for bond and interest payments on the June 24, 2004 bond issue and the Union Tank Car rebate.
7. The rebate percentage for Wal-View #1 changed from 100% to 50% in 2020/2021.
8. Funding for the Downtown Streetscaping project was included in the May 2020 bond issue with debt service payments to be funded from this tax increment fund. The first bond payments were made in 2020/2021.
9. Beginning in 2021/2022 the TIF Administrative and Professional Support Costs and the TIF Economic Development Grant to the Chamber (GMCCI) are being funded from the Downtown Tax Increment fund.
10. Fiscal year 2021/2022 is the final year for the A&E TIF rebate.
11. Fiscal year 2022/2023 is the first year for the Musco Project #2 rebate.
12. The balance in this fund and future TIF collections are proposed to be designated for the new Wayfinding program, or other economic development programs or projects.

TAX INCREMENT FUND - SOUTHEND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Bonds Funded from
Southend Tax Urban Renewal Tax Increment Funds

Downtown Streetscaping Project

$3,175,000 of $6,310,000 Total Issue Dated May 7, 2020

Fiscal Year	Principal	Interest	Total Requirements
2020/21	$ 280,000	$ 67,734	$ 347,734
2021/22	295,000	57,900	352,900
2022/23	305,000	52,000	357,000
2023/24	310,000	45,900	355,900
2024/25	315,000	39,700	354,700
2025/26	320,000	33,400	353,400
2026/27	325,000	27,000	352,000
2027/28	335,000	20,500	355,500
2028/29	340,000	13,800	353,800
2029/30	350,000	7,000	357,000
Total	$ 3,175,000	$ 364,934	$ 3,539,934

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND - CEDAR DEVELOPMENT

GENERAL INFORMATION:

In January, 2004, the City entered into an agreement with Cedar Development L.L.C. for their planned development in the northeast area of the City. The development agreement provided for a rebate of 50% of the incremental taxes from this area for a 10-year period up to a maximum total of $4,719,000. Under the provisions of the agreement, the Developer could choose when this rebate would begin. Cedar Development filed the appropriate notification to the City in the fall of 2008 to "trigger" this rebate to begin in 2009/2010.

The incremental taxes from this property for 2009/2010 were $292,401 and the rebate $146,201. Incremental taxes from this property for 2010/2011 were $295,308 and the rebate $147,654; incremental taxes for 2011/2012 were $314,880 and the rebate $157,440; incremental taxes for 2012/2013 were $343,877 and the rebate $171,939; incremental taxes for 2013/2014 were $385,172 and the rebate $192,586; incremental taxes for 2014/2015 were $392,518 and the rebate was $196,259; incremental taxes for 2015/2016 were $365,916 and the rebate was $182,958; incremental taxes for 2016/2017 were $470,514 and the rebate $235,257; for 2017/2018 incremental taxes were $510,798 and the rebate $255,399; and for 2018/2019 the incremental taxes from this area were $540,176 and the rebate $270,088. The rebates totaled $1,955,781 for this 10-year period. The fiscal year 2018/2019 rebate was the final rebate under this agreement.

The amounts claimed for these years were all less than the total incremental taxes available from this area. Further development is expected in this area and the estimated fund balance of $66,303 at the end of the 2022/2023 year can be used for other improvements in this area.

Tax Increment Fund - Cedar Development

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 64,920	$ 66,146	$ 66,346	$ 66,303	$ 66,303
Revenues					
Incremental Taxes	$ 0	$ 0	$ 0	$ 0	$ 0
Interest	1,226	157	200	0	0
Total Revenues	$ 1,226	$ 157	$ 200	$ 0	$ 0
Funds Available	$ 66,146	$ 66,303	$ 66,546	$ 66,303	$ 66,303
Expenditures:					
Tax Rebate	$ 0	$ 0	$ 0	$ 0	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 0
Ending Balance, June 30	$ 66,146	$ 66,303	$ 66,546	$ 66,303	$ 66,303
Increase (Decrease) in Fund Balance	**$ 1,226**	**$ 157**	**$ 200**	**$ 0**	**$ 0**

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – INDUSTRIAL URBAN RENEWAL AREA

GENERAL INFORMATION:

In June of 2010 the City entered into an agreement with H.J. Heinz Company LP to assist in their construction of new facilities at their Muscatine plant. The agreement provided for a rebate of 50% of the incremental taxes for a 15-year period up to a maximum total of $425,000.

Fiscal year 2011/2012 was the first year for a rebate under this agreement. The incremental value for 2011/2012 was $636,760. Based on that value, incremental taxes were $22,724 and the 50% rebate was $11,362. For 2012/2013 the incremental taxes were $28,631 and the rebate was $14,316. For both 2011/2012 and 2012/2013 the City claimed less than the total of incremental taxes available from this area which allowed a portion of the incremental taxes to be considered regular taxable values for other taxing entities.

For the 2013/2014 year the taxable valuation for Heinz was reduced to an amount lower than the frozen base value used to compute the incremental value for this property. This resulted in no increment, incremental taxes, or rebate for 2013/2014. The reduction in valuation resulted from Heinz submitting an appeal of their taxable valuation to the County Assessor. According to the development agreement with Heinz, since Heinz appealed their taxable valuation, previous year rebates were required to be returned to the City. These funds were credited to the City's General Fund. For both 2014/2015 and 2015/2016 there was no increment and no incremental taxes on this property.

CURRENT TRENDS AND ISSUES:

In February 2014 the City entered into another development agreement with H.J. Heinz Company, LP for expansion of their manufacturing facilities, operations, and workforce. This agreement provided for five years of rebates with the first year at 75%, and subsequent years at 60%, 45%, 30%, and 15% to a maximum total of $880,000. The first rebate under this agreement was paid in 2016/2017 in the amount of $19,000, the 2nd year rebate for 2017/2018 was $14,764, the 3rd year rebate in 2018/2019 was $11,008, the 4th year rebate in 2019/2020 was $7,262, and the 5th and final year rebate was $3,512 in 2020/2021. A balance of $4,890 remained in this fund at the end of 2020/2021. In 2022/2023 that balance will be used to fund a portion of the annual TIF Administrative and Professional Support costs which will close out this fund.

Tax Increment Fund - H.J. Heinz 2014 Project

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 7,799	$ 8,384	$ 4,784	$ 4,890	$ 4,890
Revenues					
Incremental Taxes	$ 7,685	$ 0	$ 0	$ 0	$ 0
Interest	162	18	0	0	10
Total Revenues	$ 7,847	$ 18	$ 0	$ 0	$ 10
Funds Available	$ 15,646	$ 8,402	$ 4,784	$ 4,890	$ 4,900
Expenditures:					
Tax Rebate - H.J. Heinz	$ 7,262 (1)	$ 3,512 (2)	$ 0	$ 0	$ 0
TIF Administrative and Professional Support Costs	0	0	0	0	4,900
Total Expenditures	$ 7,262	$ 3,512	$ 0	$ 0	$ 4,900
Ending Balance, June 30	$ 8,384	$ 4,890	$ 4,784	$ 4,890	$ 0
Increase (Decrease) in Fund Balance	**$ 585**	**$ (3,494)**	**$ 0**	**$ 0**	**$ (4,890)**

1. Fiscal year 2016/2017 was the first year of a 5-year TIF rebate agreement for H.J. Heinz. Rebate percentages under this agreement were 75%, 60%, 45%, 30%, and 15%, respectively, for each of the five years from 2016/2017 through 2020/2021.
2. The 2020/2021 rebate was the final rebate under this agreement.
3. For 2022/2023, a portion of the TIF Administrative and Professional Support costs will be funded from the Heinz TIF fund which will close out this fund.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – HIGHWAY 38 NORTHEAST AS AMENDED

(INCLUDES VILLAS AT MCC, OTHER IMPROVEMENTS IN THE COLORADO STREET AREA, AND HARRISON LOFTS)

GENERAL INFORMATION:

In April of 2009 the original Highway 38 Northeast Urban Renewal Area was amended to include the Clay and Colorado Street right-of-ways. This area has been further expanded to include specific properties along Colorado Street.

In January of 2011 the City entered into an agreement with the Villas at MCC, LLC to assist in their construction of new student housing facilities off of Colorado Street near Muscatine Community College (MCC). The agreement provides for a rebate of 50% of the incremental taxes for a 10-year period up to a maximum total of $425,000. Fiscal year 2013/2014 was the first year of the rebates under this agreement and the rebate was $22,426. For 2014/2015 it was $21,319, for 2015/2016 the rebate was $20,328, and for 2016/2017 the rebate was $18,959. For 2017/2018 the calculated rebate was $17,616. Only $8,808 of this rebate was paid in 2017/2018 since the 2nd half of the property taxes were not paid. For 2018/2019 the rebate was $15,808. The prior year taxes for 2017/2018 as well as the 2018/2019 taxes were paid in 2018/2019 and the 2nd half of the rebate for 2017/2018 in the amount of $8,808 was also paid in 2018/2019. The rebate for 2019/2020 was $14,899, the rebate for 2020/2021 was $13,685, the estimated rebate for 2021/2022 is $14,400, and the estimated rebate for 2022/2023 is $14,500.

In October of 2016 the City entered into a development agreement with Harrison Lofts, LLC for their construction of a new apartment complex with approximately fifty-two (52) units and to price at least 25% of the units at levels that will be affordable to families of low and moderate income. The City also approved an economic development grant to Harrison Lofts, LLC in the amount of $10,000 to assist them in meeting the local match requirements for their tax credit financing for this project. The City approved an internal advance of $10,000 from this TIF fund for this grant with the advance repaid in June of 2017. The development agreement provides for 15 years of TIF rebates with the first six (6) years at 75% and the final nine (9) years at 70%. The first rebate under this agreement was made in 2019/2020 in the amount of $40,046 and the 2020/2021 rebate was $26,140. The rebate for 2021/2022 is estimated at $27,600 and the estimated rebate for 2022/2023 is $36,000.

In 2012, as part of the planning for the Colorado Street Improvement project, the City acquired a portion of the Pierce Furniture property on Colorado Street. The City used the proceeds from the sale of the former Armory facility to fund a portion of the land acquisition costs. The remaining $80,284 of the land cost was funded from incremental taxes from this TIF district. The City Council approved an internal advance in November of 2012 to finance this portion of the project costs. This loan was repaid over two years with incremental taxes from this TIF area in the amount of $34,227 in 2013/2014 and $46,057 in 2014/2015.

Incremental taxes from this area were also used to fund construction of a new Park Maintenance building at Weed Park. Project costs included $19,900 for architectural services and $392,200 for building construction for a total cost of $412,100. An internal advance funded the project costs with this loan repaid over three years from 2014/2015 through 2016/2017.

For both 2014/2015 and 2015/2016 the City claimed the full amount of incremental taxes available from this TIF area which was $180,138 in 2014/2015 and $283,632 in 2015/2016. This funded the rebates to the Villas

at MCC, the final payment on the internal loan for the Pierce Furniture property acquisition, and the first two payments on the internal loan for the Weed Park Maintenance building. The 2016/2017 budget included the final payment of $37,167 on the internal loan for the Weed Park Maintenance Building project. With the smaller loan payment in 2016/2017, the City claimed less than the full amount of incremental taxes from this TIF area.

CURRENT TRENDS AND ISSUES:

The 2022/2023 budget includes $14,500 for the estimated rebate for the Villas at MCC, LLC and $36,000 for the estimated rebate to Harrison Lofts, LLC. The 2022/2023 rebate to the Villas at MCC will be the final rebate under their agreement. The City continues to claim less than the total of incremental taxes from this area which allows for the balance of the incremental taxes to be considered as regular valuations for each taxing entity.

Tax Increment Fund - Highway 38 Northeast (As Amended)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 11,495	$ 13,397	$ 14,997	$ 15,046	$ 16,946
Revenues					
Incremental Taxes	$ 56,522	$ 41,425	$ 44,000	$ 43,900	$ 50,500
Interest	325	49	0	0	0
Total Revenues	$ 56,847	$ 41,474	$ 44,000	$ 43,900	$ 50,500
Funds Available	$ 68,342	$ 54,871	$ 58,997	$ 58,946	$ 67,446
Expenditures:					
Tax Rebate - Villas at MCC (1)	$ 14,899	$ 13,685	$ 15,000	$ 14,400	$ 14,500 (3)
Tax Rebate - Harrison Lofts (2)	40,046	26,140	29,000	27,600	36,000
Total Expenditures	$ 54,945	$ 39,825	$ 44,000	$ 42,000	$ 50,500
Ending Balance, June 30	$ 13,397	$ 15,046	$ 14,997	$ 16,946	$ 16,946
Increase (Decrease) in Fund Balance	**$ 1,902**	**$ 1,649**	**$ 0**	**$ 1,900**	**$ 0**

1. Fiscal year 2013/2014 was the first year of a 10-year, 50% TIF rebate agreement for Villas at MCC, LLC.
2. Fiscal year 2019/2020 was the first year of a 15-year TIF rebate agreement for Harrison Lofts.
3. The 2022/2023 rebate to the Villas at MCC is the final rebate under this agreement.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – FRIDLEY THEATERS

GENERAL INFORMATION:

In June of 2012, the City entered into an agreement with R.L. Fridley Theaters, Inc. and Fridley Properties, LLC to develop a new multiplex theater facility in the City. The agreement provides for 15 years of incremental tax rebates on this property up to a maximum total of $1,500,000. In the first two years the rebate percentage is 95%, the next two 90%, then two years at 85%, two years at 80%, two years at 60%, one year at 55%, and the final four years at 50%.

The first rebate payment under this agreement was in fiscal year 2015/2016. The incremental value for 2015/2016 was $2,222,820, incremental taxes were $75,432, and the rebate was $67,760. Incremental taxes for 2016/2017 were $81,411 and the rebate was $72,525; for 2017/2018 incremental taxes were $79,083 and the rebate was $66,777; for 2018/2019 the incremental taxes were $79,127 and the rebate was $66,978; for 2019/2020 the incremental taxes were $85,333 and the rebate was $66,089, and for 2020/2021 the incremental taxes were $80,671 and the rebate was $62,239.

For 2021/2022 the incremental taxes were $82,033 and the rebate is $59,681. For 2022/2023 the incremental taxes are estimated at $82,687 and the rebate is estimated at $68,000.

Tax Increment Fund - Fridley Theatres

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 23,153	$ 30,782	$ 37,582	$ 37,593	$ 45,893
Revenues					
Incremental Taxes	$ 73,231	$ 68,974	$ 68,000	$ 67,900	$ 68,000
Interest	487	76	100	100	100
Total Revenues	$ 73,718	$ 69,050	$ 68,100	$ 68,000	$ 68,100
Funds Available	$ 96,871	$ 99,832	$ 105,682	$ 105,593	$ 113,993
Expenditures:					
Tax Rebate - Fridley Theatres (1)	$ 66,089	$ 62,239	$ 68,000	$ 59,700	$ 68,000
Total Expenditures	$ 66,089	$ 62,239	$ 68,000	$ 59,700	$ 68,000
Ending Balance, June 30	$ 30,782	$ 37,593	$ 37,682	$ 45,893	$ 45,993
Increase (Decrease) in Fund Balance	**$ 7,629**	**$ 6,811**	**$ 100**	**$ 8,300**	**$ 100**

1. Fiscal year 2015/2016 was the first year of a 15-year TIF rebate agreement with Fridley Theatres, Inc. Rebate percentages under this agreement decline from 95% to 50% over the rebate period

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – RIVERVIEW HOTEL

GENERAL INFORMATION:

On March 13, 2014, the Muscatine City Council authorized the submission of a pre-application to the Iowa Economic Development Authority (IEDA) for the establishment of an Iowa Reinvestment District in downtown Muscatine. This pre-application provided that the City would (1) establish the Iowa Reinvestment District, (2) approve the District Plan, and (3) find the area in the District that was suitable for development. These documents were submitted with the final application to the IEDA on July 2, 2015 and the City and the IDEA approved the Iowa Reinvestment District contract.

The Reinvestment District project was for the construction of a hotel, conference center, and parking facility by Riverview Hotel Development. The Reinvestment District award provides that up to $10,000,000 in proceeds from the State's 5% share of the hotel/motel tax and 4% of the State sales tax from the project, over the twenty-year period from July 1, 2017 through July 1, 2037, will be returned to the developer (through the City) as economic development payments under the Reinvestment District program. The Reinvestment District funds are accounted for in a separate Riverview Reinvestment District Special Revenue fund.

The City of Muscatine and Riverview Hotel Development also entered into a development agreement which provides tax increment financing (TIF) rebates to the developer. The Merrill Hotel and Conference Center opened in March of 2018.

CURRENT TRENDS AND ISSUES:

The City entered into a development agreement with Muscatine Riverview Hotel Development in December of 2014 and this agreement was amended in June of 2017. The final agreement provides for twenty years of tax increment rebates in an amount not to exceed $6,150,000. In the first five years of the agreement 100% of the incremental taxes will be rebated, in years six and seven the rebate is 95%, in years eight through fifteen the rebate is 75%, and in years sixteen through twenty the rebate is 50%. The first rebate under this agreement was in fiscal year 2019/2020 for $599,403. The amended development agreement provided that $67,500 be deducted from the first year rebate to reimburse the City for the local match for the Mercer Muscatine Revolving Fund loan that the City paid in March of 2015. With this provision, the rebate to Muscatine Hotel Development in 2019/2020 was $531,903 and $67,500 was transferred to the City capital project fund to reimburse the City for the matching funds for the loan. Fiscal year 2020/2021 was the 2nd year under this agreement and the rebate was $639,448.

The estimated rebate for 2021/2022 is $662,400 and for 2022/2023 the estimated rebate is $520,000. Rebates under this development agreement are subject to annual appropriation.

Tax Increment Fund - Riverview Hotel Development

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 1,018	$ 1,018	$ 1,233	$ 1,233
Revenues					
Incremental Taxes	$ 599,403	$ 639,448	$ 680,000	$ 662,400	$ 520,000
Interest	1,018	215	0	0	0
Total Revenues	$ 600,421	$ 639,663	$ 680,000	$ 662,400	$ 520,000
Funds Available	$ 600,421	$ 640,681	$ 681,018	$ 663,633	$ 521,233
Expenditures:					
TIF Rebate - Riverview Hotel Developmen	$ 531,903 (1)	$ 639,448	$ 680,000	$ 662,400	$ 520,000
Transfer Out:					
Mercer/Muscatine Loan Match Reimbursement	67,500 (2)	0	0	0	0
Total Expenditures	$ 599,403	$ 639,448	$ 680,000	$ 662,400	$ 520,000
Ending Balance, June 30	$ 1,018	$ 1,233	$ 1,018	$ 1,233	$ 1,233
Increase (Decrease) in Fund Balance	**$ 1,018**	**$ 215**	**$ 0**	**$ 0**	**$ 0**

1. Fiscal year 2019/2020 was the first year of a 20-year TIF rebate agreement with Riverview Hotel Development.
2. Per the Development Agreement with Riverview Hotel Development, payment for the first year of the rebat was reduced by $67,500, which was the local match the City paid for the Mercer/Muscatine Loan for this project

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – NORTH UNIVERSITY AREA

GENERAL INFORMATION:

In February of 2017, the City entered into a development agreement with HNI Corporation to assist HNI in the expansion of their facilities on North University Drive. The agreement provides for 10 years of incremental tax rebates on this property up to a maximum total of $3,811,000. The rebate percentage is 50% of the incremental taxes for each of the ten years under this agreement.

The first rebate payment under this agreement was made in fiscal year 2019/2020 in the amount of $77,473 and the rebate for 2020/2021 was $66,706. For 2021/2022 the estimated rebate is $76,600 and for 2022/2023 the rebate is estimated at $80,000. Rebates under this agreement are subject to annual appropriation.

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Tax Increment Fund - North University

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 3,769	$ 7,869	$ 8,034	$ 11,234
Revenues					
Incremental Taxes	$ 81,147	$ 70,946	$ 80,000	$ 79,800	$ 80,000
Interest	95	25	0	0	0
Total Revenues	$ 81,242	$ 70,971	$ 80,000	$ 79,800	$ 80,000
Funds Available	$ 81,242	$ 74,740	$ 87,869	$ 87,834	$ 91,234
Expenditures:					
TIF Rebate - HNI	$ 77,473 (1)	$ 66,706	$ 80,000	$ 76,600	$ 80,000
Total Expenditures	$ 77,473	$ 66,706	$ 80,000	$ 76,600	$ 80,000
Ending Balance, June 30	$ 3,769	$ 8,034	$ 7,869	$ 11,234	$ 11,234
Increase (Decrease) in Fund Balance	**$ 3,769**	**$ 4,265**	**$ 0**	**$ 3,200**	**$ 0**

1. Fiscal year 2019/2020 was the first year of a 10-year 50% TIF rebate agreement with HNI.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – WDS URBAN RENEWAL AREA

GENERAL INFORMATION:

In April of 2018, the City entered into a development agreement with White Distribution & Supply, LLC for the expansion of their manufacturing and warehouse facilities. The agreement provides for 10 years of incremental tax rebates on this property up to a maximum total of $445,000. The rebate percentage is 50% of the incremental taxes for each of the ten years under this agreement.

The first rebate under this agreement was in fiscal year 2020/2021 for $48,023. The estimated rebate for 2021/2022 is $50,200 and the rebate is estimated at $54,000 for 2022/2023. Rebates under this agreement are subject to annual appropriation.

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Tax Increment Fund - WDS Urban Renewal Area

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 5,100	$ 5,187	$ 8,887
Revenues					
Incremental Taxes	$ 0	$ 53,210	$ 54,000	$ 53,900	$ 54,000
Interest	0	0	0	0	0
Total Revenues	$ 0	$ 53,210	$ 54,000	$ 53,900	$ 54,000
Funds Available	$ 0	$ 53,210	$ 59,100	$ 59,087	$ 62,887
Expenditures:					
TIF Rebate - White Distribution	$ 0	$ 48,023 (1)	$ 54,000	$ 50,200	$ 54,000
Total Expenditures	$ 0	$ 48,023	$ 54,000	$ 50,200	$ 54,000
Ending Balance, June 30	$ 0	$ 5,187	$ 5,100	$ 8,887	$ 8,887
Increase (Decrease) in Fund Balance	**$ 0**	**$ 5,187**	**$ 0**	**$ 3,700**	**$ 0**

1. Fiscal year 2020/2021 was the first year of a 10-year 50% TIF rebate agreement for White Distribution & Supply LLC.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – HERSHEY BUILDING PROJECT

GENERAL INFORMATION:

In May of 2019, the City entered into a development agreement with Hershey Property, LLC and Bush Development, LLC for the redevelopment of the Hershey Building located in downtown Muscatine. The Hershey Lofts project was substantially completed in early 2020, and included converting the upper floors of this building into market-rate rental units with the lower floors redeveloped into commercial spaces. The original 10-year agreement provided for the rebate of 100% of the incremental taxes on this property up to a maximum total of $500,000. The developer requested the maximum rebate amount in the development agreement be increased to $700,000 since they did not receive a portion of the tax credits anticipated and the actual taxable value being higher than projected. The City Council formally amended the Development Agreement in March of 2021 to increase the maximum total of the rebates under the agreement to $700,000.

The first rebate under this agreement will be in fiscal year 2021/2022 and is estimated at $93,100. For 2022/2023 the rebate is estimated at $76,000. Rebates under this agreement are subject to annual appropriation.

Tax Increment Fund - Hershey Building

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Incremental Taxes	$ 0	$ 0	$ 75,000	$ 93,100	$ 76,000
Interest	0	0	0	0	0
Total Revenues	$ 0	$ 0	$ 75,000	$ 93,100	$ 76,000
Funds Available	$ 0	$ 0	$ 75,000	$ 93,100	$ 76,000
Expenditures:					
TIF Rebate	$ 0	$ 0	$ 75,000 (1)	$ 93,100	$ 76,000
Total Expenditures	$ 0	$ 0	$ 75,000	$ 93,100	$ 76,000
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Fiscal year 2021/2022 is the first year of a 10-year 100% TIF rebate agreement with Bush Development, LLC and Hershey Property, LLC.

SPECIAL REVENUE FUNDS

TAX INCREMENT FINANCING (TIF) FUND – TIF OAK PARK

GENERAL INFORMATION:

In April of 2019 the City approved the amended development agreement with TIF Oak Park/JNP Oak Park LP for their construction of a new senior living complex consisting of 16 triplexes and a clubhouse, to be priced affordable to people of low and moderate income. The development agreement provides for 15 years of TIF rebates at 70% of the incremental taxes. The first rebate under this agreement will be made in 2022/2023. Rebates are subject to annual appropriation.

CURRENT TRENDS AND ISSUES:

The 2022/2023 budget includes $28,000 for the estimated first year rebate to TIF Oak Park/JNP Oak Park LP for their development of the senior living complex.

Tax Increment Fund - Oak Park

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Incremental Taxes	$ 0	$ 0	$ 0	$ 0	$ 28,000
Interest	0	0	0	0	0
Total Revenues	$ 0	$ 0	$ 0	$ 0	$ 28,000
Funds Available	$ 0	$ 0	$ 0	$ 0	$ 28,000
Expenditures:					
TIF Rebate	$ 0	$ 0	$ 0	$ 0	$ 28,000
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 28,000
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Fiscal year 2022/2023 is the first year of a 15-year 70% TIF rebate agreement with TIF Oak Park/JNB Oak Park LP.

SPECIAL REVENUE FUNDS

RIVERVIEW REINVESTMENT DISTRICT FUND

GENERAL INFORMATION:

On March 13, 2014, the Muscatine City Council authorized the submission of a pre-application to the Iowa Economic Development Authority (IEDA) for the establishment of an Iowa Reinvestment District in downtown Muscatine. This pre-application provided that the City would (1) establish the Iowa Reinvestment District, (2) approve the District Plan, and (3) find the area in the District that was suitable for development. These documents were submitted with the final application to the IEDA and on July 2, 2015 the City and the IDEA approved the Iowa Reinvestment District contract.

The Reinvestment District project was for the construction of a hotel, conference center, and parking facility by Riverview Hotel Development. The Reinvestment District award provides that up to $10,000,000 in proceeds from the State's 5% share of the hotel/motel tax and 4% of the State sales tax from the project, over the twenty-year period from July 1, 2017 through July 1, 2037, will be returned to the developer (through the City) as economic development payments under the Reinvestment District program.

The City of Muscatine and Riverview Hotel Development have also entered into a development agreement which provides tax increment financing (TIF) rebates to the developer. Those funds are accounted for in a separate Tax Increment Fund.

CURRENT TRENDS AND ISSUES:

The Merrill Hotel and Conference Center opened in March of 2018. The Reinvestment District proceeds for 2017/2018 were $4,124 for the short period of time the hotel was open in that fiscal year and those funds were forwarded to Riverview Hotel Development. The Reinvestment District proceeds for 2018/2019 were $110,274, in 2019/2020 were $162,673, and in 2020/2021 were $92,702. The decrease in Reinvestment District proceeds starting in March of 2018 is attributed to the COVID-19 pandemic. The funds received for these years were forwarded to Riverview Hotel Development.

The amounts shown as Reinvestment District proceeds and payments to the Riverview Hotel Development for 2021/2022 and 2022/2023 ($200,000 for both years) are estimated amounts. The actual revenues the City receives from the Iowa Economic Development Authority will be remitted to Riverview Hotel Development as they are received.

Riverview Reinvestment District Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Reinvestment District Proceeds (1)	$ 162,673	$ 92,702	$ 200,000	$ 200,000	$ 200,000
Total Revenues	$ 162,673	$ 92,702	$ 200,000	$ 200,000	$ 200,000
Funds Available	$ 162,673	$ 92,702	$ 200,000	$ 200,000	$ 200,000
Expenditures					
Riverview Hotel Development (1)	162,673	92,702	200,000	200,000	200,000
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

1. Amounts shown as revenues and expenditures reflect actual and projected amounts for the State's share of hotel/motel tax (5%) and 4% of the State's share of the sales tax. These funds are paid to the City by the State and the City forwards those funds to the hotel developer per the Reinvestment District agreement. The Merrill Hotel and Conference Center opened in March of 2018.

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

GENERAL INFORMATION:

The Community Development Block Grant Fund was established to account for the monies received under the Community Development Block Grant Program (CDBG). Prior to State administration of Community Development funds, entitlement monies were allocated throughout the community. Improvements funded by discretionary monies, however, were directed toward six (6) target areas. The areas were the Franklin School Area, Mad Creek Area, Madison School neighborhood, Garfield School neighborhood, the Midtown Heart and Tree of Hope neighborhood, and the Riverbend neighborhood. The last CDBG grant, which funded housing rehabilitation projects in the Riverbend target area, was closed out in fiscal year 2010/2011.

In 2020/2021 a CDBG grant was awarded to the City to be used to assist local non-profit entities with distributing food and providing medical services during the COVID-19 pandemic. Grant funds totaling $49,937 were received and distributed to these non-profit entities. This grant has been closed out.

CURRENT TRENDS AND ISSUES:

The City has not had an active CDBG grant for housing rehabilitation since 2010/2011. Provisions of prior CDBG grants, however, included requirements for home owners to repay a prorated portion of the cost of their grant-funded housing improvements if they did not remain in their homes for the specified number of years after their homes were rehabilitated. The balance in this fund reflects the cumulative balance of the repayments received from these property owners. The City may use these funds for housing-related purposes as specified in the City's CDBG Revenue Reuse Plan. The 2021/2022 revised estimate and the 2022/2023 budget include $14,000 and $12,000, respectively, in transfers to the City's Home Ownership program to be used to assist with down payment and closing costs for individuals meeting income requirements that complete the home ownership program and purchase a home. The balance in this fund is estimated at $5,195 on June 30, 2023.

Community Block Grant Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 30,643	$ 31,121	$ 29,221	$ 31,195	$ 17,195
Revenues					
Community Development Block Grant for COVID Relief	$ 0	$ 49,937	$ 0	$ 0	$ 0
Interest	578	74	100	0	0
Total Revenues	$ 578	$ 50,011	$ 100	$ 0	$ 0
Funds Available	$ 31,221	$ 81,132	$ 29,321	$ 31,195	$ 17,195
Expenditures					
Operating Expenditures	$ 100	$ 49,937	$ 0	$ 0	$ 0
Transfers Out:					
Home Ownership Program	0	0	2,000	14,000	12,000
Sunset Park Children's Education Program	0	0	1,500	0	0
Total Expenditures	$ 100	$ 49,937	$ 3,500	$ 14,000	$ 12,000
Ending Balance, June 30	$ 31,121	$ 31,195	$ 25,821	$ 17,195	$ 5,195
Increase (Decrease) in Fund Balance	**$ 478**	**$ 74**	**$ (3,400)**	**$ (14,000)**	**$ (12,000)**

SPECIAL REVENUE FUNDS

SMALL BUSINESS FORGIVABLE LOAN PROGRAMS

GENERAL INFORMATION:

In 2013/2014 the City of Muscatine started a Small Business Forgivable Loan program in order to promote in-fill and redevelopment in targeted areas throughout Muscatine. The loans under this program are for building improvements and startup costs associated with the creation of a new business or to existing businesses significantly expanding into a new market, product, or service. Businesses can obtain a loan for up to $25,000 for the business for a term of 5 years with 20% of the original loan forgiven annually on the anniversary of the origination of the loan. Funds are allocated up to $15,000 for startup costs and up to $10,000 for code compliance. Businesses receiving funding must be new businesses or be significantly expanding business operations to be eligible. Applicants must meet one-to-one (applicant investment v. grant funding which may be waived in whole or in part by the City Administrator upon recommendation of the committee). Inventory is not an eligible grant funded expense but does count toward the match. The loan program objectives are to:

- Improve Building Infrastructure
- Assist with Capital Equipment Purchases
- Offset Cost of Historic Building Preservation
- Offset Cost to Address ADA Access Issues
- Offset Cost of Fire Code Compliance, Sprinkler Systems, Egress Issues
- Allow Businesses to Allocate Additional Funds to Grow and Expand Business

In 2019 a Small Business Forgivable Loan Program was added for Code Compliance and ADA improvements for small businesses located in designated blighted areas of the City.

A new forgivable loan program was created in 2020 for small business owners on Second Street for façade improvements to their buildings.

CURRENT TRENDS AND ISSUES:

The City has allocated $100,000 in annual funding for the original Small Business Forgivable Loan program since 2014/2015. Funding for this program is from incremental taxes received in the Southend Tax Increment fund (TIF).

In 2019 another Small Business Forgivable Loan program was created specifically for City Code compliance and ADA improvements to small businesses in designated blighted areas of the City. The annual allocations for this program are $50,000 beginning in 2019/2020. These allocations are also funded from Southend TIF funds.

A Small Business Forgivable Loan program for Second Street façade improvements was also created with $100,000 in annual funding from Southend TIF funds. Fiscal year 2020/2021 was the first year for this program.

The City's November 2018 Urban Renewal Plan Amendment included a total of $600,000 for the original Small Business Forgivable Loan Program. The plan was to use $100,000 per year for the Small Business Forgivable Loan Program from 2018/2019 through 2023/2024. The $100,000 allocations were made for

2018/2019 and 2019/2020. The remaining $400,000 was approved to be re-directed and used for the new "Economic Assistance for Muscatine Small Business" program for small businesses impacted by the COVID-19 public health crisis. Local businesses could apply for a one-time forgivable loan up to $2,500. Ninety-four (94) loans were approved for a total of $231,257. The Urban Renewal Plan was again amended in 2021 to restore the $100,000 per year in annual funding for the Small Business Forgivable Loan program through 2024.

The Urban Renewal Plan was amended again in January 2022 to provide funding to assist businesses located along the Grandview Avenue Corridor that have been significantly impacted by street reconstruction work and that also continue to be impacted by the pandemic. Reconstruction of Grandview Avenue began in the spring of 2021 and is expected to continue through calendar year 2022. The forgivable loan program for businesses along this corridor provides for loans up to $10,000 per business to a maximum of $200,000 with funding from the Southend Tax Increment fund (TIF).

Any unspent funds from annual allocations for any of the forgivable loan programs are carried forward to the following year. Any loan repayments are also credited back to this fund and are used to supplement the annual TIF allocations for these programs.

Separate fund statements for each of the three forgivable loan programs follow.

Small Business Forgivable Loan Program - General

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 87,533	$ 118,590	$ 0	$ 201,528	$ 0
Revenues					
Reimbursement of Expenses	$ 5,000	$ 20,000	$ 0	$ 1,050	$ 0
Interest	857	256	0	0	0
Miscellaneous	0	35	0	0	0
Transfers In:					
Southend Tax Increment Funds	100,000	100,000	100,000	100,000	100,000
Southend Tax Increment Funds - COVID-19 Loans (1)	231,257	0	0	0	0
Southend Tax Increment Funds - Grandview Corridor (2)	0	0	0	200,000	0
Total Revenues	$ 337,114	$ 120,291	$ 100,000	$ 301,050	$ 100,000
Funds Available	$ 424,647	$ 238,881	$ 100,000	$ 502,578	$ 100,000
Expenditures					
Small Business Loans	$ 74,800	$ 37,353	$ 100,000	$ 302,578	$ 100,000
Economic Assistance for Small Businesses (1)	231,257	0	0	0	0
Economic Assistance - Grandview Avenue Corridor (2)	0	0	0	200,000	0
Total Expenditures	$ 306,057	$ 37,353	$ 100,000	$ 502,578	$ 100,000
Ending Balance, June 30	$ 118,590	$ 201,528	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 31,057**	**$ 82,938**	**$ 0**	**$ (201,528)**	**$ 0**

1. In 2020 this forgivable loan program was expanded to allow for one-time forgivable loans of up to $2,500 to be awarded to small businesses impacted by the COVID-19 pandemic. Ninety-four (94) forgivable loans were awarded under this one-time program.
2. In 2022 this forgivable loan program was expanded to allow one-time forgivable loans of up to $10,000 to assist businesses located along Grandview Avenue that have been significantly impacted by street reconstruction work and that also continue to be impacted by the COVID-19 pandemic.

Small Business Forgivable Loan Program - Code Compliance (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 30,000	$ 0	$ 60,085	$ 0
Revenues					
Interest	$ 0	$ 85	$ 0	$ 0	$ 0
Transfers In:					
Southend Tax Increment Funds	50,000	50,000	50,000	50,000	50,000
Total Revenues	$ 50,000	$ 50,085	$ 50,000	$ 50,000	$ 50,000
Funds Available	$ 50,000	$ 80,085	$ 50,000	$ 110,085	$ 50,000
Expenditures					
Small Business Loans	$ 20,000	$ 20,000	$ 50,000	$ 110,085	$ 50,000
Miscellaneous	0	0	0	0	0
Total Expenditures	$ 20,000	$ 20,000	$ 50,000	$ 110,085	$ 50,000
Ending Balance, June 30	$ 30,000	$ 60,085	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 30,000**	**$ 30,085**	**$ 0**	**$ (60,085)**	**$ 0**

1. This Small Business Program was created in 2019 to provide forgivable loans to qualifying small business owners in blighted areas of the City for City Code compliance and ADA improvements to their businesses.

Small Business Forgivable Loan Program - Second Street Façade Improvements (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 100,000	$ 0
Revenues					
Interest	$ 0	$ 0	$ 0	$ 0	$ 0
Transfers In:					
Southend Tax Increment Funds	0	100,000	100,000	100,000	100,000
Total Revenues	$ 0	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Funds Available	$ 0	$ 100,000	$ 100,000	$ 200,000	$ 100,000
Expenditures					
Small Business Loans	$ 0	$ 0	$ 100,000	$ 200,000	$ 100,000
Miscellaneous	0	0	0	0	0
Total Expenditures	$ 0	$ 0	$ 100,000	$ 200,000	$ 100,000
Ending Balance, June 30	$ 0	$ 100,000	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 100,000**	**$ 0**	**$ (100,000)**	**$ 0**

1. This Small Business Program was created in order to provide forgivable loans to qualifying small business owners on Second Street to make façade improvements to their buildings.

SPECIAL REVENUE FUNDS

POLICE FORFEITURE FUND

GENERAL INFORMATION:

Under guidelines from the U.S. Department of Justice and provisions of the State Code of Iowa, the City of Muscatine Police Department may receive proceeds from seized and forfeited money and property. Various procedures are required to be followed before a determination is made as to whether the proceeds from the seized property are awarded to the various law enforcement agencies. Additionally, if more than one law enforcement agency is involved in the seizure of property, proceeds are distributed to each agency involved on a percentage basis.

Local law enforcement agencies are specifically required to use these funds to supplement and not supplant the existing funding for law enforcement activities. In effect, these funds are required to be used for purchases outside the department's operating budget and may not be used to fund purchases included in the police department's annual budget.

This fund was established as a budgeted fund for the first time in fiscal year 1995/96 at the recommendation of the City's auditors in order to comply with provisions in the State Code of Iowa.

CURRENT TRENDS AND ISSUES:

The 2018/2019 expenditures included a $25,000 transfer to the City’s Equipment Replacement Fund for a portion of the City’s cost of a Ballistic Armored Tactical Transport Vehicle for the joint City-County Special Response Team. This purchase was funded from $100,000 in private donations, $50,000 from the Muscatine County Sheriff’s department, $25,000 from a transfer from the Police operations budget, and $25,000 from a transfer from the Police Forfeitures fund. In 2019/2020, $3,808 was expended from this fund. No purchases were made from this fund in 2020/2021.

The 2021/2022 and 2022/2023 budgets each include an estimated $5,000 in forfeiture fund revenues and expenditures. The actual expenditures, however, will be dependent on the amount of funds received from seized and forfeited property.

The estimated fund balance in the Police Forfeiture fund is $10,935 on June 30, 2023.

Police Forfeitures Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 14,731	$ 10,929	$ 5,929	$ 10,935	$ 10,935
Revenues					
Forfeiture Funds	$ 0	$ 0	$ 5,000 (1)	$ 5,000 (1)	$ 5,000 (1)
Interest	6	6	0	0	0
Total Revenues	$ 6	$ 6	$ 5,000	$ 5,000	$ 5,000
Funds Available	$ 14,737	$ 10,935	$ 10,929	$ 15,935	$ 15,935
Expenditures					
Forfeiture Expenditures	$ 3,808	$ 0	$ 5,000 (1)	$ 5,000 (1)	$ 5,000 (1)
Total Expenditures	$ 3,808	$ 0	$ 5,000	$ 5,000	$ 5,000
Ending Balance, June 30	$ 10,929	$ 10,935	$ 5,929	$ 10,935	$ 10,935
Increase (Decrease) in Fund Balance	**$ (3,802)**	**$ 6**	**$ 0**	**$ -**	**$ 0**

1. Amounts for the 2021/2022 and 2022/2023 budgets reflect an estimated amount for forfeitures and expenditures. Actual amounts expended will be based on forfeiture funds received.

SPECIAL REVENUE FUNDS

MUNICIPAL HOUSING AGENCY

GENERAL INFORMATION:

The Muscatine Municipal Housing Agency (MMHA) is the HUD sanctioned Housing Authority for the County of Muscatine. The Agency is administered by the City's Housing department with City Council acting as the Agency Board of Commissioners with the advice of the Public Housing Resident Advisory Board. The Housing department is responsible for managing City and not-for-profit public housing, rental assisted privately owned housing, the home ownership program, and assisting with the Housing Code Enforcement program. The Municipal Housing funds support staff and operational expenses which are incurred to implement the housing programs.

All code and rehabilitation activities of the Community Development department complement the Housing department's goals and objectives. These goals and objectives are to assure that the citizens of the City have a safe, decent, sanitary, and energy efficient place to live in a stable, vital, and secure neighborhood of their choice, at a price they can afford, and with reasonable access to employment, recreation, cultural opportunities, and goods and services.

PUBLIC HOUSING

The City's Public Housing units consist of the eleven (11) story, 100 unit Clark House for the near elderly and elderly and the fifty (50) unit very low income Sunset Park family project. The City also provides management services for the Hershey Board, a not-for-profit organization, for Hershey Manor, a fifty (50) unit apartment building for the elderly or handicapped. This facility is managed by the City through a contractual agreement with the Hershey Board.

CLARK HOUSE - An eleven (11) story apartment complex consisting of ninety-eight (98) one-bedroom and two (2) two-bedroom units for the near-elderly and elderly was opened in May of 1977. Debt service on the construction of the building was funded by the federal government with annual operating expenditures funded from project revenues. Milestones Area Agency on Aging has a meal site in the building. The Clark House also serves as a community-wide elderly activity center. Funding for improvements at this facility has been provided from Department of Housing and Urban Development (HUD) grants under the Capital Funds Program. Over the past several years, funding from this program has provided for renovation and replacement of various structural and mechanical items in this facility. HUD also provides an annual operating subsidy for the City's public housing program which includes the Clark House and Sunset Park.

The 2021/2022 revised estimate expenditures for the Clark House are over the budgeted amount by $27,915. This overall increase is due to (1) an $18,530 decrease in personal services costs, (2) a $160 decrease in commodities, (3) a $35,605 increase in contractual services, and (4) an $11,000 increase in capital outlay. The decrease in personal services is due to employee turnover and vacancies. The contractual services increase includes a $20,000 increase in pest control services to address several bedbug infestations. The capital outlay increase is for repairs to the garage flooring.

The Clark House budgeted expenditures for fiscal year 2022/2023 total $643,720 which is $49,590 (7.2%) less than the original 2021/2022 budget. The budget includes an increase of $3,800 in personal services costs, a reduction of $750 in commodities, an increase of $31,360 in contractual services, and a decrease of $84,000 in capital outlay. The capital outlay allocation of $71,000 includes funds for apartment rehabilitation including appliance replacements as needed ($21,000), funds for Americans with Disabilities Act (ADA)

improvements ($20,000), new flooring in the common areas ($20,000), and $10,000 to replace five of the apartment air conditioning units.

The 2021/2022 revised estimate revenues for the Clark House are $140,505 more than the original budget. The HUD Operating subsidy of $198,900 is $88,900 more than the original budget. The HUD capital funds allocation of $183,100 is $16,510 more than the original budget. The revenue increase also includes $9,645 in CARES Act funds and $28,200 from an insurance reimbursement. These increases were partially offset by a decrease in tenant rents ($2,000), a $300 decrease in interest revenue, and a $450 decrease in miscellaneous revenues. Tenant rents are based on tenant incomes according to HUD public housing program regulations.

The 2022/2023 budgeted revenues for the Clark House total $706,050, which is $78,200 more than the original 2021/2022 budget. The increase is primarily due to an increase in the HUD operating subsidy ($70,000) and an increase in HUD capital funds ($9,200). The 2022/2023 budget includes an estimated $180,000 in HUD operating subsidy funding and an estimated $175,800 in HUD capital funds. The 2022/2023 budgeted revenues also include $310,000 in rents, $27,700 in cell tower rents, $4,000 in office space rental income, and $8,550 in other income, primarily laundry fees.

The Clark House and Sunset Park are considered one project by HUD for accounting purposes. In the 2021/2022 revised estimate the combined Clark House and Sunset Park revenues are $1,229,305 and the combined expenditures are $1,132,335. This will result in an estimated $96,970 increase in the operating reserve to $674,522 at the end of 2021/2022.

The 2022/2023 budgeted expenditures for the Clark House and Sunset Park total $1,079,670 and revenues are budgeted at $1,107,950. This will increase the operating reserve by $28,280 to $702,802 at the end of 2022/2023. The combined public housing revenue estimate includes a total of $293,000 of HUD capital funds, $367,200 in HUD operating subsidy, and $405,000 in rents.

Housing staff will continue to monitor average tenant rent levels as well as operating expenditures at both public housing facilities.

SUNSET PARK - The Sunset Park housing units are located on Houser Street north of the Muscatine Slough. The Sunset Park facility is a 50-unit apartment complex consisting of two, three, and four bedroom units for very low income families. The facility is funded similar to the Clark House. The federal government funded the debt service for the construction. Rental income is used to provide funds for the operation and maintenance of the facility.

The 2021/2022 revised estimate expenditures for Sunset Park are $120,680 more in total than the original budget. Personal services costs are $2,190 more than the original budget, commodities are $3,850 more, contractual services increased by $12,940, and capital outlay is $101,700 more than the original budget. The increase in capital outlay includes $25,200 for a truck that was carried forward from the 2020/2021 budget. The capital outlay increase also includes $55,800 to update the playground equipment, $4,400 for three water heaters, and flooring and vandalism repairs ($16,300) to be funded from the Coronavirus Aid, Relief, and Economic Security (CARES) Act allocation for public housing.

The 2022/2023 Sunset Park budgeted expenditures are $145,520 (50.1%) more than the original 2021/2022 budget. This overall increase is the result of (1) a $16,050 increase in personal services costs, (2) a $250 increase in commodities, (3) a $24,220 increase in contractual services, and (4) a $105,000 increase in capital outlay. The 2022/2023 capital outlay allocation totals $141,000 and includes $21,000 for apartment rehabilitation including appliance replacements as needed, $20,000 for foundation repairs, and $100,000 to replace the exterior lighting.

Revised estimate revenues for Sunset Park are $177,140 more than the original budget. The HUD operating subsidy and HUD capital funds increased by $155,870, other revenues increased by $2,350, and Sunset Park also received funding from the CARES Act in the amount of $18,920 that was not included in the original budget.

Revenues for Sunset Park for 2022/2023 are estimated at $401,900, which includes $95,000 in rents, $187,200 in HUD operating subsidy, $117,200 in HUD capital funds, and $2,500 in other revenues. Tenant rents are based on tenant incomes according to HUD public housing program regulations.

HERSHEY MANOR - The site for this project was formerly occupied by the Hershey Nursing Home near the intersection of Parham Street and Mulberry Avenue. The site was rezoned by the City in 1982 to accommodate this elderly/handicapped housing project. The Hershey Board, a non-profit organization, discontinued the nursing home operation and the structure was demolished in 1983. This project, unlike the Clark House and Sunset Park projects, requires that the housing program make principal and interest payments for the construction of the facility.

Since 1983, the City has provided management services for this facility at the request of the Hershey Board. All costs associated with the operation of the project are charged directly to the Hershey Manor Housing fund, including a payment to the City of 5% of the operating revenues of the project as a management fee according to the City's current agreement with the Hershey Board. From this management fee, the City funded 10% of the Housing Administrator's wages and benefits through the 2018/2019 year with the remainder of the management fee credited to the General Fund to fund accounting and general administrative costs. With the promotion of the Housing Administrator to Community Development Director, 10% of that new position was funded from the Hershey management fee in fiscal year 2019/2020. In 2019/2020, 10% of the Housing Program Manager's time was also funded from the management fee. Beginning in 2020/2021, the Community Development Director is no longer being funded from the management fee, only the 10% allocation of the Housing Program Manager. In addition to the allocation of the Housing Program Manager funded from the management fee, staff consists of a half-time Custodian, 50% of a Housing Specialist, 25% of the Maintenance Supervisor, and 10% of the fulltime Maintenance Repairperson.

The loan for the Hershey Manor project was last refinanced effective December 1, 2014 under HUD's interest rate reduction program, which reduced the interest rate from 6.0% to 4.25%. Housing staff is currently working with HUD and the mortgage company to arrange for another refinancing in order to have funding to replace the HVAC system and also replace the windows in this facility. The 2021/2022 budget included estimated principal and interest payments on the re-financed loan beginning in July of 2021. The refinancing loan, however, was delayed. The 2022/2023 budget is based on the refinancing loan being completed by June 30, 2022. The final closing date for the loan, however, has not yet been determined. The 2022/2023 budget includes estimated principal and interest payments on the re-financed loan with an estimated 2.45% interest rate.

The revised estimate expenditures are $20,380 less than the original budget. There were increases and decreases throughout the budget. The net decrease is due to (1) a $2,730 increase in personal services, (2) a $17,850 decrease in commodities, (3) a $10,280 increase in contractual services, (4) a $15,000 decrease in capital outlay, and (5) a $540 decrease in interest expense.

The budgeted expenditures for fiscal year 2022/2023 of $392,860 are $5,890 (1.5%) more than the original 2021/2022 budget. Increases and decreases include (1) a $12,640 increase in personal services costs, (2) a $19,900 decrease in commodities, (3) a $3,600 increase in contractual services, and (4) a $9,550 increase in interest and mortgage insurance. The capital outlay allocation of $28,000 is for apartment rehabilitation including appliance replacements as needed. The debt service principal, interest, and mortgage insurance

amounts are based on a refinanced loan with a 2.45% interest rate. The debt service costs will be updated when the debt payments and final interest rates for the new mortgage are finalized.

Revenues for 2021/2022 include $196,100 in rental payments from the tenants and an estimated $245,080 through HUD Section 8 housing assistance payments. The apartments rent for a fair market value established by HUD. Tenants pay 30% of their income for rent with the difference between the tenant rent and the fair market rent subsidized by Section 8 funds. Effective June 1, 2018 the fair market rent was set at $785. It increased to $803 on June 1, 2019 and further increased to $817 effective June 1, 2020. The fair market rent increased again to $833 effective June 1, 2021 and will increase to $853 effective June 1, 2022.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

The City's Section 8 Housing Choice Voucher Program enables the City to assist up to three hundred seventy-six (376) very low-income individuals and families, who reside in Muscatine County, to live in standard privately owned housing of their choice, suitable to their needs, and within their ability to pay. The program assists families, elderly, and eligible handicapped whose incomes do not exceed 50% of the area's median income at the time of admission (very low income families). The program participants seek their own housing within the County and are free to move to units that are more desirable at the end of the lease period.

Under the Section 8 program, tenants and landlords enter into a lease agreement establishing the terms and conditions of the lease and the landlords enter into a contract with the City for the rental assistance. The property owners retain control over their property and approve the tenants. Rents including utilities are established for various bedroom sized units by HUD. HUD provides funding for the program including the housing assistance payment (difference between the amount the eligible families and individuals pay toward rent, 30% to 40% of income, and the rent) and administration of the program.

In calendar year 2012 HUD made changes to how the Section 8 Voucher program funds are distributed to housing agencies. Housing agencies are required to separately account for the housing assistance payments (HAPS) funds and HUD funds for administration of the program. As part of the HUD funding for 2012, housing agencies were required to use previous year unspent HAP funds to fund a portion of that year's HAP payments. HUD now holds each housing authority's HAPS reserve and any unspent HAP funding on hand is considered net restricted assets.

HUD funds for administration of the program have varied in recent years. The Administrative Reserve was $115,089 at the end of 2019/2020 and it increased to $132,154 at the end of 2020/2021. At the time the budget is being completed, the Administrative Reserve is expected to increase to $149,384 at the end of 2021/2022 and then decrease to $131,089 at the end of 2022/2023. These amounts are based on funding estimates available when the budget is being prepared. Housing staff will continue to closely monitor HUD funding and expenditures for this program.

Federal contributions for fiscal year 2022/2023 are estimated at $1,999,900 for the Section 8 Voucher Program, which includes $1,771,000 for housing assistance payments (HAPS) and $228,900 for administration of the program. These are budget estimates based on information available at the time the budget was prepared. The Section 8 Voucher Program budget for housing assistance payments will be adjusted if the HUD funds are lower or higher than the budget estimates. It is uncertain whether the HUD administrative fee will remain the same, decrease, or increase in calendar years 2022 and 2023. Depending on the amount of HUD administrative funds allowed, reductions in administrative costs, including staffing, would need to be considered. Based on the current average rent subsidy and the estimated calendar year 2022 funding, the City has not been provided sufficient HUD funds to provide housing assistance to the maximum

number of individuals or families possible (376). The goal of the Housing staff is to maximize usage of the HUD funds awarded and to strive to obtain increased funding for housing assistance payments each year.

SECTION 8 FAMILY SELF-SUFFICIENCY PROGRAM

In 2010/2011, the Housing department was notified that funding had been awarded to begin a Family Self-Sufficiency (FSS) program for the Section 8 Housing Choice Voucher Program. FSS is a HUD program that encourages communities to develop local strategies to help voucher families obtain employment that will lead to economic independence and self-sufficiency. Public Housing Authorities (PHAs) work with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program that gives FSS family members the skills and experience to enable them to obtain employment that pays a living wage. Under this program, low-income families enter into an agreement with the PHA. The families are provided opportunities for education, job training, counseling, and other forms of social skills necessary to achieve self-sufficiency and in exchange agree to successfully complete the program and abide by the program rules.

In addition to the family receiving education, training, and other skills, the PHA establishes an escrow account and credits the families for the change in family paid rent as a result of any increase in earned income during the family's participation in the FSS program. Upon successful completion of the program, the family then receives the funds that have been deposited into their escrow account.

HUD funding was initially available to fund 100% of the wages and benefits of a fulltime FSS Coordinator position. Any costs for training or other incidental expenses have been funded from the Section 8 Housing Voucher Program administrative funding. Also, when FSS funding was not sufficient to fully fund 100% of the wages and benefits of the FSS Coordinator, Voucher Program administrative funding was used to fund the balance of those costs. Due to vacancies and employee turnover, the number of FSS participants decreased and HUD only awarded FSS funding for a half-time FSS Coordinator for calendar year 2021.

The 2022/2023 budget includes funding of $38,170 for 50% of a fulltime Housing Specialist assigned as the FSS Coordinator. Incidental expenses are estimated at $2,700 in 2022/2023 which will be funded from Section 8 Housing Voucher Program administrative funding. After the budget was prepared, notification was received from HUD that funding for 100% of a fulltime FSS Coordinator would be restored for the 2022 calendar year grant. This was due to the increase in participation in this program. Housing staff is evaluating staffing options on how to fill the now fulltime position.

HOUSING INSPECTIONS

As part of the City's Housing Assistance Program, the City is also required to inspect each of the units receiving a rent subsidy to assure that it meets minimum housing standards. Housing inspections were the responsibility of the Housing Maintenance Supervisor/Inspector until that position was eliminated in December of 2016. The Section 8 housing inspections are now being done by the rental housing inspector in the City's Community Development department and costs of these inspections are paid by the Section 8 housing program to the City. These amounts are estimated at $12,000 in the 2021/2022 revised estimate and $8,200 in the 2022/2023 budget. Due to the COVID-19 pandemic, inspections were suspended for portions of 2020 and in 2021. The 2021/2022 revised estimate includes some catch-up inspections from the down time due to COVID-19 pandemic. Using the same inspector for both Section 8 and regular rental units assures consistency in enforcing housing rental code standards. Due to HUD regulation changes, inspections for Section 8 units are now required biennially instead of annually. Housing inspection violations are required to be corrected within a specified time period.

HOME OWNERSHIP PROGRAM

The Housing department reestablished the Home Ownership Program in January of 2008. This program assists first time homebuyers in purchasing their own homes. This includes persons eligible and interested in purchasing a home through the Section 8 Housing Choice Voucher Home Ownership program.

The Housing Specialist position allocations to the Home Ownership Program have varied since the program was implemented. In 2019/2020, a half-time Housing Specialist was used for this program. The COVID-19 pandemic and related mandated restrictions, resulted in the classes being cancelled during most of 2020. Beginning in 2021, 50% of a fulltime Housing Specialist is being allocated to this program.

The 2021/2022 revised estimate is $7,085 more that the original budget primarily due to an increased allocation for down payment assistance. The 2022/2023 budget is $12,400 (29.7%) more than the original budget for 2021/2022. The 2022/2023 budget continues the increased allocation for down payment assistance.

The 2021/2022 revised estimate and the 2022/2023 budget include $14,000 and $12,000, respectively, for down payment and closing cost assistance for those completing this program, if they meet the income eligibility requirements for this assistance. These allocations are budgeted to be funded with funds repaid to the City according to provisions of prior year housing rehabilitation agreements funded from Community Development Block Grant (CDBG) funds.

The Local Housing Trust will provide $17,500 of funding for the Home Ownership Program in 2021/2022 and that same amount is budgeted to be received in 2022/2023. HUD Comprehensive Housing Counseling grant funding has also been received for this program. This funding was $7,240 in 2013/2014, $11,376 in 2014/2015, $11,516 in 2015/2016, $19,125 in 2016/2017, $21,632 in 2017/2018, $24,570 in 2018/2019, $14,181 in 2019/2020, and $2,985 in 2020/2021. The grant funding is estimated at $15,600 in both the 2021/2022 revised estimate and the 2022/2023 budget. The balance in this fund has been decreasing in recent years and is estimated at $27,827 at the end of 2022/2023. The Housing department will continue to pursue other outside funding for this program with the goal of making the Home Ownership program self-sustaining in future years.

SUNSET PARK CHILDREN'S EDUCATION PROGRAM

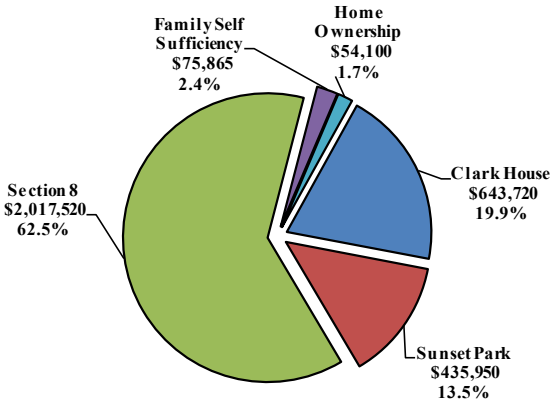
The Sunset Park Education Center opened in 2010/2011. The Sunset Park Afterschool Children's Education Program had initially been operated every day school was in session and had been sustained by grants and donations from the community. Beginning in 2018/2019, Flickinger Learning Center is providing all staff for the Afterschool program.

The Housing Agency has discontinued operating the Afterschool and Summer Enrichment Programs. The Afterschool and Summer Enrichment programs experienced a decline in enrollment. Staff will continue to evaluate appropriate services and delivery models to meet the needs of the children that reside at Sunset Park. There is no funding being requested in the 2021/2022 revised estimate or the 2022/2023 budget.

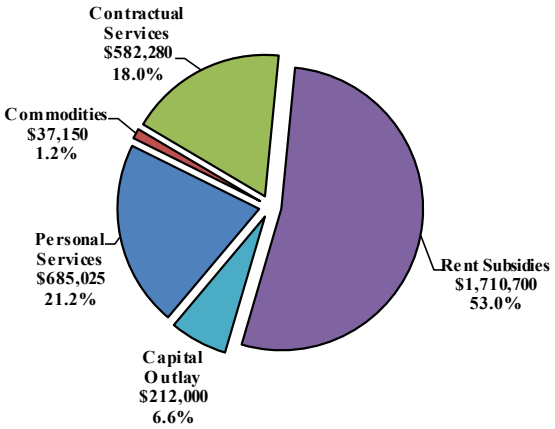
CURRENT TRENDS AND ISSUES:

Budgeted operating expenditures for the City's Clark House, Sunset Park, Section 8 Voucher, and Home Ownership Program, total $3,227,155 for 2022/2023 with budgeted revenues of $3,228,140. The revenues and expenditures for the City Housing Programs are shown by program and by type in the following charts:

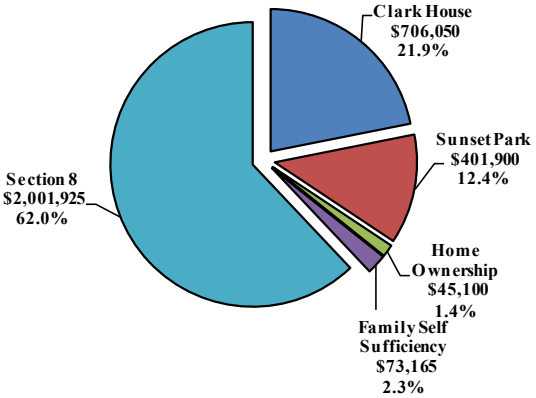
FY 2022/2023 Budgeted Expenditures by Program - All City Housing Programs $3,227,155



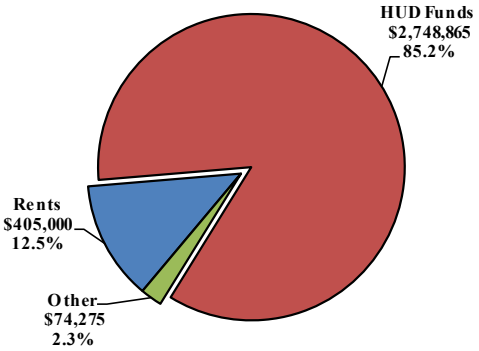
FY 2022/2023 Budgeted Expenditures by Type - All City Housing Programs $3,227,155



FY 2022/2023 Budgeted Revenues by Program - All City Housing Programs $3,228,140



FY 2021/2022 Budgeted Revenues by Type - All City Housing Programs $3,228,140



The various housing budgets for 2022/2023 continue to include funds for accounting services provided by the City for the respective housing programs. These fees are based on actual staff time involved in housing accounting activities. The fees for 2022/2023 total $70,400 and are allocated as follows:

Clark House	$29,300
Sunset Park	14,500
Section 8 Voucher Program	26,600
	$70,400

Hershey Manor currently pays the City a management fee and consequently has not been included in the above allocation.

GOAL STATEMENT:

To formulate, implement and administer programs in a nondiscriminatory manner striving to provide to low and moderate income households who reside and/or expect to reside in the Muscatine area the opportunity to reside in a healthy, safe dwelling and neighborhood of their choice, free of major harmful environmental influences, convenient to social, cultural, educational, commercial, recreational, and economic opportunities, within a reasonable expense to income ratio.

PERFORMANCE MEASURES:

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Public Housing:					
Clark House					
Units Months Available	1,200	1,200	1,200	1,200	1,200
Months Unit is Leased	1,175	1,182	1,136	1,092	1,140
Vacancy Rate	2.08%	1.50%	5.33%	9.00%	5.00%
Sunset Park					
Units Months Available (1)	588	588	600	600	600
Months Unit is Leased	579	562	577	574	576
Vacancy Rate	1.46%	4.42%	3.83%	4.33%	4.00%
Combined					
Units Months Available	1,788	1,788	1,800	1,800	1,800
Months Unit is Leased	1,754	1,744	1,713	1,666	1,716
Percent Days Vacant	1.88%	2.46%	4.83%	7.44%	4.67%
Hershey Manor: (2)					
Units Months Available	600	600	600	600	600
Months Unit is Leased	578	593	511	528	540
Vacancy Rate	3.67%	1.17%	14.83%	12.00%	10.00%
Section 8 Voucher Program:					
Unit Months Under Lease	3,960	3,707	3,846	3,900	3,900
Average Units Under Lease	330	309	320	325	330
Earned Administrative Fees	$ 225,967	$ 209,264	$ 211,148	$ 225,500	$ 228,900
Housing Assistance Payments	$ 1,621,742	$ 1,572,281	$ 1,516,232	$ 1,748,600	$ 1,771,000

1. One unit at Sunset Park was off-line for foundation repairs in 2018/2019 and 2019/2020.
2. It is standard practice in the housing industry to estimate a 5% vacancy rate in projects. Hershey Manor vacancies have fluctuated over the years, topping out with about a 15% vacancy rate. Staff typically has estimated 3% vacancy based on historical information. However, during the pandemic the occupancy at Hershey Manor continued to decline. The Muscatine Municipal Housing Agency continues to make every effort to improve and stabilize occupancy.

PERFORMANCE MEASURES (Continued):

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Family Self Sufficiency:					
Total Participants	25	26	37	45	50
Participants with Escrow Balance	14	10	12	20	25
Participants Enrolled in Education	10	3	5	8	10
Participants Becoming Employed	10	5	9	20	25
Housing Counseling (Homeownership): (3)					
Clients Completing 8 Hour Class	54	17	0	20	30
Counseling/Households Served	263	149	2	75	100
Clients < 80% Median Income	258	149	2	50	75
Clients Purchasing Housing	13	4	0	5	10
Section 8 Homeownership Clients Purchasing Housing	0	1	1	1	1
Clients Completing Renter Counseling	111	132	0	20	50

3. No Housing Counseling classes were conducted during the declaration of the public health crisis. Due to a staff vacancy and the COVID-19 pandemic, the program was inactive for 2020 and part of 2021. The program was certified and reactivated, July 7, 2021.

RECENT ACCOMPLISHMENTS:

Sunset and Clark House:
The Housing Agency has begun to make progress on the declining occupancy rates. The Clark House wait list remains shorter than normal while the number of units available is extraordinarily high. This causes an additional demand on maintenance staff as they need to turn over these units while keeping up with other daily demands, including tenant submitted work orders and pest control issues.

These maintenance issues are further complicated with turnover in the maintenance staff and ongoing issues with COVID-19. The department has attempted to address the staffing needs by using temporary staff and contracted services. The Clark House also experienced turnover in the property management staff. All of these changes appear to be positive for the management and operations of both properties.

Sunset Park has not seen the dramatic vacancy rates experienced at the Clark House, but the property has had an increase in vandalism. An extreme incident happened in a two-bedroom unit where almost every wall was damaged and pipes were broken.

Staff has been able to double the public housing funds earmarked for a new playground at Sunset Park through a match from the Southend Improvement Project. This will be used to provide an enhanced, modern playground and help make the project more attractive to families.

Hershey Manor:
A new chiller was purchased in the summer of 2021 to best utilize resources available to the project while staff continued to work through the refinancing process. In November, a firm commitment was finally received from HUD to refinance the property. The activities and paperwork for the closing are being completed; this will allow us to proceed with replacing the HVAC system and windows.

Occupancy at the property began declining early in the pandemic and has been slow to recover. The majority of vacancies are the result of moves to higher care facilities or the passing of tenants. Lower occupancy along with expenses associated with the current HVAC system and the refinancing process have stretched the resources available for operations and management.

Section 8 Voucher Program:
Staffing has stabilized over the past year and the Housing Agency has moved to online applications. This has been very helpful in increasing leasing rates. While the average of seven additional households per month does not seem dramatic, this is the result of a significant amount of work. Staff has processed 302 applicants for eligibility with 44 being admitted while 30 others ended participation. The most significant factors contributing to the low lease up rate is the inability to find a unit and failure of applicants to follow through with requirements. The leasing rate is typically less than 40% of individuals that start the process, but the current rate of 14.5% is extremely low with close correlation to the number of households unable to find appropriate housing. At current administrative rates, seven new households add about $5,000 in funding.

There were regulatory waivers issued under the Coronavirus Aid, Relief and Economic Security Act of 2020 that allowed staff to adapt operations to maintain the safety of residents and staff. The most significant operational waiver allowed housing authorities to delay regular inspections and allow landlords to self-certify new units under the condition that the delayed inspection would be completed within twelve months of the waiver expiring (July 31, 2021). Staff is on track to have all delayed inspections completed. Ongoing program requirements are being met while maintaining safety protocols, such as conducting briefings virtually, implementing online applications, and providing alternative means of communication. Many of these options are being retained, though virtual briefings are only used for specific conditions.

Family Self Sufficiency:
Under the funding guidelines related to client enrollment, the Housing Agency was notified that eligibility for funding in calendar year 2021 would only support a half-time Family Self-Sufficiency (FSS) Coordinator. A new FSS coordinator was hired in late 2020 and was trained to understand the status of current enrollees and the processes to promote participation. The Coordinator now presents information on the FSS program at each briefing of applicants for the Housing Choice Voucher (Section 8) Program and works closely with the Housing Specialists to identify clients that are good candidates. As a result of this dedicated work, enrollment in the program has increased from twenty-four (24) participants to thirty-seven (37) participants. As a result, the program is again eligible for funding a full-time position for the 2022 grant.

Housing Counseling:
In early 2020, the Housing Counselor was off work for an extended period of time and ended up leaving the position. As a result, the Housing Counseling program was inactivated by HUD until a qualified counselor was on staff. A new counselor was hired in November 2020, the new counselor had to complete the HUD required training, pass the HUD certification exam, and be in the position for six months before the program was reinstated. During that time, the Counselor attended numerous trainings and developed new class presentations, intake processes, and course offerings. The program was reactivated as a HUD-certified program July 7, 2021 and most services resumed shortly thereafter. Unfortunately, while a homeowner class was scheduled for each month August through November, there were no sign-ups for most of those classes. The Step Ahead (rental classes) have not yet resumed.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- **Strategic Plan - Vibrant Community** – To create quality places that people want to live, work and play in and that contribute to community health, happiness, and well-being.
- **Strategic Plan - Healthy Community** – To support the provision of a full range of housing types to meet the needs of a demographically diverse population.

Public Housing - Clark House and Sunset Park

- To collect at minimum 98% of all rent due.
- To maintain at minimum a 95% occupancy rate.
- To improve the Housing REAC score by 3 points. **(Strategic Plan - Reliable Infrastructure)**

Hershey Manor

- To collect at minimum 95% of all rent due.
- To maintain at minimum a 97% occupancy rate.
- To complete the replacement of the HVAC system.
- To maintain an above average score on the annual Management and Occupancy Review.

Section 8 Housing Choice Voucher Program

- To maintain an average of 320 vouchers under lease throughout the fiscal year.
- To expend 100% of housing assistance funding awarded.
- To maintain High Performer status on SEMAP (Section 8 Management Assessment Program)

Family Self-Sufficiency (FSS) Program

- To serve a minimum of 40 participants throughout the fiscal year.
- To engage participants in self-sufficiency activities, such as financial counseling, continued education, and other programs.

Housing Counseling Program

- To offer six Home Ownership classes in the fiscal year.
- To offer four renter counseling classes in the fiscal year.
- To increase participation in the Housing Choice Voucher Home Ownership Program.

Public Housing Program
Clark House and Sunset Park
Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Operating Reserve, July 1	$ 158,623	$ 422,085	$ 509,955	$ 577,552	$ 674,522
Revenues					
Dwelling Rentals	$ 423,022	$ 422,564	$ 405,000	$ 403,000	$ 405,000
Cable Fees	36,038	19,735	0	0	0
Federal Grants:					
Operating Subsidy	348,041	257,940	215,000	406,430	367,200
CARE Act Grant	8,114	7,713	0	28,565	0
HUD Capital Funds:					
2018 Grant	254,018	0	0	0	0
2019 Grant	0	226,663	0	38,750	0
2020 Grant	0	0	249,900	281,000	0
2021 Grant	0	0	0	0	293,000
Interest Income	4,010	762	510	200	200
Insurance Reimbursements	0	0	0	28,200	0
Laundry Fees	10,175	11,056	7,500	7,500	7,500
Cell Tower Leases	26,819	30,716	28,000	27,700	27,700
Miscellaneous	10,320	4,236	5,750	7,960	7,350
Total Revenues	$ 1,120,557	$ 981,385	$ 911,660	$ 1,229,305	$ 1,107,950
Funds Available	$ 1,279,180	$ 1,403,470	$ 1,421,615	$ 1,806,857	$ 1,782,472
Expenditures					
Clark House	$ 574,316	$ 572,614	$ 693,310	$ 721,225	$ 643,720
Sunset Park	282,779	253,304	290,430	411,110	435,950
Total Expenditures (1)	$ 857,095	$ 825,918	$ 983,740	$ 1,132,335	$ 1,079,670
Operating Reserve, June 30	$ 422,085	$ 577,552	$ 437,875	$ 674,522	$ 702,802
Increase (Decrease) in Operating Reserve	**$ 263,462**	**$ 155,467**	**$ (72,080)**	**$ 96,970**	**$ 28,280**

1. Expenditures include changes in compensated absences.

Public Housing Program
Clark House and Sunset Park
Summary of Revenues

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Clark House:					
Dwelling Rentals	$ 328,185	$ 323,302	$ 310,000	$ 308,000	$ 310,000
Cable Fees	36,038	19,735	0	0	0
Federal Grants:					
Operating Subsidy	165,319	126,526	110,000	198,900	180,000
CARES Act Grant	3,848	7,346	0	9,645	0
HUD Capital Funds:					
2018 Grant	143,959	0	0	0	0
2019 Grant	0	116,358	0	14,510	0
2020 Grant	0	0	166,600	168,600	0
2021 Grant	0	0	0	0	175,800
Interest Income	3,990	742	500	200	200
Laundry Fees	10,175	11,056	7,500	7,500	7,500
Insurance Reimbursement	0	0	0	28,200	0
Cell Tower Lease	26,819	30,716	28,000	27,700	27,700
Miscellaneous	5,920	2,606	5,250	5,100	4,850
Subtotal	$ 724,253	$ 638,387	$ 627,850	$ 768,355	$ 706,050
Sunset Park:					
Dwelling Rentals	$ 94,837	$ 99,262	$ 95,000	$ 95,000	$ 95,000
Federal Grants:					
Operating Subsidy	182,722	131,414	105,000	207,530	187,200
CARES Act Grant	4,266	367	0	18,920	0
HUD Capital Funds:					
2018 Grant	110,059	0	0	0	0
2019 Grant	0	110,305	0	24,240	0
2020 Grant	0	0	83,300	112,400	0
2021 Grant	0	0	0	0	117,200
Interest Income	20	20	10	0	0
Miscellaneous	4,400	1,630	500	2,860	2,500
Subtotal	$ 396,304	$ 342,998	$ 283,810	$ 460,950	$ 401,900
Total	$ 1,120,557	$ 981,385	$ 911,660	$ 1,229,305	$ 1,107,950

Function:
Business Type

Department:
Housing

Activity:
Clark House

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 188,620	$ 204,239	$ 244,880	$ 226,350	$ 248,680	1.55%
Commodities	11,810	16,276	19,050	18,890	18,300	-3.94%
Contractual Services	331,939	295,494	274,380	309,985	305,740	11.43%
Capital Outlay	37,046	50,995	155,000	166,000	71,000	-54.19%
Transfers	-	-	-	-	-	
Total Expenditures	$ 569,415	$ 567,004	$ 693,310	$ 721,225	$ 643,720	-7.15%
Funding Sources						
Dwelling Rentals	$ 328,185	$ 323,302	$ 310,000	$ 308,000	$ 310,000	0.00%
Tenant Cable Fees	36,038	19,735	-	-	-	
Interest Income	3,990	742	500	200	200	-60.00%
Federal Grants:						
Operating Subsidy	165,319	126,526	110,000	198,900	175,800	59.82%
HUD Capital Funds	143,959	116,358	166,600	183,110	180,000	8.04%
HUD CARES Act Funds	3,848	7,346	-	9,645	-	
Cell Tower Lease	26,819	30,716	28,000	27,700	27,700	-1.07%
Office Space Lease	4,032	-	4,000	4,000	4,000	0.00%
Insurance Reimbursement	-	-	-	28,200	-	
Miscellaneous	12,063	13,662	8,750	8,600	8,350	-4.57%
Total Funding Sources	$ 724,253	$ 638,387	$ 627,850	$ 768,355	$ 706,050	12.46%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Community Development Director	0.15	0.15	0.15	0.15	0.15	
Housing Maintenance Supervisor	0.50	0.50	0.50	0.50	0.50	
Maintenance Repairperson	-	-	-	0.10	0.20	
Custodian II	0.20	0.20	0.20	0.10	-	
Housing Program Manager	0.88	0.28	-	-	-	
Housing Program Supervisor	-	0.06	0.25	0.25	0.25	
Housing Specialist	-	0.58	1.00	1.00	1.00	
Total Full Time	1.73	1.77	2.10	2.10	2.10	
Part Time:						
Custodian II	0.68	0.77	0.85	0.76	0.78	
Office Assistant	0.05	0.05	0.05	0.05	0.05	
Total Part Time	0.73	0.82	0.90	0.81	0.83	
Total	2.46	2.59	3.00	2.91	2.93	$ 169,440
Employee Benefits						79,240
Total Personal Services						$ 248,680

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Apartment Rehabilitation	6	Yes	$ 15,000
Appliances	10	Yes	6,000
Clark House - ADA Upgrades	1	Yes	20,000
PTAC (Apartment Heating and Air Conditioning Units) Replacements	5	Yes	10,000
Common Area Flooring		Yes	20,000
			$ 71,000

Function:
Business Type

Department:
Housing

Activity:
Sunset Park Housing

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 126,841	$ 130,614	$ 147,990	$ 150,180	$ 164,040	10.85%
Commodities	11,688	14,113	14,900	18,750	15,150	1.68%
Contractual Services	89,454	85,050	91,540	104,480	115,760	26.46%
Capital Outlay	54,796	23,527	36,000	137,700	141,000	291.67%
Transfers	-	-	-	-	-	
Total Expenditures	$ 282,779	$ 253,304	$ 290,430	$ 411,110	$ 435,950	50.11%
Funding Sources						
Dwelling Rentals	$ 94,837	$ 99,262	$ 95,000	$ 95,000	$ 95,000	0.00%
Interest Income	20	20	10	-	-	-100.00%
Federal Grants:						
Operating Subsidy	182,722	131,414	105,000	207,530	187,200	78.29%
HUD Capital Funds	110,059	110,305	83,300	136,640	117,200	40.70%
HUD CARES Act Funds	4,266	367	-	18,920	-	
Miscellaneous	4,400	1,630	500	2,860	2,500	400.00%
Total Funding Sources	$ 396,304	$ 342,998	$ 283,810	$ 460,950	$ 401,900	41.61%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Community Development Director	0.10	0.10	0.10	0.10	0.10	
Housing Maintenance Supervisor	0.25	0.25	0.25	0.25	0.25	
Housing Specialist	0.50	0.50	0.50	0.50	0.50	
Housing Program Supervisor	-	0.04	0.15	0.15	0.15	
Maintenance Repairperson	-	-	-	0.35	0.35	
Custodian II	0.70	0.70	0.70	0.35	0.35	
Total Full Time	1.55	1.59	1.70	1.70	1.70	
Part Time:						
Office Assistant	0.05	0.05	0.05	0.05	0.05	
Custodian II (Standby)	-	0.03	0.03	0.03	0.03	
Total Part Time	0.05	0.08	0.08	0.08	0.08	
Total	1.60	1.67	1.78	1.78	1.78	$ 106,020
Employee Benefits						58,020
Total Personal Services						$ 164,040

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Apartment Rehabilitation	5	Yes	$ 15,000
Appliance Replacements	10	Yes	6,000
Foundation Repairs			20,000
Replace Exterior Lights		Yes	100,000
			$ 141,000

Hershey Manor

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Revenues					
Dwelling Rentals	$ 178,163	$ 212,485	$ 196,100 (1)	$ 196,100 (1)	$ 204,700 (2)
Housing Assistance Payments - HUD	304,337	278,515	294,100 (1)	294,100 (1)	307,100 (2)
HUD Payment Reduction for Vacancies	(5,989)	(63,582)	(15,200)	(49,020)	(25,590)
Interest Income	1,967	952	500	300	300
Cable Fees	18,527	5,600	0	0	0
Laundry Income	4,935	4,328	4,400	4,000	4,000
Contribution	0	500	0	0	0
Benjamin Hershey Memorial Convalescent Home Contribution	20,000	0	0	0	0
CARES Act Funding	0	12,000	0	0	0
Total Revenues	$ 521,940	$ 450,798	$ 479,900	$ 445,480	$ 490,510
Operating Expenditures	435,380	383,215	386,970	366,590	392,860
Residual Receipts Before Depreciation, Principal Retirement, and Reserves	$ 86,560	$ 67,583	$ 92,930	$ 78,890	$ 97,650
Additional Budget Items:					
Principal Retirement	(60,643)	(63,271)	(66,013)	(66,013)	(51,389)
Replacement Reserve Transfers	(30,768)	(30,768)	(30,768)	(30,768)	(30,768)
Debt Service Reserve Transfers	(49,668)	(49,668)	(49,668)	(49,668)	(49,668)
Portion of Above Interest from Reserve Funds	(1,769)	(931)	(450)	(275)	(275)
Transfers from Debt Service Reserve (3)	64,000	0	0	0	0
Transfers from Residual Receipts Reserve (3)	0	10,000	0	10,000	0
Transfers from Replacement Reserve (3)	5,903	50,344	28,000	13,000	28,000
Net Surplus (Deficit)	$ 13,615	$ (16,711)	$ (25,969)	$ (44,834)	$ (6,450)
Surplus (Deficit) per Unit Month	$ 22.69	$ (27.85)	$ (43.28)	$ (74.72)	$ (10.75)

1. The FY 2021/2022 budgeted HUD Housing Assistance Payments and dwelling rental amounts shown are based on the approved fair market rent amount of $833 per month.
2. The FY 2022/2023 budgeted HUD Housing Assistance Payments and dwelling rental amounts shown are based on the approved fair market rent amount of $853 per month.
3. Reflects the portion of the operating expenditures funded from the Replacement Reserve or Debt Service Reserve regardless of the timing of the actual funding transfer.

Function:
Community and Economic Development

Department:
Housing

Activity:

Hershey Manor Housing

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 94,559	$ 91,638	$ 97,270	$ 100,000	$ 109,910	12.99%
Commodities	7,554	30,225	30,800	12,950	10,900	-64.61%
Contractual Services	194,791	150,397	167,450	177,730	171,050	2.15%
Capital Outlay	69,906	45,004	28,000	13,000	28,000	0.00%
Interest/Mortgage Insurance	68,870	65,951	63,450	62,910	73,000	15.05%
Total Expenditures	$ 435,680	$ 383,215	$ 386,970	$ 366,590	$ 392,860	1.52%
Funding Sources						
Dwelling Rentals	$ 178,163	$ 212,485	$ 196,100	$ 196,100	$ 204,700	4.39%
Housing Assistance Payments - HUD	298,348	214,933	278,900	245,080	281,510	0.94%
HUD-CARES Act Funds	-	12,000	-	-	-	
Benjamin Hershey Memorial Convalescent Home Cont.	20,000	-	-	-	-	
Interest Income	1,967	952	500	300	300	-40.00%
Cable Fees	18,527	5,600	-	-	-	
Other Income	4,935	4,828	4,400	4,000	4,000	-9.09%
Total Funding Sources	$ 521,940	$ 450,798	$ 479,900	$ 445,480	$ 490,510	2.21%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Community Development Director (Inc in Management	0.10	-	-	-	-	
Housing Program Manager (Included in Management Fee	0.10	0.13	-	-	-	
Housing Maintenance Supervisor	0.25	0.25	0.25	0.25	0.25	
Custodian II	0.10	0.10	0.10	0.05	-	
Housing Program Manager	0.18	-	-	-	-	
Housing Program Supervisor	-	0.03	0.10	0.10	0.10	
Housing Specialist	0.42	0.50	0.50	0.50	0.50	
Maintenance Repairperson	-	-	-	0.05	0.10	
Total Full Time	1.15	1.01	0.95	0.95	0.95	
Part Time:						
Custodian	0.50	0.39	0.53	0.51	0.53	
Total	1.65	1.40	1.48	1.46	1.48	$ 75,500
Employee Benefits						34,410
Total Personal Services						$ 109,910

Capital Outlay			
Item	***Quantity***	***Replacement***	***Amount***
Apartment Rehabilitation	5	Yes	$ 25,000
Appliance Replacements	5	Yes	3,000
			$ 28,000

Section 8 Voucher Program

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 105,450	$ 211,402	$ 210,452	$ 132,154	$ 149,384
Revenues:					
HUD Contributions-Housing Assistance Payments	$ 1,572,281	$ 1,516,232	$ 1,613,000	$ 1,748,600	$ 1,771,000
HUD Contributions-Administration	209,264	211,148	206,800	225,500	228,900
HUD Contributions-Family Self-Sufficiency	55,082	38,357	35,830	51,575	73,165
HUD Contributions-Admin CARES Act	1,351	17,502	59,124	72,693	0
FSS Escrow Forfeitures	19,541	7,337	0	9,600	0
Fraud Recovery - HUD Portion	3,177	3,979	2,000	800	1,000
Fraud Recovery - Admin Portion	3,177	3,979	2,000	800	1,000
Interest - Admin Reserve	1,675	84	100	50	25
Interest - HAP Equity	37	0	0	0	0
Total Revenues	$ 1,865,585	$ 1,798,618	$ 1,918,854	$ 2,109,618	$ 2,075,090
Funds Available	$ 1,971,035	$ 2,010,020	$ 2,129,306	$ 2,241,772	$ 2,224,474
Expenditures:					
Housing Assistance Payments	$ 1,511,911	$ 1,623,861	$ 1,615,000	$ 1,759,000	$ 1,772,000
Voucher Program Administration	184,761	196,343	260,120	207,110	245,520
Family Self-Sufficiency Coordinator:					
Grant Funded Portion	55,082	38,357	35,830	51,575	73,165
Non-Grant Funded Portion	6,403	1,804	2,600	2,010	2,700
Voucher Admin - CARES Act	1,476	17,501	59,124	72,693	0
Total Expenditures	$ 1,759,633	$ 1,877,866	$ 1,972,674	$ 2,092,388	$ 2,093,385
Ending Balance, June 30	$ 211,402	$ 132,154	$ 156,632	$ 149,384	$ 131,089
Ending Balance Reserved for:					
Housing Assistance Payments (1)	$ 96,313	$ 0	$ 96,313	$ 0	$ 0
Administration	115,089	132,154	60,319	149,384	131,089
Total Ending Balance	$ 211,402	$ 132,154	$ 156,632	$ 149,384	$ 131,089
Increase (Decrease) in Fund Balance	**$ 105,952**	**$ (79,248)**	**$ (53,820)**	**$ 17,230**	**$ (18,295)**

1. Beginning in 2012 HUD changed how the funding for Section 8 Housing Assistance payments was distributed to Housing agencies. This change required Housing agencies to utilize their Housing Assistance Payment Reserve (Net Restricted Assets - NRA) to fund housing assistance payments in calendar years 2012 and 2013. The City-held reserve was depleted at the end of 2013/2014. HUD now holds each housing authority's HAP Reserve and HAP funds on hand (Net Restricted Assets) are minimal or zero each year.

Function:
Community and Economic Development

Department:
Housing

Activity:
Section 8 Voucher Program

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 120,410	$ 133,219	$ 216,590	$ 146,790	$ 160,940	-25.69%
Commodities	1,526	2,618	3,000	5,630	3,000	0.00%
Contractual Services	1,576,212	1,701,867	1,714,654	1,886,383	1,853,580	8.10%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 1,698,148	$ 1,837,704	$ 1,934,244	$ 2,038,803	$ 2,017,520	4.31%
Funding Sources						
HUD Contributions	$ 1,781,545	$ 1,727,380	$ 1,819,800	$ 1,974,100	$ 1,999,900	9.90%
HUD CARES Act Funds	1,351	17,502	59,124	72,693	-	
Repayment Agreements	6,354	7,958	4,000	1,600	2,000	-50.00%
Interest	1,712	84	100	50	25	-75.00%
Other Income	19,541	7,337	-	9,600	-	
Total Funding Sources	$ 1,810,503	$ 1,760,261	$ 1,883,024	$ 2,058,043	$ 2,001,925	6.31%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Community Development Director	0.05	0.05	0.05	0.05	0.05	
Housing Program Manager	0.80	0.60	-	-	-	
Housing Program Supervisor	-	0.13	0.50	0.50	0.50	
Housing Specialist	0.60	0.81	2.00	1.00	1.00	
Total Full Time	1.45	1.59	2.55	1.55	1.55	
Part Time:						
Office Assistant	0.40	0.36	0.40	0.43	0.53	
Total	1.85	1.95	2.95	1.98	2.08	$ 107,600
Employee Benefits						53,340
Total Personal Services						$ 160,940

Function:
Community and Economic Development

Department:
Housing

Activity:
Family Self Sufficiency Program

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 59,471	$ 39,045	$ 35,830	$ 51,575	$ 73,165	104.20%
Commodities	1	-	-	-	-	
Contractual Services	2,013	1,115	2,600	2,010	2,700	3.85%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 61,485	$ 40,160	$ 38,430	$ 53,585	$ 75,865	97.41%
Funding Sources						
HUD Contribution	$ 55,082	$ 38,357	$ 35,830	$ 51,575	$ 73,165	104.20%
Section 8 HUD Admin Funds	6,403	1,803	2,600	2,010	2,700	3.85%
Total Funding Sources	$ 61,485	$ 40,160	$ 38,430	$ 53,585	$ 75,865	97.41%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Housing Specialist	0.85	0.70	0.50	0.70	1.00	$ 58,155
Employee Benefits						15,010
Total Personal Services						$ 73,165

Public Housing
Home Ownership Program
Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	44,620	38,074	$ 45,374	$ 38,512	$ 36,827
Revenues:					
HUD Counseling Grant	$ 14,181	$ 2,985	$ 19,000	$ 15,600	$ 15,600
Local Housing Trust Funds	13,294	31,744	20,000	17,500	17,500
Interest	437	76	100	0	0
Transfer from CDBG Fund:					
Housing Rehab Reimbursements	0	0	2,000	14,000	12,000
Total Revenues	$ 27,912	$ 34,805	$ 41,100	$ 47,100	$ 45,100
Funds Available	$ 72,532	$ 72,879	$ 86,474	$ 85,612	$ 81,927
Expenditures	34,458	34,367	41,700	48,785	54,100
Ending Balance, June 30	38,074	38,512	$ 44,774	$ 36,827	$ 27,827
Increase (Decrease) in Fund Balance (1)	**$ (6,546)**	**$ 438**	**$ (600)**	**$ (1,685)**	**$ (9,000)**

Function:
Community and Economic Development

Department:
Housing

Activity:

Home Ownership Program

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 30,259	$ 32,137	$ 35,800	$ 32,035	$ 38,200	6.70%
Commodities	139	20	700	450	700	0.00%
Contractual Services	4,060	2,210	5,200	16,300	15,200	192.31%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 34,458	$ 34,367	$ 41,700	$ 48,785	$ 54,100	29.74%
Funding Sources						
HUD Counseling Grant	$ 14,181	$ 2,985	$ 19,000	$ 15,600	$ 15,600	-17.89%
Local Housing Trust Fund	13,294	31,744	20,000	17,500	17,500	-12.50%
Transfer from CDBG Fund - Housing Rehab Reimb.	-	-	2,000	14,000	12,000	500.00%
Interest	437	76	100	-	-	-100.00%
Total Funding Sources	$ 27,912	$ 34,805	$ 41,100	$ 47,100	$ 45,100	9.73%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Housing Specialist	-	0.25	0.50	0.50	0.50	
Part Time:						
Housing Specialist	0.50	0.12	-	-	-	
Total	0.50	0.37	0.50	0.50	0.50	$ 23,200
Employee Benefits						15,000
Total Personal Services						$ 38,200

Public Housing
Sunset Park Education Program
Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 10,173	$ 5,527	$ 5,577	$ 6,681	$ 7,181
Revenues:					
Contributions - United Way	$ 0	$ 139	$ 3,000	$ 500	$ 0
Other Contributions	0	1,000	0	0	0
Community Foundation Grant	0	0	3,000	0	0
Interest	108	15	0	0	0
Other	0	0	2,100	0	0
Transfer from CDBG Fund:					0
Housing Rehab Reimbursements	0	0	1,500	0	0
Total Revenues	$ 108	$ 1,154	$ 9,600	$ 500	$ 0
Funds Available	$ 10,281	$ 6,681	$ 15,177	$ 7,181	$ 7,181
Expenditures	4,754	0	9,600	0	0
Ending Balance, June 30	5,527	6,681	$ 5,577	$ 7,181	$ 7,181
Increase (Decrease) in Fund Balance	**$ (4,646)**	**$ 1,154**	**$ 0**	**$ 500**	**$ 0**

Function:
Community and Economic Development

Department:
Housing

Activity:

Sunset Park Education Program

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 4,482	$ -	$ 9,200	$ -	$ -	-100.00%
Commodities	272	-	300	-	-	-100.00%
Contractual Services	-	-	100	-	-	-100.00%
Capital Outlay	-	-	-	-	-	
Transfers	-	-	-	-	-	
Total Expenditures	$ 4,754	$ -	$ 9,600	$ -	$ -	-100.00%
Funding Sources						
Donations	$ -	$ 1,139	$ 6,000	$ 500	$ -	-100.00%
Transfer from CDBG Fund - Housing Rehab Reimb.	-	-	1,500	-	-	-100.00%
Interest	108	15	-	-	-	
Other	-	-	2,100	-	-	-100.00%
Total Funding Sources	$ 108	$ 1,154	$ 9,600	$ 500	$ -	-100.00%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Part Time:						
Program Coordinator	0.14	0.07	0.17	-	-	
Program Assistant	0.12	0.05	0.13	-	-	
Total	0.21	0.12	0.30	-	-	$ -
Employee Benefits						-
Total Personal Services						$ -

DEBT SERVICE FUND

DEBT SERVICE FUND

GENERAL INFORMATION:

Bond and interest payments on outstanding long-term debt are basically made from two (2) types of debt repayment funds: the Debt Service Fund and Revenue Sinking Funds. Revenue Sinking Funds are considered part of the Enterprise Fund structure and consequently are included in that section of the budget document.

The Debt Service Fund accounts for general obligation (G.O.) bonds, which are backed by the full faith and credit of the City of Muscatine. As of July 1, 2022, the City's G.O. bonds outstanding is projected to total $16,770,000. This includes the outstanding balance of $10,570,000 on previously issued bonds and the $6.2 million of bonding scheduled to be issued in May of 2022. This amount includes debt that will be funded from enterprise and tax increment funds.

The City traditionally issues bonded debt every other year. A list of the projects budgeted to be funded from the May 2022 issue and the estimated bond funding requirements are in the chart below.

City of Muscatine
Projects to be Funded from the May 2022 Bond Issue

		2022 Bond Requirements
Property Purchase:		
Former Kum and Go - Property Purchase & Related Costs	$	111,000
Street Improvements:		
Local Share of Conversion of Portion of Park Avenue from 4-Lanes to 3-Lanes (Series B)		725,000
Grandview Avenue Reconstruction		2,500,000
Community Development:		
Building Demolition Projects		200,000
Flood Damage Improvements:		
Estimated Local Share of Flood Repair Projects		90,000
Former Police Range Site Cleanup		105,000
Parks:		
Playground Repair Projects		182,000
Aquatic Center Repair Projects		156,500
Deferred Building Maintenance Projects:		
Roofs, Windows, Doors, etc.		274,000
Other Building Systems:		
Public Safety Telephone System Upgrade		18,500
Transfer Station Project:		
Tipping Floor Replacement		450,000
Fire Department:		
Fire Engine		657,500
New Ambulance		211,000
New "Demo" Ambulance		209,500
Public Works Department:		
Vehicle Wash Bay (Local Share)		200,000
Estimated Total Bond Issue (before Issuance Costs)	**$**	**6,090,000**
Estimated Bond Issuance Costs/Underwriters Discount		110,000
Estimated Total Bond Issue	**$**	**6,200,000**

CURRENT TRENDS AND ISSUES:

The debt service tax levy rate for the current 2021/2022 fiscal year is $2.32232 per $1,000 of valuation. This rate will decrease to $2.20086 (a decrease of 5.2%) for 2022/2023. This reduction was possible due to the projected debt payments on the May 2022 bond issue and the use of approximately $40,000 from the debt service fund balance.

The City's financial consultant, Public Financial Management Inc. (PFM), assists the City with debt analysis as well as debt issuance. In planning for the City's bond issues, PFM does an analysis of the amount of debt that the City can issue without increasing the debt service tax levy over the $2.89/$1,000 rate in previous financial models or the debt service tax levy rate for the previous year. PFM also structures the debt repayment schedules for new issues to avoid future increases in the debt service tax levies. It should be noted, however, that the debt service tax levy rates going forward will be impacted by the phase-out of the State reimbursement for the commercial and industrial rollback over the next eight years.

Revenues from property taxes, utility tax replacement funds, the State commercial and industrial property tax replacement funds, and interest total $2,319,133. This amount plus $39,471 of debt service fund balance is the amount necessary to support debt service payments of $2,358,604 (the total estimated requirement for property tax supported debt in 2022/2023). Funds from the Southend Tax Increment fund will fund $357,000 and funds from the Water Pollution Control fund will fund $95,150 of general obligation debt requirements in 2022/2023.

The State of Iowa limits the amount of general obligation bonds which a city may issue. This limitation is 5% of actual valuation of all property within the city limits. The computation for the legal debt margin for the City of Muscatine as of July 1, 2022 is as follows:

City of Muscatine
Legal Debt Margin Estimate
As of July 1, 2022

Actual Valuation January 1, 2021			**$ 1,536,566,149**
State Limit (5%)			0.05
Debt Limit			**$ 76,828,307**
Bonded Debt:			
Current General Obligation Debt July 1, 2022	$ 10,570,000		
New General Obligation Bond Issue in May 2022	6,200,000		
		$ 16,770,000	
Percent of Debt Limit Used (Before Tax Increment Rebate Obligations)		**21.8%**	
Estimated Tax Increment Rebate Obligations July 1, 2022:			
The Villas at MCC, LLC - 50% for 10 years to maximum of $425,000 (began in 2013/2014)	$ 265,593		
R.L. Fridley Theatres Inc. - 15 years to maximum of $1,500,000; declining percentages 95% to 50% (began in 2015/2016)	1,037,951		
Wal-View Developments Project #1 - 10 years to maximum of $5,000,000; 100% for five years; 50% for five years (began in 2015/2016) Subject to annual appropriation; only next year considered debt for legal debt margin computation; Annual appropriation for FY 23 is listed.	318,000		
Wal-View Developments Project #2 - 10 years to maximum of $2,000,000; declining percentages 100%, 90%, 80%, 70%, 60%, 60%, 50%, 50%, 40%, 40%; (began in 2017/2018). Subject to annual appropriation. Annual appropriation for FY 23 is listed.	182,000		
Riverview Hotel Development - 20 years to maximum of $6,150,000; declining percentages Years 1-5 100%, Years 6-7 95%, Years 8-15 75%, Years 16-20 50% (began in 2019/2020). Subject to annual appropriation. Annual appropriation for FY 23 is listed.	520,000		
Harrison Lofts LLC Development Agreement - 15 years with years 1-6 at 75% and years 7-15 at 70% to a maximum of $675,000 (began in 2019/2020). Subject to annual appropriation. Annual appropriation for FY 23 is listed.	36,000		
HNI Corporation Development Agreement - 50% for 10 years to a maximum of $3,811,000 (began in 2019/2020). Subject to annual appropriation. Annual appropriation for FY 23 is listed.	80,000		
White Distribution & Supply Development Agreement - 50% for 10 years to a maximum of $445,000 (began in 2020/2021). Subject to annual appropriation. Annual appropriation for FY 21 is listed.	54,000		
TIF Oak Park Development Agreement - 70% for 15 years to a maximum of $497,445 (will begin in 2022/2023). Subject to annual appropriation.	28,000		
NPSW Development Agreement -75% for up to 3 phases with each phase for 10 years to a maximum of $750,000 (expected to begin in 2023/2024). Subject to annual appropriation.	-		
Bush Development LLC and Hershey Property LLC Development Agreement - 100% for 10 years to a maximum of $700,000 (began in 2021/2022). Subject to annual appropriation.	76,000		
Musco Sports Lighting LLC Development Agreement - 50% for 10 years to a maximum of $515,000 (will begin in 2022/2023). Subject to annual appropriation.	53,000		
MVHA Colorado Lofts Development Agreement - 100% for 10 years to a maximum of $460,000 (expected to begin in 2024/2025). Subject to annual appropriation.	-		
MVHA Grandview Lofts Development Agreement - 100% for 10 years to a maximum of $460,000 (expected to begin in 2024/2025). Subject to annual appropriation.	-		
JNB Family 1 LP Steamboat Apartments Development Agreement - 70% for 15 years to a maximum of $460,000 (expected to begin in in 2024/2025) Subject to annual appropriation.	-		
		$ 2,650,544	
Percent of Debt Limit Used for Tax Increment Rebate Obligations		**3.4%**	
Total Debt Subject to Debt Limit			**19,420,544**
Legal Debt Margin			**$ 57,407,763**
Percent of Legal Debt Limit Used			**25.3%**

The City's debt policy provides that 40% of the legal debt limit is to be reserved for emergency purposes. Following is a computation of the City's debt margin using the self-imposed debt limit:

City's Self-Imposed Limit - 60% of the Legal Limit	**$ 46,096,984**
Total Debt Subject to Debt Limit	**19,420,544**
Debt Margin Using Self-Imposed Limit	**$ 26,676,440**
Percent of Self-Imposed Debt Limit Used	**42.1%**

The City's general obligation debt on a per capita basis is $704.71 as of June 30, 2022.

It should be noted that the policy reserving 40% of the legal debt limit for emergency purposes was put in place before TIF rebates were required to be counted as debt subject to the debt limit. The full amounts of the TIF rebate agreements subject to annual appropriations are not required to be included as debt in the computation of the legal debt margin, only the payments for the fiscal year after the annual appropriation is approved. Annual appropriation resolutions were approved by City Council in November of 2021 for the 2022/2023 annual appropriation rebates for Wal-View for their first project in the amount of $318,000, for Wal-View for their 2nd project for $182,000, for Musco Sports Lighting for $53,000, for Riverview Hotel Development for $520,000, for HNI Corporation for $80,000, for Harrison Lofts LLC for $36,000, for White Distribution & Supply for $54,000, for Bush Development LLC/Hershey Property LLC for $76,000, and for JNB Oak Park, LP for $28,000. The agreement with NPSW Development also has an annual appropriation provision. There are three other development agreements which will also be subject to annual appropriation. These are with MVHA for the Colorado Lofts project, MVHA for the Grandview Lofts project, and JNB Family 1 LP for the Steamboat Apartments project. It is proposed that future TIF rebate agreements continue to be subject to annual appropriations to limit the amount of debt that is required to be considered for the legal debt limit computation.

Although tax increment bonds and tax increment rebate obligations are required by State law to be included in the computation of the debt subject to the debt limit, these obligations are totally financed by incremental taxes received from the benefited property. Additionally, although certain portions of the general obligation debt are funded solely from user fees and sources other than property taxes, these issues are also required by State law to be considered in the computation of the City of Muscatine's legal debt margin.

Debt Service Fund
General Obligation Bonds
Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 182,741	$ 137,770	$ 78,363	$ 104,143	$ 104,143
Revenues					
Property Tax	$ 2,498,390 (1)	$ 2,312,326 (1)	$ 2,355,196 (3)	$ 2,355,196	$ 2,231,130 (4)
Utility Tax Replacement Excise Tax	8,897	9,405	8,309	8,309	6,989
Commercial and Industrial Replacement Funds	106,112	91,478	90,883	90,883	80,514
Interest	17,471	1,896	500	500	500
Transfers In:					
Downtown Tax Increment Fund	206,250	0	0	0	0
Southend Tax Increment Fund	0	347,734	352,900	352,900	357,000
Water Pollution Control Fund	92,500	90,550	92,950	92,950	95,150
Total Revenues	$ 2,929,620	$ 2,853,389	$ 2,900,738	$ 2,900,738	$ 2,771,283
Funds Available	$ 3,112,361	$ 2,991,159	$ 2,979,101	$ 3,004,881	$ 2,875,426
Expenditures					
Charges for Services	$ 2,900	$ 2,700	$ 3,000	$ 3,000	$ 3,000
Bonds	2,630,000	2,475,000	2,555,000	2,555,000	1,860,000
Interest	341,691	409,316	342,738	342,738	281,368
Estimated Debt Requirements New Issue:					
Bonds	0	0	0	0	540,000 (5)
Interest	0	0	0	0	126,386 (5)
Total Expenditures	$ 2,974,591	$ 2,887,016	$ 2,900,738	$ 2,900,738	$ 2,810,754
Ending Balance, June 30	$ 137,770 (2)	$ 104,143	$ 78,363	$ 104,143	$ 64,672
Amount of Fund Balance Assigned for Debt Principal Payment in Future Years	100,000				
Unassigned Ending Balance, June 30	$ 37,770				
Increase (Decrease) in Fund Balance	**$ (44,971)**	**$ (33,627)**	**$ 0**	**$ 0**	**$ (39,471)**
Debt Service Tax Levy Rates (Per $1,000 of Taxable Valuation)	$ 2.60018	$ 2.34955	$ 2.32232	$ 2.32232	$ 2.20086

1. The 2019/2020 and 2020/2021 debt service tax levies were lower than the $2.89 target rate for future years due to actual interest rates on recent bond issues being less than projected
2. The City's financial consultant structured the debt repayment schedule for the 2016 bond issue to enhance the marketability of the bond while maintaining the debt service tax rate in future years. This involved crediting the debt service portion of the 2016/2017 State reimbursement to the Debt Service fund in the current year with $100,000 of this amount to be used for future year debt service costs
3. The 2021/2022 debt service tax levy was again based on not exceeding the $2.89 target level.
4. The 2022/2023 debt service tax levy was again based on not exceeding the $2.89 target level. For the 2022/2023 budget, approximatel $40,000 of debt service fund balance is budgeted to be used to reduce the City's overall property tax levy
5. The budget for 2022/2023 includes estimated debt service requirements on the May 2022 bond issue

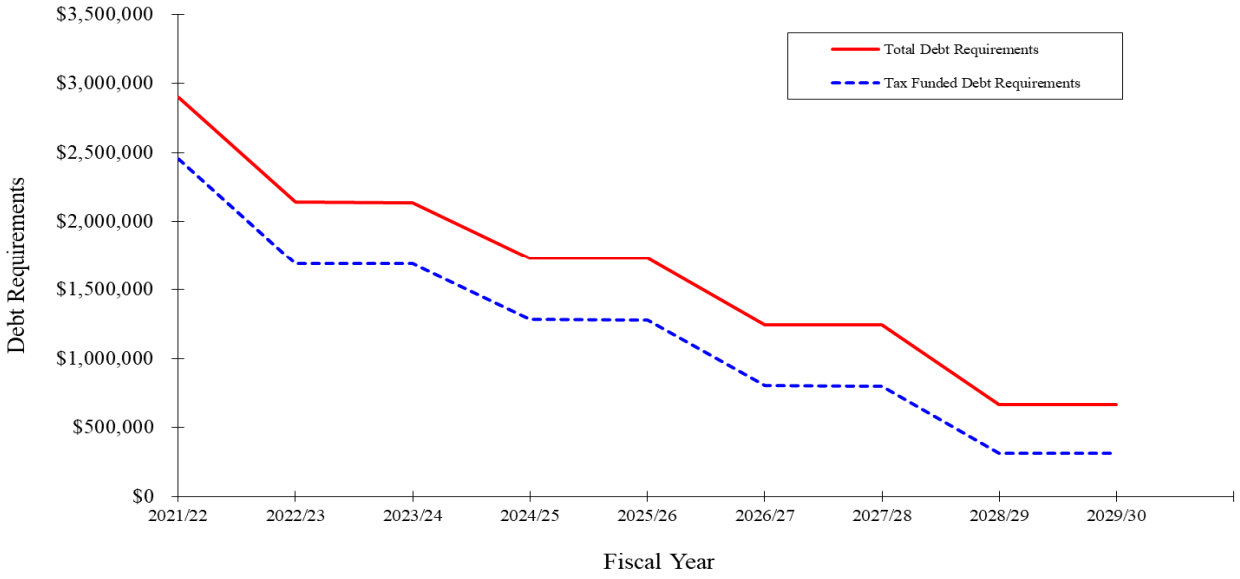
DEBT SERVICE FUND

SUMMARY OF BOND AND INTEREST REQUIREMENTS

CURRENT GENERAL OBLIGATION BONDS

Fiscal Year	Principal	Interest	Total Requirements Current Debt	Water Pollution Control and TIF Funded Debt Requirements	Expected Tax Funded Debt Requirements
2021/22	$ 2,555,000	$ 342,738	$ 2,897,738	$ 445,850	$ 2,451,888
2022/23	1,860,000	281,368	2,141,368	452,150	1,689,218
2023/24	1,910,000	228,318	2,138,318	447,300	1,691,018
2024/25	1,555,000	175,463	1,730,463	447,350	1,283,113
2025/26	1,600,000	128,213	1,728,213	447,050	1,281,163
2026/27	1,160,000	83,950	1,243,950	442,250	801,700
2027/28	1,190,000	55,300	1,245,300	448,200	797,100
2028/29	640,000	25,900	665,900	353,800	312,100
2029/30	655,000	13,100	668,100	357,000	311,100
Total	$ 13,125,000	$ 1,334,350	$ 14,459,350	$ 3,840,950	$ 10,618,400

Annual Bond and Interest Requirements



DEBT SERVICE FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose and Refunding Bonds

Clay Street Bridge Improvements, Cedar Street Improvements Phase I, Colorado Street Improvements Phase I, Hershey Street Improvements, Mississippi Drive Corridor Environmental Impact Study, Southend Fire Station, Mad Creek Levee Project, Various Airport Improvements Projects, and Refunding of 2003 Bond Issue

$4,715,000 Total Issue Dated June 1, 2012

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 580,000	$ 11,020	$ 591,020
Total	$ 580,000	$ 11,020	$ 591,020

DEBT SERVICE FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose and Refunding Bonds

Cedar Street Improvements Series B, Colorado Street Series B, Airport Improvements, Library Building Improvements, and Ambulance Equipment

$2,575,000 Total Issue Dated June 2, 2014

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 390,000	$ 24,205	$ 414,205
2022/23	395,000	16,405	411,405
2023/24	405,000	8,505	413,505
Total	$ 1,190,000	$ 49,115	$ 1,239,115

DEBT SERVICE FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose and Refunding Bonds

Mulberry Avenue Street Improvements, Art Center HVAC and Building Envelope, Other Public Building Improvements, Airport Runway and Other Airport Improvements, Parks Improvements, and Building Demolitions

$4,550,000 Total Issue Dated May 26, 2016

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 430,000	$ 52,263	$ 482,263
2022/23	440,000	41,513	481,513
2023/24	450,000	30,513	480,513
2024/25	460,000	21,513	481,513
2025/26	470,000	11,163	481,163
Total	$ 2,250,000	$ 156,965	$ 2,406,965

DEBT SERVICE FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose Bonds

Aerial Fire Truck, Musser Public Library and HNI Community Center Remodeling, Other Public Building Improvements, Airport Improvement Projects, New Trail Projects, Various Parks Improvement Projects, and Water Pollution Control Plan Digester Conversion Project

$4,090,000 Total Issue Dated May 23, 2018

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 435,000	$ 143,050	$ 578,050
2022/23	455,000	125,650	580,650
2023/24	475,000	102,900	577,900
2024/25	500,000	79,150	579,150
2025/26	525,000	54,150	579,150
2026/27	545,000	33,150	578,150
2027/28	560,000	16,800	576,800
Total	$ 3,495,000	$ 554,850	$ 4,049,850

DEBT SERVICE FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Corporate Purpose Bonds

Purchase of IDOT Maintenance Facility Property, Park Avenue 4-Lane to 3-Lane Conversion, Parks Fencing, Playground, and Soccer Field Improvements, Deferred Building Maintenance Projects, West Side Trail, Transfer Station Fire Suppression System, 2nd Street Streetscaping, and New Airport Hangars and Apron Expansion

$6,310,000 Total Issue Dated May 7, 2020

Fiscal Year	Principal	Interest	Total Requirements
2021/22	$ 720,000	$ 112,200	$ 832,200
2022/23	570,000	97,800	667,800
2023/24	580,000	86,400	666,400
2024/25	595,000	74,800	669,800
2025/26	605,000	62,900	667,900
2026/27	615,000	50,800	665,800
2027/28	630,000	38,500	668,500
2028/29	640,000	25,900	665,900
2029/30	655,000	13,100	668,100
Total	$ 5,610,000	$ 562,400	$ 6,172,400

CAPITAL IMPROVEMENTS PROGRAM

CAPITAL IMPROVEMENTS PROGRAM

GENERAL INFORMATION:

The City has established a Comprehensive Capital Improvements Program as a separate document from the Annual Operating Budget. The Annual Operating Budget includes funding estimates on a fiscal year basis for various capital improvement projects to be funded in part or in whole from such funding sources as: bond issues supported by general property taxes or other revenues of the City; Local Option Sales Taxes; Road Use Taxes; various State or federal grants; or available balances of the various Enterprise Funds which support improvements associated with those activities. Capital improvements include acquisition and construction of buildings, additions to structures, and construction or improvements to parks, streets, bridges, sidewalks, storm sewers, sanitary sewers, and other infrastructure. The City of Muscatine has limited the classification of these improvements to major non-recurring expenditures or improvements of physical facilities in excess of $25,000.

In order for the City of Muscatine to meet the community's need for these public facilities and improvements, careful planning is required in order to ensure the availability of financial resources when the need for the improvement occurs. The City has developed the Five-Year Capital Improvements Plan (CIP) in order to establish a realistic plan of action by balancing the needed capital improvements with available resources. Capital improvements are identified and submitted to the Planning and Zoning Commission for their initial review. Their recommendations, in addition to staff's, are presented to City Council on a priority basis. Available financial resources are identified and Council approves the projects according to the need and availability of resources.

CURRENT TRENDS AND ISSUES:

The operating budget will again be supplemented with an aggressive Five-Year Capital Improvement Plan (CIP). In July of 2019, the City Council approved the resolution adopting the current Five-Year Capital Improvement Plan for fiscal years 2019/2020 through 2023/2024. Elected officials, citizens, and City staff participated in the development of the Plan and a public hearing was held prior to the Plan's adoption. This Plan is a document separate from the City's budget and it can be accessed from the City's website at https://www.muscatineiowa.gov/DocumentCenter/View/19955/CIP-July_2019?bidId=. The Plan's capital project summary schedule, however, listing all Plan projects has been included in this section of the budget in order to provide a correlation between these two documents. During the annual budget process, this Plan is used to determine capital improvement projects to be included in the budget for the upcoming year. A number of projects in this Plan are subject to the receipt of federal, state, or local grant funding. As such, projects in the Plan may be accelerated or deferred based on funding availability. The projects in the 2021/2022 revised estimate and 2022/2023 budget are projects that have approved funding sources. If outside funding is awarded for projects in the Plan but not yet in the adopted budget, the City will make the appropriate amendments to the current or upcoming budget.

The major emphasis in the City's Capital Improvements Program in the upcoming year will continue to be the upgrading of the City's streets and sewer systems, park facility and building improvements, and improvements at the airport.

Pavement Management Program/Street and Sidewalk Projects

In 2007, the City began a Comprehensive Pavement Management Program to upgrade the City's overall street conditions. Funding allocations totaling $5 million were used in 2007 through 2009 to complete the initial upgrade. These initial costs were funded with general obligation bond proceeds. Thereafter an annual allocation of at least $500,000 is needed to maintain the streets at this higher level. The ongoing annual

maintenance of the improved streets began in 2010 with these costs funded from the 20% allocation of local option sales taxes as provided for in the voter referendum in 2008 for the local option sales tax extension. This 20% allocation was extended in the 2018 referendum and is currently estimated at approximately $680,000 annually. In 2022/2023, the Local Option Sales Tax funding for pavement management projects of $683,900 will be supplemented with a $316,100 allocation of Road Use Tax funds that total to a $1,000,000 allocation for pavement management projects. The additional Road Use Tax funding is available as a result of the State legislature increasing the gasoline tax by $.10 per gallon effective March 1, 2015.

The State transferred jurisdiction and maintenance responsibilities for the Mississippi Drive Corridor from the Mississippi River Bridge south to the Highway 61 Bypass to the City in September of 2014. The State provided $13 million of funding that the City is using to reconstruct and improve this corridor. Engineering design began in 2014/2015 and continued through 2016/2017 for the portion of this corridor from the Mississippi River bridge to Grandview Avenue. Construction for phase one of this project, from the Mississippi River bridge to Broadway, excluding the Mulberry Avenue intersection, began in the late spring of 2017 and this section has been completed. The CP Railroad contributed a total of $4 million of funding for phase one of this project. Muscatine Power & Water is also contributing funds for the utility relocation work required by this project. The balance of the phase one project costs was funded from the Transfer of Jurisdiction funds. Construction began in 2019/2020 for Phase 2 of this project, the 2nd Street and Mulberry Avenue roundabout, and the roundabout was completed in 2020/2021. Construction began in the spring of 2021 and is continuing in 2021/2022 on Grandview Avenue, which is the third and final phase of the Corridor improvement project. Construction for the Grandview Avenue project is expected to be completed by the end of the 2022 calendar year. Federal grant funds, Muscatine Power & Water reimbursements for utility work, and bond proceeds will supplement the Transfer of Jurisdiction funding for this project. With the completion of Grandview Avenue, the Corridor Project will be completed.

The Mississippi Drive/Grandview Avenue Corridor project reconstructed and enhanced over three miles of the Highway 61 Business Route through Muscatine from the Mississippi River Bridge to the Highway 61 Bypass. This project was constructed in accordance with the City's Complete Streets Policy and included reconstruction of the roadway, installation of sidewalks, street lighting enhancements, lane reconfiguration, landscaping, gateway features, and burial of overhead utility lines.

The 2014/2015 budget included funding to begin a new sidewalk installation program with funding from Road Use Tax funds. Various new sidewalks have been installed since the inception of this program, many of which were in school zones. In 2020/2021, $18,858 was expended to begin the design of the new sidewalk on 67th Street. The 2021/2022 budget included $32,500 to complete the design of the new sidewalk and $160,000 to begin construction. The balance of the project costs, estimated at $154,500, is budgeted in 2022/2023.

Sewer Improvement Projects

Sewer improvements continue to be identified as a high priority by City Council. In 2007, the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. In 2008, voters approved extending the local option sales tax for a 10-year period beginning July 1, 2009 with 80% of these funds allocated for sewer improvements including the projects mandated by the Consent Order. The only remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. This project will be constructed in multiple phases over the next six years and the total cost for all of the phases is projected to reach or exceed $55 million. Construction on Phase 1 of the project began in the summer of 2012 and was completed in the fall of 2013. Phase 2 of this project began in the summer of 2013 and was completed in the fall of 2014. Bids for Phase 3 of the project were received in March of 2015. The Phase 3 contract provided for three areas of work to be completed in calendar years 2015, 2016, and 2017. Bids for Phase 4 of the project were received in March of 2018. Phase 4 also consisted of three work areas to be constructed over the next three calendar years (2018,

2019, and 2020). Bids for Phase 5 were received in March of 2021 and this phase of the project was scheduled to be completed over two years (2021 and 2022). Contract work for Phase 5, however, is behind schedule, and is now expected to be completed in 2023. Engineering design is underway in 2021/2022 and will continue in 2022/2023 for Phase 6 of this project. The 2022/2023 funding amount reflects the final work on Phase 5, completion of the engineering design for Phase 6-A and 6-B of the project, and the start of construction for Phase 6-A.

The previous 10-year local option sales tax period was scheduled to end on June 30, 2019 and a referendum was held on March 6, 2018 on the proposal to extend this tax for an additional 15 years to fund future sewer (80%) and street (20%) improvement projects. Voters again approved the extension of this tax with 88% voting in favor of the extension. The 80% allocation of the local option sales tax for sewer improvements will fund the remaining project costs and the projected debt service costs for the remaining phases of the West Hill Sewer Separation project

Southend Neighborhood Improvement Projects

Funding totaling $2 million is available through the Community Foundation of Greater Muscatine for multiple park improvement projects in the south end of the community. Taylor Park improvements include a splashpad, pickleball courts, restrooms, parking lot improvements, and a picnic shelter. Improvements at Musser Park include an all-inclusive playground, a picnic shelter, and a trail extension. This project also includes an all-inclusive playground at the Sunset Park Housing facility. Construction on these projects began in 2021/2022 and is expected to be completed in 2022/2023.

Other Projects

Other significant capital projects budgeted for 2022-2023 include:

Lake Park Bridge Deck Repair Project - During inspections of the bridges in the City, the bridge deck on the Lake Park Bridge was determined to be in need of repairs. Funding will be from Road Use Tax funds.

Parks Playground and Aquatic Center Improvement Projects – Playground improvements to be completed in 2022/2023 include improvements to the 4th Street Park playground and to the playground near the Rose Garden at Weed Park. These playgrounds were originally installed in 2002. Aquatic Center projects include repair and restoration of water slides in this facility.

Substandard Building Demolition Projects - The City has identified a number of substandard buildings that may be required to be removed by the City as nuisance properties. These include buildings damaged by structure fires and other properties where the owners have not taken responsibility for the buildings. The City can assess the costs of demolition to the properties, but in many cases, it is doubtful that these costs will be recovered. The May 2022 bond issue provided $200,000 of funding for demolition projects.

Public Building Deferred Maintenance Projects - Since 2016, the City has been using bond proceeds to fund deferred building maintenance costs. The May 2022 bond issue included $274,000 in funding for these projects. The 2022/2023 funding amount is for radiant heaters and hanging furnaces at Public Works and hangar roof replacements at the Airport.

Art Center Japanese Garden Renovation - In 2019/2020, the Muscatine Art Center staff worked with Iowa State University landscape architect professor Heidi Hohmann, to gather documentation pertaining to the historic Japanese Garden at the Art Center and to create a plan for the garden. The Japanese Garden was installed by Laura Musser-McColm in 1930 and is a contributing feature for the property's National Register of Historic Places listing. Hohmann developed the Historic Landscape Preservation Plan, and the plan was used to secure two grants to fund its implementation. A third grant was received to hire a consultant to further

research the garden. The plan balances the historic features of the garden with its current use as a public space, including ADA-accessibility. Grant awards include $122,402 from the federal Paul Bruhn Historic Revitalization Fund administered through the Iowa Department of Cultural Affairs, $100,000 from the Roy J. Carver Charitable Trust, and $3,000 from Humanities Iowa. The project began in 2021/2022 and is scheduled to be completed in 2022/2023.

Lake Park Boulevard Watershed Study/Improvements - Several property owners on Lake Park Boulevard near the Mad Creek Bridge experience flooding in their garages or basements during flash flood events. A study was completed in 2021/2022 to evaluate alternate ways to address the flooding issues. The 2022/2023 funding amount will address several of the recommendations included in the study.

Public Works Vehicle Wash Bay Project - The City's transit division was awarded a grant by the Iowa Department of Transportation (IDOT) to construct a vehicle wash bay that would serve the Transit division as well as other City departments. The grant funding is $422,559 and the required match to be funded from the Transit budget is $105,700. With the total project cost estimated at $728,300, the balance of the funding will be from the May 2022 bond issue. Engineering design is underway in 2021/2022 with construction scheduled for 2022/2023.

Airport Taxiway Widening Project - The City was awarded a grant from the Iowa Department of Transportation in the amount of $128,945 that will fund 85% of the cost of this project. The balance of the project costs will be funded from remaining balances from prior year projects. Engineering design is expected to be completed in 2021/2022 with construction scheduled for 2022/2023.

SUMMARY:

The following pages identify and describe all capital projects currently in the planning stage or under construction in 2021/2022 as well as those planned for 2022/2023. This section also includes listings of these projects for both 2021/2022 and 2022/2023. Total capital project costs are estimated at $20,063,000 for 2021/2022 and $9,940,200 for 2022/2023. A separate listing of capital outlay items included in department operating budgets in 2022/2023 is also included in this section of the budget for informational purposes. These items total $2,436,700, which brings the total budget for capital outlay and capital projects to $12,376,900 for 2022/2023. The remaining pages of this section are summary and detail capital projects listings from the City's Five-Year Capital Improvements Plan.

CAPITAL IMPROVEMENT PROJECTS
CAPITAL PROJECTS FUND

FISCAL YEAR 2021/2022 PROJECTS UNDER CONSTRUCTION

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On-Going Pavement Management Program: This ongoing program has been funded from the 20% allocation of the local option sales tax dedicated by voter referendum for the pavement management program. In recent years, the Local Option Sales Tax funding for pavement management projects has been supplemented with an allocation of Road Use Tax funds. The additional Road Use Tax funding is available due to the State legislature increasing the gasoline tax by $.10 per gallon effective March 1, 2015. In 2021/2022, the Local Option and Road Use Tax funds are being used for street resurfacing, alley resurfacing, and full depth concrete patching.

Funding Source	FY 2021/2022 Funding Amount
Local Option Sales Tax Funds	$ 774,900
Road Use Tax Funds	225,100
	$ 1,000,000

Future Impact on Operating Budget: This project will maintain streets at a higher level to avoid future costs.

Transfer of Jurisdiction/Mississippi Drive and Grandview Avenue Corridor Improvements: The State transferred jurisdiction and maintenance responsibilities for the Mississippi Drive Corridor from the Mississippi River Bridge south to the Highway 61 Bypass to the City in September of 2014. The State provided $13 million of funding that the City is using to reconstruct and improve this corridor. Engineering design began in 2014/2015 and continued through 2016/2017 for the portion of this corridor from the Mississippi River bridge to Grandview Avenue. Construction for phase one of this project, from the Mississippi River bridge to Broadway, excluding the Mulberry Avenue intersection, began in the late spring of 2017 and this section has been completed. The CP Railroad contributed a total of $4 million of funding for phase one of this project. Muscatine Power & Water is also contributing funds for the utility relocation work required by this project. The balance of the phase one project costs were funded from the Transfer of Jurisdiction funds. Construction began in 2019/2020 for Phase 2 of this project, the 2nd Street and Mulberry Avenue roundabout, and construction was completed in 2020/2021. Construction began in the spring of 2021 on Grandview Avenue, which is the third and final phase of the Corridor improvement project

Project costs in 2021/2022 include the continuation of construction on the Grandview Avenue project, engineering, and related costs. The Grandview Avenue project is expected to be completed by the end of the 2022 calendar year. Federal grant funds, Muscatine Power & Water reimbursements for utility work, and bond proceeds will supplement the Transfer of Jurisdiction funding for this project.

Funding Sources	FY 2021/2022 Funding Amount
Transfer of Jurisdiction Funds	$ 980,600
Federal Grant Funds	1,775,000
Reimbursements from Muscatine Power & Water	338,300
Road Use Tax for Portion of Grandview Sidewalks	100,000
Bond Proceeds – May 2022 Issue	2,500,000
	$ 5,693,900

Future Impact on Operating Budget: When improvements to this corridor are completed, annual maintenance costs will be reduced. Specific cost savings cannot be determined.

Park Avenue Improvements: In January of 2018, the City received notification that its application for a Traffic Safety Improvement Program (TSIP) grant to convert a portion of Park Avenue from a 4-lane to a 3-lane configuration was approved by the Iowa Department of Transportation (IDOT). The original grant was for $325,000. The scope of this project was later expanded and three additional IDOT grants were awarded that bring the total grant funding for the project to $1,297,714. The total project cost is currently estimated at $2.7 million. Muscatine Power & Water will fund an estimated $285,500 of the project costs for utility work. The May 2020 bond issue included $425,000 of funding for this project and the balance of the local share, estimated at $725,000 will be included in the spring 2022 bond issue. Engineering design began in 2019/2020 and was completed in the summer of 2020. Construction began in the summer of 2020 and is expected to be completed by the end of the 2021/2022 fiscal year.

Funding Sources	FY 2021/2022 Funding Amount
Iowa Department of Transportation Grants	$ 1,297,700
Muscatine Power & Water Contributions	285,500
Bond Proceeds – May 2022 Issue	725,000
	$ 2,308,200

Future Impact on Operating Budget: This project will not have an impact on future operating budgets.

New Sidewalk Program: The 2014/2015 budget included funding to begin a new sidewalk installation program. Annual allocations of approximately $100,000 from the Road Use Tax fund are proposed to be used to fund this ongoing program. A total of $110,042 was expended for new sidewalks in 2014/2015, $132,640 in 2015/2016, and $114,649 in 2016/2017. Only preliminary engineering costs of $942 were expended in 2017/2018. The allocation for 2018/2019 totaled $135,594 which funded the sidewalk extension on Tanglefoot Lane and the trail/sidewalk on Houser Street in front of the new Soccer expansion area and parking lot. The 2019/2020 allocation was to be used to fund new sidewalks in the Grandview Avenue area in conjunction with the reconstruction of that roadway. With the Grandview Avenue Reconstruction project deferred, the allocation for the Grandview Avenue sidewalks was also deferred until 2021/2022. That funding allocation was made directly from the Road Use Tax fund to the Grandview Avenue capital project fund. In 2020/2021, $18,858 was expended to begin the design of the new sidewalks on 67th Street. The 2021/2022 budget includes $32,500 to complete the design for the 67th Street sidewalks and $160,000 to begin construction. The balance of the project costs, estimated at $154,500, is budgeted in 2022/2023.

Funding Sources	FY 2021/2022 Funding Amount
Road Use Tax Funds	$ 192,500

Future Impact on Operating Budget: None, since sidewalks in residential areas are the responsibility of the property owners.

Downtown Streetscape Project: This project involves street and sidewalk improvements on 2nd Street between Mulberry Avenue and Pine Street in downtown Muscatine. Engineering design for this project began in 2018/2019 and was completed in 2019/2020. The contract for this project was approved by City Council in February of 2020 and construction began in April of 2020. Construction is being done in the non-winter months of calendar years 2020 and 2021. Available tax increment financing (TIF) funds were used to fund the engineering design costs. The May 2020 general obligation bond issue included $3.2 million for this project. Debt service requirements on this portion of the bond issue will be paid from future tax increment funds. The 2021/2022 budgeted amount includes the final construction costs for this project. Muscatine Power & Water is reimbursing the City for utility work that was required for this project.

Funding Sources	FY 2021/2022 Funding Amount
Balance of May 2020 Bond Proceeds (to be funded from future Tax Increment Funds)	$ 995,600
Muscatine Power & Water Reimbursement	55,900
	$ 1,051,500

Future Impact on Operating Budget: There will be savings in annual maintenance costs when these improvements are completed. The amount cannot be determined.

Riverfront Amphitheater – Preliminary Design: In July of 2021, City Council approved an internal advance of $50,000 for the preliminary design costs for this future year project. The Riverside Park Improvement project was included in the March 2018 Urban Renewal Plan Amendment, which makes this project eligible for TIF funding. The preliminary design will include a project cost estimate. Outside contributions are expected to fund a substantial portion of the cost for construction of the amphitheater.

Source	FY 2021/2022 Funding Amount
Available Tax Increment Financing (TIF) Funds	$ 50,000

Future Impact on Operating Budget: None

Soccer Fields 1-6 Irrigation System Improvements: The May 2020 bond issue included funding for Soccer Field #3 improvements. This project was originally planned to involve removal of all of the current turf and replacing it with an aggressive species of Kentucky bluegrass to limit infestation of poa annua throughout the field. The project would have also included replacement of the current hydraulic irrigation system with an electric irrigation system on that field. During the development of the 2021/2022 budget, the Parks department requested the funds originally allocated for Soccer Field #3 be re-allocated to replace the irrigation systems on Fields 1-6. Parks staff indicated that the irrigation system replacement was a higher priority and there may now be alternate means to improve the turf on Field #3.

Funding Source	FY 2021/2022 Funding Amount
Prior Year Bond Proceeds	$ 121,200

Future Impact on Operating Budget: Maintenance costs should be reduced with the new irrigation system. Specific savings cannot be determined.

Parks Playground and Aquatic Center Repair Projects: Playground improvements include the replacement of the platforms at the Musser Park and Fuller Park playgrounds. The platform coatings were beginning to crack and rust, causing potential safety issues on these surfaces. These playgrounds were originally installed in 2002. Aquatic Center projects include repair of the entrance area and repair and refinishing of the family slide.

Funding Source	FY 2021/2022 Funding Amount
Bond Proceeds – 2022 Issue	$ 188,500

Future Impact on Operating Budget: Maintenance costs should be reduced with the new playground platforms and slide repairs. Specific savings cannot be determined.

Southend Neighborhood Improvement Projects: Funding totaling $2 million is available through the Community Foundation of Greater Muscatine for multiple park improvement projects in the south end of the community. Taylor Park improvements include a splashpad, pickleball courts, restrooms, parking lot improvements, and a picnic shelter. Improvements at Musser Park include an all-inclusive playground, a picnic shelter, and a trail extension. This project also includes an all-inclusive playground at the Sunset Park Housing facility. Construction on these projects will begin in 2021/2022 and is expected to be completed in 2022/2023.

Funding Source	FY 2021/2022 Funding Amount
Community Foundation Grant Funds	$ 1,300,000

Future Impact on Operating Budget: These projects are being designed to minimize future operating and maintenance costs. Any additional costs will be funded from the Park Maintenance budget.

Substandard Building Demolition Projects: The City has identified a number of substandard buildings that may be required to be removed by the City as nuisance properties. These include buildings damaged by structure fires and other properties where the owners have not taken responsibility for the buildings. The City can assess the costs of demolition to the properties, but in many cases, it is doubtful that these costs will be recovered. The May 2022 bond issue provides $200,000 of funding for demolition projects.

Funding Source	FY 2021/2022 Funding Amount
Bond Proceeds – May, 2022 Issue	$ 128,700

Future Impact on Operating Budget: There should be no future impact on the City's operating budget once the structures are demolished and the properties are disposed of.

Public Building Deferred Maintenance Projects: The City's May 2016 bond issue included funding of $1,375,000 for Art Center HVAC and window improvements and a total of $525,000 for deferred maintenance projects and improvements to other city buildings and facilities. The City's May 2018 bond issue included $360,000 and the May 2020 bond issue included $225,000 to continue deferred building maintenance projects. The May 2022 bond issue includes $274,000 in additional funding for these projects. The 2021/2022 funding amount is for deferred maintenance projects at the former Morgan building, the Art Center, City Hall, the Airport, and the Public Safety building.

Funding Source	FY 2021/2022 Funding Amount
Bond Proceeds – Prior Year and May 2022 Issue	$ 311,800

Future Impact on Operating Budget: There will be savings in annual maintenance costs when these improvements are completed. The amount of the savings cannot be determined.

Former Kum and Go Property Acquisition/Sale of Old Library: With the opening of a new and larger Kum and Go Convenience Store in downtown Muscatine, their former store at the intersection of 5th and Cedar Streets became available to purchase. This property is across the street from the City's Public Safety Building and there was a need for additional staff parking since some existing parking was being displaced as a result of a Muscatine County project. The City purchased this property in March of 2020 for $100,000 and the City incurred some incidental costs after the purchase. Funding for this purchase and the initial costs will be from the May 2022 bond issue. The 2021/2022 budget includes a total of $126,900 for building renovation and garage doors for the existing building and concrete for the parking lot. Funds from the sale of the former library ($120,000) will be used to fund the majority of the cost for the building and parking lot repairs.

Funding Sources	FY 2021/2022 Funding Amount
Bond Proceeds – 2022 Issue	$ 111,000
Available Funds from Sale of Former Library	120,000
	$ 231,000

Future Impact on Operating Budget: Once the building and parking lot repairs are completed, minimal ongoing costs are anticipated. Any additional operating costs will be funded from the Building and Grounds budget.

Police Pistol Range Building Replacement: Although not located directly on the Mississippi River, the Police Pistol Range was severely damaged by extended flooding in 2019. Since flooding of this building has occurred several times in recent years, it was determined that a new building to be located on higher ground or at a different site was needed. An asbestos survey was completed and the former building was demolished in 2020/2021. A flood insurance reimbursement funded the demolition costs. The 2021/2022 funding amount includes $105,100 for the environmental cleanup of the former range site and $35,000 for consultant services to assist in identifying suitable sites for the new range. The Muscatine County Sheriff's department has agreed to pay 50% of the cost of locating a suitable site and constructing a new range facility.

Funding Sources	FY 2021/2022 Funding Amount
Bond Proceeds – May 2022 Issue	$ 105,000
Available Balance (Includes Insurance Proceeds for Former Range Building)	35,100
	$ 140,100

Future Impact on Operating Budget: There is expected to be some savings in annual maintenance costs with a new range building. The amount cannot be determined.

Art Center Japanese Garden Renovation: In 2019/2020, the Muscatine Art Center staff worked with Iowa State University landscape architect professor Heidi Hohmann, to gather documentation pertaining to the historic Japanese Garden at the Art Center and to create a plan for the garden. The Japanese Garden was installed by Laura Musser-McColm in 1930 and is a contributing feature for the property's National Register of Historic Places listing. Hohmann developed the Historic Landscape Preservation Plan, and the plan was used to secure two grants to fund its implementation. A third grant was received to hire a consultant to further research the garden. The plan balances the historic features of the garden with its current use as a public space, including ADA-accessibility. Grant awards include $122,402 from the federal Paul Bruhn Historic Revitalization Fund administered through the Iowa Department of Cultural Affairs, $100,000 from the Roy J. Carver Charitable Trust, and $3,000 from Humanities Iowa. The project is scheduled to begin in 2021/2022 and be completed in 2022/2023.

Funding Source	FY 2021/2022 Funding Amount
Art Center Grants	$ 72,000

Future Impact on Operating Budget: No impact to future operating budgets is expected from this project.

Public Safety Telephone System Replacement: The Muscatine City/County Joint Communications Center (MUSCOM) is located in the City's Public Safety building and the two entities have shared a telephone system for over 15 years. MUSCOM is purchasing a new emergency telephone system. At the time the original budget was developed, there was discussion of whether the new system for MUSCOM would be compatible with the current telephone system at the Public Safety Building. After further review, it was found that an equipment modification can be made in lieu of a full telephone system replacement. This reduced the required bond funding for this project

Funding Source	FY 2021/2022 Funding Amount
Bond Proceeds – May 2022 Issue	$ 18,500

Future Impact on Operating Budget: No impact is expected

Fire Engine: The May 2022 bond issue will include funding to replace one of the City's front-line fire engines. This will replace a 2006 model that will be moved to a reserve status.

Funding Source	FY 2021/2022 Funding Amount
Bond Proceeds – 2022 Issue	$ 657,500

Future Impact on Operating Budget: There will be savings in annual maintenance costs with the new fire engine. The amount cannot be determined.

Ambulance Replacements (2): The original Ambulance budget for 2021/2022 included (1) a request for $210,000 for a new ambulance to replace a 2014 ambulance that has already been refurbished once and has the highest maintenance costs, and (2) a request to refurbish a 2012 ambulance for $160,000. Funds in the Ambulance fund were not sufficient to fund both of these purchases. The new ambulance was budgeted to be funded from the May 2022 bond issue and the ambulance refurbishment was originally budgeted to be funded from the Ambulance enterprise fund. The new ambulance was ordered in September of 2021 and is expected to be delivered by the end of the 2021/2022 fiscal year. The cost of the new ambulance is $210,934. When bids were received for refurbishment of one of the existing ambulances, they were significantly higher than the budget estimate and also would have had an extended completion date. In lieu of the refurbishment, Fire staff located a "demo" ambulance that was immediately available from one of the dealers for $209,313.15. Since this exceeded the budget for the refurbishment, the "demo" ambulance will also be funded from the May 2022 bond issue.

Funding Sources	FY 2021/2022 Funding Amount
Bond Proceeds – 2022 Issue	$ 420,500

Future Impact on Operating Budget: Reduced maintenance costs are expected with the new ambulances. The amount of the reduction cannot be determined.

Storm and Sanitary Sewer Improvements: In 2007, the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. In 2008, voters approved extending the local option sales tax for a 10-year period beginning July 1, 2009 with 80% of these funds allocated for sewer improvements including the projects mandated by the Consent Order. Construction on the second and final phase of the Hershey Avenue sewer improvement project was completed in 2011/2012. This was a major project mandated by the Consent Order. The remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. Many of the City's sewer improvement projects have been funded through the one (1) percent local option sales tax and others have been funded through sewer fees allocated to the Sewer Extension and Improvement Reserve in the Collection and Drainage Fund. On March 6, 2018, voters in the City approved the extension of the Local Option Tax for a 15-year period through June 30, 2034 with 80% of the funds to be used for sewer improvements and 20% for street improvements.

West Hill Sewer – The City has an agreement with an engineering firm for conceptual and final design services for this major sewer separation project. This project is required to be completed by 2028 under the City's Consent Order with the Environmental Protection Agency. This project will be constructed in multiple phases over the next seven years and the total cost for all of the phases is projected to reach or exceed $55 million. Construction on Phase 1 of the project began in the summer of 2012 and was completed in the fall of 2013. Phase 2 of this project began in the summer of 2013 and was completed in

the fall of 2014. Bids for Phase 3 of the project were received in March of 2015. The Phase 3 contract provided for three areas of work to be completed in calendar years 2015, 2016, and 2017. This schedule corresponded with local option sales tax funding available for this project each year. Bids were received in March of 2018 for Phase 4 of the project, which was again to be done over three years, 2018, 2019, and 2020. Bids for Phase 5 were received in March of 2021 and this phase of the project was scheduled to be completed over two years (2021 and 2022). Contract work for Phase 5, however, is behind schedule, and is now expected to be completed in 2023. Engineering design is underway in 2021/2022 for Phase 6 of this project. The 2021/2022 funding amount reflects the final work on Phase 4-C, work on Phase 5-A, the start of work on Phase 5-B, and engineering design costs for Phase 6 of the project.

Funding Source	FY 2021/2022 Funding Amount
Local Option Sales Tax Funds	$ 4,600,000

Future Impact on Operating Budget: This project will reduce maintenance costs to the storm and sanitary sewer system. Specific cost savings cannot be determined.

Water Pollution Control Plant (WPCP) High Strength Waste Receiving Station Project: This project was first bid in October of 2018 and all bids were substantially higher than the engineer's estimate and were rejected. The project plans were changed to move the food waste disposal portion of the project to the former Recycling Center at the Transfer Station. Bids were due on the revised project in March of 2019 and those bids were again substantially higher than the engineer's updated estimate and were rejected. Further revisions were made to the plans and specifications for this project to reduce costs. Bids were received in May 2019, the contract with Leander Construction was approved in June of 2019, and the contract was closed out in May of 2020.

The original 2021/2022 budget was based on funding the next phase of the HSWRS project for the digester conversions from the Water Pollution Control Plant Reserve. Due to much higher cost estimates for the digester conversions, this project was placed on hold. The revised funding amount for the HSWRS project of $107,500 is based on costs incurred to date this fiscal year. No funds are budgeted to be expended for this project 2022/2023. Placing the digester conversion project on hold will allow staff time to prioritize the digester conversion project with other needs at the Water Pollution Control Plant.

Funding Source	FY 2021/2022 Funding Amount
Water Pollution Control Plant Reserve Funds	$ 107,500

Future Impact on Operating Budget: There was an overall staffing increase of one fulltime position (estimated at $77,200 including benefits) in the Water Pollution Control fund when the project was completed and placed in service.

Water Pollution Control – Nutrient Reduction Alternatives Study: The Iowa Department of Natural Resources has issued new rules pertaining to nutrients discharged from the 102 largest wastewater plants in the State. The City will be subject to the new rules at the time the new permit is issued. This study will provide nutrient reduction strategies for the area watershed in an effort to reduce the capital cost of any required actions. This study began in August of 2019 and is expected to be completed by the end of the 2021/2022 fiscal year.

Funding Sources	FY 2021/2022 Funding Amount
Water Pollution Control Operating Fund	$ 35,000

Future Impact on Operating Budget: There will be no impact on the operating budget from the study. The study will provide alternatives, including cost estimates, for alternative nutrient reduction strategies.

Papoose Redundant Sewer Line – Project Design: In October of 2017, a sewer leak was discovered in the 30" force main sewer between the Musser Park Lift Station and the Water Pollution Control Plant. The break was located at the intersection of Day, Birch and Nebraska Streets. In order to assess the damage, the line had to be shut down and drained. This process required closing the pipe that flows from the Papoose Creek Lift Station. This pipe closing resulted in a direct discharge of sanitary sewer water to the Mississippi River at Papoose Creek. Due to the condition of the pipe at the break, staff's experience with breakages of this type, and age of the pipe, the best repair option was to line the existing sewer pipe and this project was completed in the 2017/2018 fiscal year. While the existing force main has been repaired, the Iowa Department of Natural Resources (IDNR) has mandated that the City construct a redundant line by 2026 to prevent future discharges to the Mississippi River. The engineering design for this project began in 2019/2020 and is scheduled to be completed in 2021/2022. The estimated cost of construction for this project is $3,154,800. This project will be scheduled for construction after the Grandview Avenue Reconstruction project is completed. This will still allow construction to be completed by the mandated deadline.

Funding Source	FY 2021/2022 Funding Amount
Sewer Extension and Improvement Reserve	$ 80,000

Future Impact on Operating Budget: The design of this project will not have an impact on future operating budgets.

Shamrock Drive Sewer Repair Project: In the spring of 2021, city staff was alerted to a hole that developed on private property on Shamrock Drive. Upon investigation it was determined that the 42-inch metal storm sewer that was installed by the county, and taken over by the city during annexation, had developed several holes in the bottom which was allowing soil to enter it causing the hole in the ground surface. Since this pipe is owned by the City it is the City's responsibility to maintain it. After reviewing options, staff made the determination that lining the existing pipe would be the most cost-effective option. This work has been completed with funding from the Sewer Extension and Improvement Reserve.

Funding Source	FY 2021/2022 Funding Amount
Sewer Extension and Improvement Reserve	$ 97,500

Future Impact on Operating Budget: There is no impact on future operating budgets from this project.

Transfer Station Tipping Floor Repair Project: The tipping floor at the Transfer Station dates back to 1995 when the Transfer Station opened. Approximately six inches has worn off the floor exposing the reinforcing bars in the concrete, which results in a possible safety hazard for employees and customers. This project will add ultra-high performance cementitious topping to the existing floor.

Funding Sources	FY 2021/2022 Funding Amount
Bond Proceeds – May 2022 Issue	$ 450,000
Available Transfer Station Fund Balance	200,000
	$ 650,000

Future Impact on Operating Budget: Maintenance costs will decrease with a new floor. The amount of savings, however, cannot be determined.

Public Works Vehicle Wash Bay Project: The City's transit division was awarded a grant by the Iowa Department of Transportation to construct a vehicle wash bay that would serve the Transit division as well as other City departments. The grant funding is $422,559 and the required match to be funded from the Transit budget is $105,700. With the total project cost estimated at $728,300, the balance of the funding will be from the May 2022 bond issue. Engineering design is underway in 2021/2022 with construction scheduled for 2022/2023.

Funding Sources	FY 2021/2022 Funding Amount
Bond Proceeds – May 2022 Issue	$ 200,000

Future Impact on Operating Budget: Staff time for washing vehicles is expected to decrease at the new facility. The amount of savings, however, cannot be determined.

Airport Zoning Ordinance Update: A State grant is providing 85% funding for the update of the Airport Zoning Ordinance. This work is scheduled to be completed in 2021/2022.

Funding Sources	FY 2021/2022 Funding Amount
State Grant	$ 5,200
Prior Year Bond Proceeds	900
	$ 6,100

Future Impact on Operating Budget: None

Airport Reconstruction of Taxiway A: Engineering design was completed in 2019/2020 for this project. Federal Aviation Administration (FAA) funding was originally set at 90% of project costs. After the fiscal year 2020/2021 budget was adopted, the City received notification that the 10% local share would be waived due to an increased FAA funding allocation related to the COVID-19 pandemic. Bids were received for this project in May of 2020 and the contract was awarded to Langman Construction, Inc. in the amount of $2,497,660.30. Construction began in the spring of 2021 and was substantially completed in the fall of 2021. Final work on the contract is expected to be completed in the spring of 2022.

Funding Sources	FY 2021/2022 Funding Amount
Federal Aviation Administration (FAA) Grant	$ 1,677,300

Future Impact on Operating Budget: Maintenance costs will decrease with the new taxiway. The amount of savings, however, cannot be determined.

Airport Taxiway Widening Project: The City was awarded a grant from the Iowa Department of Transportation in the amount of $128,945 that will fund 85% of the cost of this project. The balance of the project costs will be funded from remaining balances from prior year projects. Engineering design is scheduled to be completed in 2021/2022 with construction in 2022/2023.

Funding Sources	FY 2021/2022 Funding Amount
State Grant	$ 24,200
Available Balance from Prior Projects	4,300
	$ 28,500

Future Impact on Operating Budget: None.

CAPITAL IMPROVEMENT PROJECTS
CAPITAL PROJECTS FUND

FISCAL YEAR 2022/2023 PROJECTS SCHEDULED FOR CONSTRUCTION

On-Going Pavement Management Program: This ongoing program has been funded from the 20% allocation of the local option sales tax dedicated by voter referendum for the pavement management program. In recent years, the Local Option Sales Tax funding for pavement management projects has been supplemented with an allocation of Road Use Tax funds. The additional Road Use Tax funding is available due to the State legislature increasing the gasoline tax by $.10 per gallon effective March 1, 2015. In 2022/2023, the Local Option and Road Use Tax funds will be used for street resurfacing, alley resurfacing, and full depth concrete patching. Specific projects have not yet been determined.

Funding Source	FY 2022/2023 Funding Amount
Local Option Sales Tax Funds	$ 683,900
Road Use Tax Funds	316,100
	$ 1,000,000

Future Impact on Operating Budget: This project will maintain streets at a higher level to avoid future costs.

Transfer of Jurisdiction/Mississippi Drive and Grandview Avenue Corridor Improvements: The State transferred jurisdiction and maintenance responsibilities for the Mississippi Drive Corridor from the Mississippi River Bridge south to the Highway 61 Bypass to the City in September of 2014. The State provided $13 million of funding that the City is using to reconstruct and improve this corridor. Engineering design began in 2014/2015 and continued through 2016/2017 for the portion of this corridor from the Mississippi River bridge to Grandview Avenue. Construction for phase one of this project, from the Mississippi River bridge to Broadway, excluding the Mulberry Avenue intersection, began in the late spring of 2017 and this section has been completed. The CP Railroad contributed a total of $4 million of funding for phase one of this project. Muscatine Power & Water is also contributing funds for the utility relocation work required by this project. The balance of the phase one project costs were funded from the Transfer of Jurisdiction funds. Construction began in 2019/2020 for Phase 2 of this project, the 2nd Street and Mulberry Avenue roundabout, and construction was completed in 2020/2021. Construction began in the spring of 2021 on Grandview Avenue, which is the third and final phase of the Corridor improvement project. Construction on Grandview continued in 2021/2022.

The final work on the Grandview Avenue project is expected to be substantially completed by the end of the 2022 calendar year. Federal grant funds, Muscatine Power & Water reimbursements for utility work, and bond proceeds supplemented the Transfer of Jurisdiction funding for this overall project.

Funding Sources	FY 2022/2023 Funding Amount
Federal Grant Funds	$ 1,775,000
Reimbursements from Muscatine Power & Water	337,800
Prior Year Bond Proceeds	205,000
	$ 2,317,800

Future Impact on Operating Budget: When improvements to this corridor are completed, annual maintenance costs will be reduced. Specific cost savings cannot be determined.

New Sidewalk Program: The 2014/2015 budget included funding to begin a new sidewalk installation program. Annual allocations of approximately $100,000 from the Road Use Tax fund are proposed to be used to fund this ongoing program. A total of $110,042 was expended for new sidewalks in 2014/2015, $132,640 in 2015/2016, and $114,649 in 2016/2017. Only preliminary engineering costs of $942 were expended in 2017/2018. The allocation for 2018/2019 totaled $135,594 which funded the sidewalk extension on Tanglefoot Lane and the trail/sidewalk on Houser Street in front of the new Soccer expansion area and parking lot. The 2019/2020 allocation was to be used to fund new sidewalks in the Grandview Avenue area in conjunction with the reconstruction of that roadway. With the Grandview Avenue Reconstruction project deferred, the allocation for the Grandview Avenue sidewalks was also deferred until 2021/2022. That funding allocation was made directly from the Road Use Tax fund to the Grandview Avenue capital project fund. In 2020/2021, $18,858 was expended to begin the design of the new sidewalks on 67th Street. The 2021/2022 budget includes $32,500 to complete the design for the 67th Street sidewalks and $160,000 to begin construction. The balance of the project costs, estimated at $154,500, is budgeted in 2022/2023.

Funding Sources	FY 2022/2023 Funding Amount
Road Use Tax Funds	$ 154,500

Future Impact on Operating Budget: None, since sidewalks in residential areas are the responsibility of the property owners.

Lake Park Bridge Deck Repair Project: During inspections of the bridges in the City, the bridge deck on the Lake Park Bridge was determined to be in need of repairs. Funding will be from Road Use Tax funds.

Funding Sources	FY 2022/2023 Funding Amount
Road Use Tax Funds	$ 210,000

Future Impact on Operating Budget: No impact on future operating budgets is expected.

Parks Playground and Aquatic Center Repair Projects: Playground improvements scheduled to be completed in 2022/2023 include the 4th Street Park playground and the playground next to the Rose Garden at Weed Park. These playgrounds were originally installed in 2002. Aquatic Center projects include repair and restoration of water slides in this facility.

Funding Source	FY 2022/2023 Funding Amount
Prior Year Bond Proceeds	$ 150,000

Future Impact on Operating Budget: Maintenance costs should be reduced with the playground improvements and slide repairs. Specific cost savings cannot be determined.

Southend Neighborhood Improvement Projects: Funding totaling $2 million is available through the Community Foundation of Greater Muscatine for multiple park improvement projects in the south end of the community. Taylor Park improvements include a splashpad, pickleball courts, restrooms, parking lot improvements, and a picnic shelter. Improvements at Musser Park include an all-inclusive playground, a picnic shelter, and a trail extension. This project also includes an all-inclusive playground at the Sunset Park Housing facility. Construction on these projects will begin in 2021/2022 and is expected to be completed in 2022/2023.

Funding Source	FY 2022/2023 Funding Amount
Community Foundation Grant Funds	$ 700,000

Future Impact on Operating Budget: These projects are being designed to minimize future operating and maintenance costs. Any additional costs will be funded from the Park Maintenance budget.

Substandard Building Demolition Projects: The City has identified a number of substandard buildings that may be required to be removed by the City as nuisance properties. These include buildings damaged by structure fires and other properties where the owners have not taken responsibility for the buildings. The City can assess the costs of demolition to the properties, but in many cases, it is doubtful that these costs will be recovered. The May 2022 bond issue provided $200,000 of funding for demolition projects.

Funding Source	FY 2022/2023 Funding Amount
Prior Year Bond Proceeds	$ 100,000

Future Impact on Operating Budget: There should be no future impact on the City's operating budget once the structures are demolished and the properties are disposed of.

Public Building Deferred Maintenance Projects: The City's May 2016 bond issue included funding of $1,375,000 for Art Center HVAC and window improvements and a total of $525,000 for deferred maintenance projects and improvements to other city buildings and facilities. The City's May 2018 bond issue included $360,000 to continue building deferred maintenance projects and the May 2020 bond issue included $225,000. The May 2022 bond issue included $274,000 in additional funding for these projects. The 2022/2023 funding amount is for radiant heaters and hanging furnaces at Public Works and hangar roof replacements at the Airport.

Funding Source	FY 2022/2023 Funding Amount
Prior Year Bond Proceeds	$ 263,000

Future Impact on Operating Budget: There will be savings in annual maintenance costs when these improvements are completed. The amount of the savings cannot be determined.

Art Center Japanese Garden Renovation: In 2019/2020, the Muscatine Art Center staff worked with Iowa State University landscape architect professor Heidi Hohmann, to gather documentation pertaining to the historic Japanese Garden at the Art Center and to create a plan for the garden. The Japanese Garden was installed by Laura Musser-McColm in 1930 and is a contributing feature for the property's National Register of Historic Places listing. Hohmann developed the Historic Landscape Preservation Plan, and the

plan was used to secure two grants to fund its implementation. A third grant was received to hire a consultant to further research the garden. The plan balances the historic features of the garden with its current use as a public space, including ADA-accessibility. Grant awards include $122,402 from the federal Paul Bruhn Historic Revitalization Fund administered through the Iowa Department of Cultural Affairs, $100,000 from the Roy J. Carver Charitable Trust, and $3,000 from Humanities Iowa. The project began in 2021/2022 and is scheduled to be completed in 2022/2023.

Funding Source	FY 2022/2023 Funding Amount
Art Center Grants	$ 150,400

Future Impact on Operating Budget: No impact to future operating budgets is expected from this project.

Lake Park Boulevard Watershed Study/Improvements: Several property owners on Lake Park Boulevard near the Mad Creek Bridge experience flooding in their garages or basements during flash flood events. A study was completed in 2021/2022 to evaluate alternate ways to address the flooding issues. The 2022/2023 funding amount will address several of the recommendations included in the study.

Funding Source	FY 2022/2023 Funding Amount
Collection and Drainage Funds	$ 305,000

Future Impact on Operating Budget: These improvements are expected to lessen the impacts to these property owners from flash flood events.

Storm and Sanitary Sewer Improvements: In 2007, the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2028. In 2008, voters approved extending the local option sales tax for a 10-year period beginning July 1, 2009 with 80% of these funds allocated for sewer improvements including the projects mandated by the Consent Order. Construction on the second and final phase of the Hershey Avenue sewer improvement project was completed in 2011/2012. This was a major project mandated by the Consent Order. The remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. Many of the City's sewer improvement projects have been funded through the one (1) percent local option sales tax and others have been funded through sewer fees allocated to the Sewer Extension and Improvement Reserve in the Collection and Drainage Fund. On March 6, 2018, voters in the City approved the extension of the Local Option Tax for a 15-year period through June 30, 2034 with 80% of the funds to be used for sewer improvements and 20% for street improvements.

West Hill Sewer – The City has an agreement with an engineering firm for conceptual and final design services for this major sewer separation project. This project is required to be completed by 2028 under the City's Consent Order with the Environmental Protection Agency. This project will be constructed in multiple phases over the next seven years and the total cost for all of the phases is projected to reach or exceed $55 million. Construction on Phase 1 of the project began in the summer of 2012 and was completed in the fall of 2013. Phase 2 of this project began in the summer of 2013 and was completed in the fall of 2014. Bids for Phase 3 of the project were received in March of 2015. The Phase 3 contract provided for three areas of work to be completed in calendar years 2015, 2016, and 2017. This schedule corresponded with local option sales tax funding available for this project each year. Bids were received in March of 2018 for Phase 4 of the project, which was again done over three years, 2018, 2019, and

2020. Bids for Phase 5 were received in March of 2021 and this phase of the project was scheduled to be completed over two years (2021 and 2022). Contract work for Phase 5, however, is behind schedule, and is now expected to be completed in 2023. Engineering design is underway in 2021/2022 and will continue in 2022/2023 for Phase 6 of this project. The 2022/2023 funding amount reflects the final work on Phase 5, completion of the engineering design for Phase 6-A and 6-B of the project, and the start of construction for Phase 6-A.

Funding Source	FY 2022/2023 Funding Amount
Local Option Sales Tax Funds	$ 3,775,000

Future Impact on Operating Budget: This project will reduce maintenance costs to the storm and sanitary sewer system. Specific cost savings cannot be determined.

Public Works Vehicle Wash Bay Project: The City's transit division was awarded a grant by the Iowa Department of Transportation (IDOT) to construct a vehicle wash bay that would serve the Transit division as well as other City departments. The grant funding is $422,559 and the required match to be funded from the Transit budget is $105,700. With the total project cost estimated at $728,300, the balance of the funding will be from the May 2022 bond issue. Engineering design is underway in 2021/2022 with construction scheduled for 2022/2023.

Funding Sources	FY 2022/2023 Funding Amount
IDOT Grant	$ 422,600
Transit Funds for Grant Match	105,700
Prior Year Bond Funding	158,000
	$ 686,300

Future Impact on Operating Budget: Staff time for washing vehicles is expected to decrease at the new facility. The amount of savings, however, cannot be determined.

Airport Taxiway Widening Project: The City was awarded a grant from the Iowa Department of Transportation in the amount of $128,945 that will fund 85% of the cost of this project. The balance of the project costs will be funded from remaining balances from prior year projects. Engineering design is scheduled to be completed in 2021/2022 with construction in 2022/2023.

Funding Sources	FY 2022/2023 Funding Amount
State Grant	$ 104,700
Available Balance from Prior Projects	18,500
	$ 123,200

Future Impact on Operating Budget: None.

City of Muscatine
Capital Project Appropriations
Fiscal Year Basis
Revised Estimate 2021/2022

Project	Revised Estimate 2021/2022	Funding Sources/Comments
Street and Sidewalk Projects:		
Ongoing Pavement Management Program	$ 1,000,000	Road use tax and local option sales tax
Transfer of Jurisdiction-Grandview Avenue	5,693,900	Estimated FY 22 project costs; Transfer of Jurisdiction, DOT Grant; MP&W reimbursements
Park Avenue Portion to 3-Lane	1,073,900	Estimated final costs; DOT grants, MP&W reimbursement, bond proceeds
New Sidewalk Program	192,500	Final engineering and start of construction for 67th Street sidewalk; will continue in FY 23; road use tax
Downtown Streetscaping Project	1,051,500	Estimated final costs; prior year bond proceeds funded with future TIF funds; MP&W reimbursement
Parks Projects:		
Riverfront Development Project	6,100	Donations
Riverfront Master Plan - Amphitheater Design	50,500	Southend TIF funds for preliminary design costs
Soccer Fields 1-6 Irrigation Improvements	121,200	Prior year bond proceeds
Playground/Other Park Improvement Projects	188,500	Bond proceeds
Southend Community Projects	1,300,000	Estimated FY 22 portion of $2 million total project costs; Community Foundation grant
CAT Grant Projects:		
General CAT Grant Projects	20,000	Balance of CAT grant funds; expenditures for required signs and plaques
West Side Trail	16,300	Final project management costs for Trail grant; balance of STP grant
Other Projects:		
Levee Inspections/Improvements	5,000	Prior year levee tax levy balance for in-house engineering costs
Building Demolitions	128,700	Estimated projects in FY 22; bond proceeds and insurance reimbursement
Public Building Deferred Maintenance	311,800	Estimated FY 22 project costs; bond funding
TIF Development Agreement Legal Fees	14,000	Reimbursements by developers
Property Purchase/Improvements (Kum n Go)/ Sale of Old Library	126,900	Former Kum and Go building and site improvements; bond funding and sale of former library
Flood Damage Repair Projects	3,000	Estimated final costs; FEMA and bond funding for local share
Police Range Demolition/Site Cleanup	140,100	Site cleanup for former Police Range; new site selection consultant; prior year flood insurance reimbursement.
Art Center Japanese Garden Restoration	72,000	FY 22 portion of project cost; grant funding
Fire Engine	657,500	Bond funding
Ambulances (2)	420,500	Bond funding
Estimated Bond Issuance Costs/Underwrite Disc.	110,000	Estimated bond issuance costs and underwriter discount; bond funding
Public Safety Building Telephone System	18,500	Bond funding
Subtotal - General Government	$ 12,722,400	
Water Pollution Control:		
West Hill Sewer Separation Project	$ 4,600,000	Est'd FY 22 project costs; local option tax
Nutrient Reduction Study	16,700	Final cost of study for potential future year project; funded from WPCP Operations
High Strength Waste Receiving Station	107,500	Costs to date; digester conversion portion of the project on hold due to cost estimate; funding from WPCP Replacement Reserve
Lake Park Watershed Study	35,000	Collection & Drainage funding
Papoose Redundant Sewer Line - Design	80,000	Transfer from Sewer Extension Reserve for balance of design costs; future year project required to be done by 2026
Shamrock Serwer Repair	97,500	Transfer from Sewer Extension and Improvement Reserve
Subtotal - Water Pollution Control	$ 4,936,700	
Transfer Station		
Transfer Station Tipping Floor	$ 650,000	Estimated project costs; $200,000 from Transfer Station fund balance; balance from bond issue
Transit System:		
Vehicle Wash Bay	$ 42,000	Wash Bay design in FY 22; transit grant, matching funds from Transit, and bond proceeds
Airport:		
Airport Zoning Ordinance Update	$ 6,100	Estimated FY 22 final project costs; State grant and prior year bond funding for local match
Airport - Reconstruct Taxiway A	1,677,300	Estimated final project costs; 100% FAA grant funding
Airport - Taxiway Widening Project	28,500	Design costs for project; 85% State grant; available fund balance
Subtotal - Airport Projects	$ 1,711,900	
Total	$ 20,063,000	

City of Muscatine
Capital Project Appropriations
Fiscal Year Basis
Budget 2022/2023

Project	Budget 2022/2023	Funding Sources/Comments
Street and Sidewalk Projects:		
Ongoing Pavement Management	$ 1,000,000	Road use tax and local option sales tax
Transfer of Jurisdiction-Grandview	2,317,800	Estimated FY 23 final project costs; DOT grant, MP&W reimbursement; prior year bond proceeds
New Sidewalk Program	154,500	Final construction costs for 67th Street sidewalks; road use tax
Lake Park Bridge Deck Repairs	210,000	Road use tax
Parks Projects:		
Playground/Other Park Improvement Projects	150,000	Prior year bond proceeds
Southend Community Projects	700,000	Estimated FY 23 portion of $2 million total project costs; Community Foundation grant
Other Projects:		
Levee Improvements/Maintenance	5,000	Prior year levee tax levy balance for in-house engineering costs
Building Demolitions	100,000	Prior year bond proceeds
Public Building Deferred Maintenance Projects	263,000	Prior year bond proceeds
Art Center Japanese Garden Restoration	150,400	FY 23 portion of project cost; grant funding
Subtotal - General Government	$ 5,050,700	
Water Pollution Control:		
West Hill Sewer Separation Project	$ 3,775,000	Est'd FY 23 project costs; local option tax funding
Lake Park Watershed Improvement Project	305,000	Collection & Drainage funding
Subtotal - Water Pollution Control	$ 4,080,000	
Transit Fund:		
Vehicle Wash Bay	$ 686,300	Wash Bay construction in FY 23; transit grants, matching funds from Transit , and prior year bond proceeds
Subtotal - Transfer Station Fund	$ 686,300	
Airport:		
Airport - Taxiway Widening Project	$ 123,200	Construction in FY 23; 85% State grant
Subtotal - Airport Projects	$ 123,200	
Total	$ 9,940,200	

City of Muscatine
Capital Outlay in Department Operating Budgets
Budget 2022/2023

Department/Item	Budget	Funding Sources: General Fund	Equipment Replacement	Road Use Tax	Enterprise or Other Funds
General Fund					
Computer Operations					
Computer Replacement Fund	$ 40,000	$ 40,000	$ -	$ -	$ -
Subtotal	$ 40,000	$ 40,000	$ -	$ -	$ -
Buildings and Grounds					
Window Air Conditioners - City Hall (3)	$ 1,500	$ 1,500	$ -	$ -	$ -
Public Works Automatic Gates	38,100	-	-	38,100	-
Subtotal	$ 39,600	1,500	-	38,100	-
Community Development					
Building Inspector Vehicle	$ 25,000	$ -	$ 25,000	$ -	$ -
Code Enforcement Vehicle	25,000	-	25,000	-	-
Subtotal	$ 50,000	$ -	$ 50,000	$ -	$ -
Police Operations					
Tahoes (3)	$ 159,000	$ -	$ 159,000	$ -	$ -
Drug Task Force Vehicle	35,000	-	35,000	-	-
Body Cameras (8)	14,000	14,000	-	-	-
Subtotal	$ 208,000	$ 14,000	$ 194,000	$ -	$ -
Animal Control					
Chip Reader	$ 400	$ 400	$ -	$ -	$ -
Subtotal	$ 400	$ 400	$ -	$ -	$ -
Fire Operations					
Forcible Entry Training Prop	$ 3,500	$ 3,500	$ -	$ -	$ -
Fire Hose Roll N Rack System	8,900	8,900	-	-	-
Subtotal	$ 12,400	$ 12,400	$ -	$ -	$ -
Cemetery Operations					
ZT Mower	$ 15,000	$ -	$ 15,000	$ -	$ -
Subtotal	$ 15,000	$ -	$ 15,000	$ -	$ -
Park Maintenance					
Truck	$ 30,000	$ -	$ 30,000	$ -	$ -
Repair Maintenance Steps at Weed Park	10,000	10,000	-	-	-
Park Maintenance Building Heater	2,500	2,500	-	-	-
Subtotal	$ 42,500	$ 12,500	$ 30,000	$ 0	$ 0
Aquatic Center					
Replace Lifeguard Chair	$ 4,800	$ 4,800	$ -	$ -	$ -
Subtotal	$ 4,800	$ 4,800	$ -	$ -	$ -
Kent-Stein Park					
Infield Skin Material Diamond #16	$ 10,000	$ 10,000	$ -	$ -	$ -
Subtotal	$ 10,000	$ 10,000	$ -	$ -	$ -
Library					
Library Materials (Books, CDs, Digital Media)	$ 110,000	$ 110,000	$ -	$ -	$ -
Subtotal	$ 110,000	$ 110,000	$ -	$ -	$ -

City of Muscatine
Capital Outlay in Department Operating Budgets
Budget 2022/2023

Department/Item	Budget	Funding Sources: General Fund	Equipment Replacement	Road Use Tax	Enterprise or Other Funds
Roadway Maintenance					
Rubber Tire Endloader	$ 300,000	$ -	$ -	$ 300,000	$ -
4x4 1/2 ton Pickup Trucks (2)	75,000	-	-	75,000	-
Concrete/Asphalt Grinding	75,000	-	-	75,000	-
Arc Welder	10,000	-	-	10,000	-
Subtotal	$ 460,000	$ -	$ -	$ 460,000	$ -
Snow & Ice Control					
Four-Way Snow Plow	$ 10,000	$ -	$ -	$ 10,000	$ -
9' Stainless Steel Salt Box	11,500	-	-	11,500	-
Subtotal	$ 21,500	$ -	$ -	$ 21,500	$ -
Traffic Control					
Type III Barricades	$ 2,500	$ -	$ -	$ 2,500	$ -
Traffic Signs	16,000	-	-	16,000	-
Traffic Cones	6,000	-	-	6,000	-
Signs and Posts for Snow Emergency Routes	24,500	-	-	24,500	-
Subtotal	$ 49,000	$ -	$ -	$ 49,000	$ -
Subtotal - General Fund	$ 1,063,200	$ 205,600	$ 289,000	$ 568,600	$ -
Enterprise Funds					
Transit:					
Light Duty Bus (2)	$ 218,000	$ -	$ -	$ -	$ 218,000
Subtotal	$ 218,000	$ -	$ -	$ -	$ 218,000
Parking					
Electronic Parking Meters	$ 1,900	$ -	$ -	$ -	$ 1,900
Subtotal	$ 1,900	$ -	$ -	$ -	$ 1,900
Golf Maintenance					
Rotary Mower	$ 40,000	$ -	$ -	$ -	$ 40,000
Ball Washer	6,000	-	-	-	6,000
Fertilizer Spreader	6,000	-	-	-	6,000
Subtotal	$ 52,000	$ -	$ -	$ -	$ 52,000
Golf Clubhouse					
Golf Simulator	$ 20,000	$ -	$ -	$ -	$ 20,000
Range Mats	4,000	-	-	-	4,000
Subtotal	$ 24,000	$ -	$ -	$ -	$ 24,000
Ambulance					
Surface Pro Computers (6)	$ 9,000	$ -	$ -	$ -	$ 9,000
IV Pumps (5)	8,000	-	-	-	8,000
Subtotal	$ 17,000	$ -	$ -	$ -	$ 17,000
Refuse Collection					
One Ton Truck for Bulky Waste Program	$ 65,000	$ -	$ -	$ -	$ 65,000
Curbside Roll Out Containers (200)	16,000	-	-	-	16,000
Subtotal	$ 81,000	$ -	$ -	$ -	$ 81,000
Landfill					
Tarp Machine	$ 40,000	$ -	$ -	$ -	$ 40,000
Back Up Electric Generator	100,000	-	-	-	100,000
Regrade and Clean Out Lagoon, Reinstall Fence	12,000	-	-	-	12,000
Subtotal	$ 152,000	$ -	$ -	$ -	$ 152,000

City of Muscatine
Capital Outlay in Department Operating Budgets
Budget 2022/2023

Department/Item	Budget	Funding Sources: General Fund	Equipment Replacement	Road Use Tax	Enterprise or Other Funds
Transfer Station					
Grapple Bucket for Wheel Loader	$ 20,000	$ -	$ -	$ -	$ 20,000
Lift Station Pumps	24,000	-	-	-	24,000
Subtotal	$ 44,000	$ -	$ -	$ -	$ 44,000
Water Pollution Control Plant					
Plant Operations:					
RAS VFD Replacements (3)	$ 39,000	$ -	$ -	$ -	$ 39,000
RAS Shut Off Valve Overhauls (3)	24,000	-	-	-	24,000
Drinking Fountains (2)	4,000	-	-	-	4,000
Ice Maker	2,000	-	-	-	2,000
Pumping Stations:					
Isett Lift Station Asbestos Abatement	40,000	-	-	-	40,000
Explosion Proof Heater	5,000	-	-	-	5,000
Doors for Stewart Lift Station Wet Well	5,000	-	-	-	5,000
Lab Operations:					
Composite Sampler	8,000	-	-	-	8,000
BOD Robot	37,000	-	-	-	37,000
BOD Probe	1,200	-	-	-	1,200
pH Meter Operations	1,300	-	-	-	1,300
BOD Computer	1,400	-	-	-	1,400
COD Digestion Block	1,800	-	-	-	1,800
Biosolids:					
6" Supply Hose (660 feet)	7,500	-	-	-	7,500
5" Drag Hose (660 feet)	8,500	-	-	-	8,500
Biosolids Dredge Pump Replacement	40,000	-	-	-	40,000
High Strength Waste Operations:					
Cleansweep Material Screen	75,000	-	-	-	75,000
Subtotal	$ 300,700	$ -	$ -	$ -	$ 300,700
Collection and Drainage					
Sewer Maintenance Projects	$ 50,000	$ -	$ -	$ -	$ 50,000
Sewer Lining	100,000	-	-	-	100,000
Manhole Lining	15,000	-	-	-	15,000
Sewer Study Phase I	75,000	-	-	-	75,000
Subtotal	$ 240,000	$ -	$ -	$ -	$ 240,000
Storm Water					
Backflow Prevention Valves (2)	$ 30,000	$ -	$ -	$ -	$ 30,000
Subtotal	$ 30,000	$ -	$ -	$ -	$ 30,000
Subtotal - Enterprise Funds	$ 1,160,600	$ -	$ -	$ -	$ 1,160,600
Other Funds - Public Housing and Internal Services Funds					
Public Housing Funds					
Clark House - Apartment Rehabilitation	$ 15,000	$ -	$ -	$ -	$ 15,000
Clark House - Appliance Replacement	6,000	-	-	-	6,000
Clark House - Replace PTAC (Apartment Heating and Air Conditioning) Units	10,000	-	-	-	10,000
Clark House - ADA Upgrade	20,000	-	-	-	20,000
Clark House - Common Area Flooring	20,000	-	-	-	20,000
Sunset - Apartment Rehabilitation	15,000	-	-	-	15,000
Sunset - Appliance Replacements	6,000	-	-	-	6,000
Sunset - Foundation Repairs	20,000	-	-	-	20,000
Sunset - Replace Exterior Lights	100,000	-	-	-	100,000
Subtotal	$ 212,000	$ -	$ -	$ -	$ 212,000

City of Muscatine
Capital Outlay in Department Operating Budgets
Budget 2022/2023

		Funding Sources			
Department/Item	**Budget**	**General Fund**	**Equipment Replacement**	**Road Use Tax**	**Enterprise or Other Funds**
Equipment Services Internal Services Fund					
Mobile Tool Carts	$ 900	$ -	$ -	$ -	$ 900
Subtotal	$ 900	$ -	$ -	$ -	$ 900
			-		
Subtotal - Other Funds	$ 212,900	$ -	$ -	$ -	$ 212,900
Total - All Operating Funds	$ 2,436,700	$ 205,600	$ 289,000	$ 568,600	$ 1,373,500

City of Muscatine
Five Year Capital Improvement Plan - FY 2020 Through FY 2024
Summary of Projects by Department by Year

Department	FY '20	FY '21	FY '22	FY `23	FY' 24	**Total**
Community Development - Airport	$ 1,300,800		$ 200,000		$ 620,000	$ 2,120,800
Housing			250,000			250,000
Parks & Recreation	2,645,000	$ 1,829,000	457,500	$ 2,827,000	1,700,000	9,458,500
Water Pollution Control Plant	1,495,000	1,280,000				2,775,000
Fire		650,800				650,800
Solid Waste - Refuse Collection	430,000	250,000	180,000		180,000	1,040,000
Solid Waste - Landfill	75,000	35,000				110,000
Solid Waste - Transfer Station	1,450,000	160,000				1,610,000
Public Works—Transit	198,600	215,800	222,200	228,800	223,000	1,088,400
Public Works—Roadway Maintenance	570,000	475,000				1,045,000
Public Works—Collection and Drainage	240,000	100,000	300,000	1,072,500	3,125,000	4,837,500
Public Works—Buildings & Grounds	2,307,442	580,000				2,887,442
Public Works—Street & Sidewalk Projects	8,180,000	8,990,000	1,100,000	5,050,000	4,750,000	28,070,000
Public Works—Sewer Separation	2,105,175	3,000,000	3,000,000	3,000,000	3,000,000	14,105,175
Totals	$ 20,997,017	$ 17,565,600	5,709,700	12,178,300	13,598,000	70,048,617

City of Muscatine
Five Year Capital Improvement Plan - FY 2020 Through FY 2024
Detailed Project Listing

Project	Fiscal Year	Cost	Funding Source
West Hill Sewer Separation Project (6A)	‘24	$ 3,000,000	Local Option Sales Tax and State Revolving Fund Loan
West Hill Sewer Separation Project (5C)	‘23	3,000,000	Local Option Sales Tax
West Hill Sewer Separation Project (5B)	‘22	3,000,000	Local Option Sales Tax
West Hill Sewer Separation Project (5A)	‘21	3,000,000	Local Option Sales Tax
West Hill Sewer Separation Project (4C)	‘20	2,105,175	Local Option Sales Tax
Papoose Lift Station Force Main Redundant Line	‘23	900,000	TBD
Papoose Lift Station Force Main Redundant Line—Design	‘20	100,000	Sewer Extension and Improvement Reserve
Grandview Avenue Corridor Reconstruction	‘21	4,500,000	Federal STP Grant and Transfer of Jurisdiction Proceeds
Grandview Avenue Corridor Reconstruction	‘20	4,500,000	Federal STP Grant and Transfer of Jurisdiction Proceeds
Old Highway 38 Bridge Erosion Control	‘20	80,000	TBD
New Sidewalk Program	‘24	100,000	Road Use Tax Funds
New Sidewalk Program	‘23	100,000	Road Use Tax Funds
New Sidewalk Program	‘22	100,000	Road Use Tax Funds
New Sidewalk Program	‘21	100,000	Road Use Tax Funds
New Sidewalk Program	‘20	100,000	Road Use Tax Funds
Progress Park Force Main Redundant Line	‘24	1,500,000	TBD
Progress Park Force Main Redundant Line	‘22	200,000	TBD
2nd Street Streetscaping Project	‘21	2,500,000	Tax Increment Funds
2nd Street Streetscaping Project	‘20	2,500,000	Tax Increment Funds
Lucas Street Reconstruction Design	‘23	300,000	Federal STP Grant, Collection & Drainage Funds, and GO Bonding
Pavement Management Program	‘24	1,000,000	Local Option Sales Tax and Road Use Tax
Pavement Management Program	‘23	1,000,000	Local Option Sales Tax and Road Use Tax
Pavement Management Program	‘22	1,000,000	Local Option Sales Tax and Road Use Tax
Pavement Management Program	‘21	1,000,000	Local Option Sales Tax and Road Use Tax
Pavement Management Program	‘20	1,000,000	Local Option Sales Tax and Road Use Tax
Public Works Road Saver	‘20	100,000	Road Use Tax
Spray Injection Pothole Patcher	‘21	300,000	Road Use Tax
38/61 Connector	‘24	3,650,000	RISE Grant and Tax Increment Funds
38/61 Connector	‘23	3,650,000	RISE Grant and Tax Increment Funds

Project	Fiscal Year	Cost	Funding Source
38/61 Connector	‘21	800,000	RISE Grant and Tax Increment Funds
Westside Trail	‘20	900,000	Federal TAP Grant, CAT Grant, and Donations
Lake Park Boulevard Bridge Deck Replacement	‘21	90,000	Road Use Tax
Rear Load Collection Truck	‘24	180,000	Refuse Collection Funds
Rear Load Collection Truck	‘22	180,000	Refuse Collection Funds
Rear Load Collection Truck	‘20	180,000	Refuse Collection Funds
Side Load Collection Truck	‘21	250,000	Refuse Collection Funds
Side Load Collection Truck	‘20	250,000	Refuse Collection Funds
Public Building Elevator Upgrades	‘21	500,000	TBD
Public Building Elevator Upgrades	‘20	500,000	TBD
Mad Creek Storm Water Management	‘24	900,000	Watershed Development Grant and 319 Grant
Mad Creek Storm Water Management	‘23	100,000	Watershed Development Grant and 319 Grant
Nutrient Removal Process Modifications	‘21	600,000	Water Pollution Control Reserve Funds
Nutrient Removal Process Modifications	‘20	500,000	Water Pollution Control Reserve Funds
Stove Hood at Fire Department	‘20	45,000	TBD
Riverside Park Amphitheater	‘21	750,000	TBD
WPCP SCADA Server Replacement	‘20	135,000	WPCP Operating Funds
MuscaBus Replacements	‘24	223,000	Federal Grant and City Matching Funds
MuscaBus Replacements	‘23	228,800	Federal Grant and City Matching Funds
MuscaBus Replacements	‘22	222,200	Federal Grant and City Matching Funds
MuscaBus Replacements	‘21	215,800	Federal Grant and City Matching Funds
MuscaBus Replacements	‘20	198,600	Federal Grant and City Matching Funds
Weed Park Large Event Shelter	‘20	300,000	TBD
Clark House Elevator Upgrade	‘22	250,000	HUD Capital Grant Funds
Former IDOT Facility - Design	‘20	300,000	TBD
Riverfront Basketball Court Replacement	‘22	100,000	TBD
Airport Runway 12/30 & Taxiway Maintenance	‘22	200,000	State Grant and Local Matching Funds
2nd Avenue Stormwater Infiltration Project	‘20	75,000	Grants
Weed Park Lagoon Trail	‘20	100,000	TBD
South End Air Release Valves— Phases 3 & 4	‘22	100,000	Collection & Drainage Funds
South End Air Release Valves—Phases 3 & 4	‘21	100,000	Collection & Drainage Funds
Transfer Station Entrance Road Overlay	‘21	30,000	TBD
Upgrade Airport Fuel Facility	‘20	200,000	State Grant and Local Matching Funds
Fire Engine Replacement	‘21	620,000	GO Bond Funding

Project	Fiscal Year	Cost	Funding Source
Fuller Park Erosion Control	‘23	300,000	TBD
Weed Park Lagoon Bank Stabilization	‘20	345,000	TBD
Harbor Dredge Dewatering Area Relocation	‘21	680,000	Water Pollution Control and Collection and Drainage Funds
Harbor Dredge Dewatering Area Relocation	‘20	10,000	Water Pollution Control and Collection and Drainage Funds
Public Works Backup Generator	‘20	50,000	TBD
Greenwood Cemetery Erosion Control	‘23	1,000,000	TBD
Greenwood Cemetery Sidewalk Replacement	‘20	50,000	TBD
Soccer Complex - Houser Expansion Restroom	‘20	350,000	TBD
Riverside Terraces	‘24	1,700,000	TBD
Riverside Terraces—Design	‘21	190,000	TBD
Airport Snow Removal Equipment Building	‘24	620,000	Federal Grant and Local Matching Funds
WPCP Biogas to Fuel Project	‘20	800,000	WPCP Reserves
Papoose Creek Overlook	‘22	27,500	TBD
Weed Park Water Main Replacement	‘22	200,000	TBD
Cedar Street Stormwater Infiltration Project	‘20	65,000	TBD
Beer Garden Pier	‘23	880,000	TBD
Riverside Beer Garden & Restrooms	‘21	330,000	TBD
Riverside Site Furniture & Arbored Swings	‘21	104,000	TBD
Fuller Park Playground Resurfacing Project	‘20	125,000	GO Bond Funding
Heinz Sewer Reconstruction Project	‘24	725,000	Collection and Drainage Funds
Heinz Sewer Reconstruction Project—Design	‘23	72,500	Collection and Drainage Funds
Transfer Station Customer Convenience Drop-off	‘21	30,000	Transfer Station Funds
Transfer Station Tipping Floor	‘20	50,000	TBD
Pearl City Station Plaza Replacement	‘20	50,000	TBD
Riverside Concession Stand	‘23	275,000	TBD
Airport Taxiway A Rehabilitation	‘20	1,100,800	Federal Grant and Matching Funds
Landfill Leachate Recirculation System	‘20	75,000	Landfill Funds
Weed Park North Side Parking Lot	‘23	75,000	TBD
Kent-Stein Parking Lot Resurfacing	‘20	90,000	TBD
Railroad Overpass Feasibility Study and Construction	‘21	330,000	TBD
City Hall Cooling System	‘20	1,114,442	TBD
Lift Station Façade Renovation	‘22	55,000	TBD
Houseboat Dock Anchoring Replacement	‘20	75,000	TBD
Golf Course Restroom Replacement	‘20	120,000	Golf Course Funds

Project	Fiscal Year	Cost	Funding Source
Swipe Key Card Access for Public Safety Building	‘21	80,000	TBD
Transfer Station - Material Shredder	‘20	800,000	TBD
Fuller Park Parking Lot Expansion	‘22	75,000	TBD
Public Works Automatic Gates	‘20	120,000	TBD
Transfer Station Windows, Doors, Lights	‘21	50,000	TBD
Transfer Station Roof Replacement	‘21	50,000	TBD
Public Works Lower Lot Reorganization	‘21	175,000	Road Use Tax and Collection and Drainage Funds
Public Works Metal Roof Replacement	‘20	225,500	TBD
Kent-Stein Park Multi-Use Area	‘20	50,000	TBD
Public Works Vehicle Wash Bay	‘20	320,000	TBD
Landfill Leachate Tank Truck	‘21	35,000	Landfill Funds
Riverside Fish Cleaning Station	‘23	297,000	TBD
Transfer Station Trailer Floor Replacement	‘20	600,000	TBD
Kent-Stein Drainage Improvements	‘20	90,000	TBD
Public Safety Facility—Future Needs Assessment	‘20	30,000	TBD
Used Rubber Tire Wheel Loader for Compost Site	‘20	30,000	Refuse Collection Funds
Garage at New Library	‘20	42,500	TBD
Demolition of Old Army Reserve Building	‘21	30,800	TBD
Greenwood Cemetery Barrier Fence	‘21	125,000	TBD
Jet Vac Dump Site	‘20	50,000	Water Pollution Control and Collection and Drainage Funds

Total $ 70,048,617

OTHER FUNDS

TRUST AND AGENCY FUNDS

PERPETUAL CARE TRUST

GENERAL INFORMATION:

The State Code of Iowa requires that 20% of the proceeds of the sale of a cemetery lot be set aside in a Perpetual Care Trust fund. The trust funds are invested and interest earnings are utilized to support costs associated with the Cemetery operation. The Perpetual Care Trust accounts for the principal of the perpetual care contributions. A separate Perpetual Care Interest Trust has been established to account for the interest earned on the perpetual care funds. According to State law, the principal amount of the Perpetual Care Fund cannot be used for cemetery operations; only interest earnings can be used.

CURRENT TRENDS AND ISSUES:

The Perpetual Care Fund is a non-expendable trust, now considered a Permanent Fund of the City. An estimated $5,000 in perpetual care funds is expected to be received in both 2021/2022 and 2022/2023. The balance in this trust on June 30, 2023 is estimated at $913,684.
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Perpetual Care Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 887,310	$ 891,890	$ 896,890	$ 903,684	$ 908,684
Revenues					
Perpetual Care	4,580	11,794	5,000	5,000	5,000
Funds Available	$ 891,890	$ 903,684	$ 901,890	$ 908,684	$ 913,684
Expenditures	0	0	0	0	0
Ending Balance, June 30	$ 891,890	$ 903,684	$ 901,890	$ 908,684	$ 913,684
Increase (Decrease) in Fund Balance	**$ 4,580**	**$ 11,794**	**$ 5,000**	**$ 5,000**	**$ 5,000**

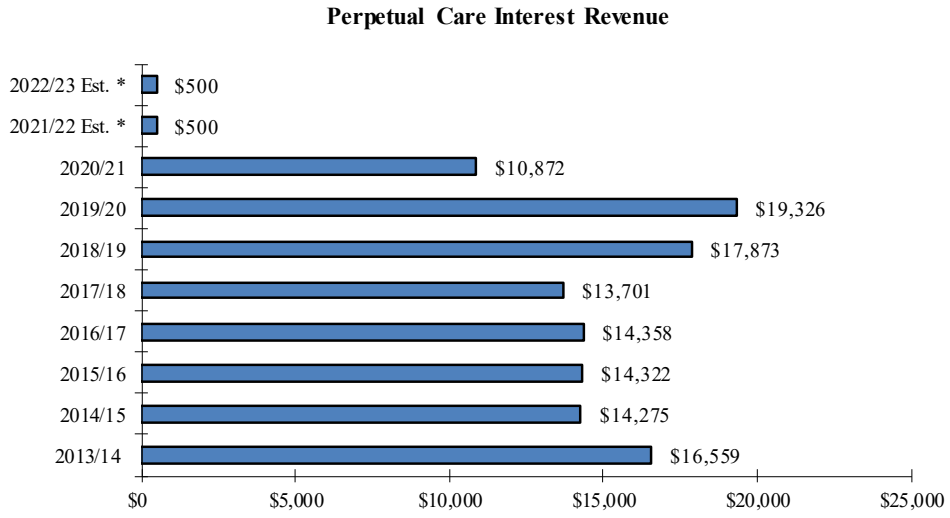
TRUST AND AGENCY FUNDS

PERPETUAL CARE INTEREST TRUST

GENERAL INFORMATION:

This trust fund was established to account for interest earnings on perpetual care funds received by the City of Muscatine through the operation of the municipal cemetery. As required by the State Code of Iowa, 20% of the proceeds of the sale of a cemetery lot must be set aside in a trust account. The trust funds are invested and interest earnings from the funds are utilized to support costs associated with the Cemetery operation. According to State law, the principal amount of the Perpetual Care Fund cannot be used for cemetery operations; only interest earnings can be used. Interest earnings may also fund capital improvements associated with the Cemetery.

Interest earnings have traditionally been utilized to fund all or a portion of the cost of operating the Cemetery. Perpetual Care interest earned and transferred to the General Fund from fiscal year 2013/2014 through the budgeted amount for 2022/2023 is shown in the following graph.



* The Perpetual Care interest revenue decreases in 2020/2021, 2021/2022, and 2022/2023 are due to the significant decrease in interest rates since the start of the COVID-19 pandemic.

Beginning in 1991/92 and continuing through 2020/2021 (with the exception of 2003/2004, 2007/2008, and 2010/2011), Cemetery revenues plus available interest earnings from this trust have not been sufficient to fund operating expenditures of the Cemetery. This is attributed to several factors including declining cemetery burial and lot sales revenues over the last several years and the decline in interest rates. As a result of these factors, General Fund subsidies were made to the Cemetery in the amounts of $15,279 in 2012/2013, $30,038 in 2013/2014, $44,327 in 2014/2015, $8,885 in 2015/2016, $43,334 in 2016/2017, $45,978 in 2017/2018, $28,152 in 2018/2019, $52,200 in 2019/2020, and $3,727 in 2020/2021. The revised estimate for 2021/2022 projects a General Fund subsidy of $80,900 and $82,300 is the estimated subsidy for 2022/2023. The increased subsidy in these years is in part due to recent near-zero interest rates.

Perpetual Care Interest Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 0	$ 0	$ 0	$ 0	$ 0
Revenues					
Interest	19,326	10,872	4,500	500	500
Funds Available	$ 19,326	$ 10,872	$ 4,500	$ 500	$ 500
Expenditures					
Transfers Out					
Cemetery Operations	19,326	10,872	4,500	500	500
Ending Balance, June 30	$ 0	$ 0	$ 0	$ 0	$ 0
Increase (Decrease) in Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

TRUST AND AGENCY FUNDS

SPECIAL CEMETERY TRUSTS

GENERAL INFORMATION:

This budget consists of thirteen (13) individual trust funds associated with specific graves or mausoleums at the City's Greenwood Cemetery. The trust agreements provide that interest earned on the trusts be used for specified purposes, generally floral arrangements at specified times each year or for maintenance of mausoleum structures as needed.

CURRENT TRENDS AND ISSUES:

The Special Cemetery Trusts are non-expendable trusts, now considered Permanent Funds of the City. An estimated $100 in interest is expected to be earned on these funds in both 2021/2022 and 2022/2023. Interest rates have been declining in recent years and at the time the budget was prepared, were at near-zero rates. Trust expenditures are estimated at $1,000 for both 2021//2022 and 2022/2023.

Special Cemetery Trusts (1)

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 52,305	$ 52,782	$ 51,982	$ 52,416	$ 51,516
Revenues					
Interest	1,631	777	1,000	100	100
Funds Available	$ 53,936	$ 53,559	$ 52,982	$ 52,516	$ 51,616
Expenditures					
Florist Services	$ 854	$ 843	$ 1,500	$ 1,000	$ 1,000
Transfers Out:					
Administrative Fees	300	300	300	0	0
Total Expenditures	$ 1,154	$ 1,143	$ 1,800	$ 1,000	$ 1,000
Ending Balance, June 30	$ 52,782	$ 52,416	$ 51,182	$ 51,516	$ 50,616
Increase (Decrease) in Fund Balance	**$ 477**	**$ (366)**	**$ (800)**	**$ (900)**	**$ (900)**

1. Amounts shown are comprised of thirteen individual trusts associated with specific graves or mausoleums at Greenwood Cemetery.

MUSSER PUBLIC LIBRARY

TRUST FUNDS

GENERAL INFORMATION:

The City of Muscatine currently has one trust fund associated with the operation of the Library. Funds in this trust may only be used according to the provisions of the trust.

The Library Gift and Memorial Trust is comprised of donations from patrons of the Library. These donations are to be used for the benefit of the Library in general. Any gifts for specific purposes are used immediately so that the donor's request can be satisfied.

CURRENT TRENDS AND ISSUES:

In 2020/2021, the library acquired the local cable Channel 5 programming station. The 2020/2021 expenditures included $29,521 for video equipment and operating costs of the station. The Library Channel 5 station will be available through the basic Muscatine Power and Water (MPW) cable package as well as Facebook. Technology will be added to the program to allow live viewing from a smartphone, tablet, computer, or stream on-demand via an app on a smart TV. This will make the information accessible for those without MPW cable service or those that live outside the viewing area. Initial expenditures for the Library Channel 5 programming will be funded from Friends of Musser Public Library and Enrich Iowa funds.

The 2021/2022 and 2022/2023 budgets each include $6,000 in operating expenditures for the Library Channel 5 programming. The annual expenditures and any sponsorships/donations for Library Channel 5 will be tracked in a subaccount of the Library Trust.

The 2021/2022 revised estimate expenditures total $24,450. The 2022/2023 budgeted expenditures total $29,450. The estimated balance in this trust on June 30, 2023 is $74,607.

Library Gift and Memorial Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 63,042	$ 55,994	$ 26,394	$ 54,757	$ 71,557
Revenues					
Donations	$ 7,429	$ 5,258	$ 2,000	$ 5,000	$ 2,000
State Grant	22,929	24,554	18,000	25,750	20,000
Miscellaneous Sales	2,819	3,228	2,000	2,000	2,000
LENA Program Donation	0	0	0	8,450	8,450
Interest	1,244	157	100	50	50
Federal Grant - FEMA - COVID	0	5,876	0	0	0
Library Channel 5 Programming:					
Sponsorships and Donations	0	0	20,100 (2)	0 (2)	0 (2)
Total Revenues	$ 34,421	$ 39,073	$ 42,200	$ 41,250	$ 32,500
Funds Available	$ 97,463	$ 95,067	$ 68,594	$ 96,007	$ 104,057
Expenditures					
Library Materials	$ 573	$ 312	$ 2,000	$ 10,000	$ 10,000
Contractual Services	40,896	10,217	5,000	0	5,000
LENA Program Fees	0	260	0	8,450	8,450
Library Channel 5 Programming:					
Video Equipment	0	21,866	0	0	0
Operations	0	7,655	20,100 (2)	6,000 (2)	6,000 (2)
Total Expenditures	$ 41,469	$ 40,310	$ 27,100	$ 24,450	$ 29,450
Ending Balance, June 30	$ 55,994	$ 54,757	$ 41,494	$ 71,557	$ 74,607
Increase (Decrease) in Fund Balance	**$ (7,048)**	**$ (1,237)**	**$ 15,100**	**$ 16,800**	**$ 3,050**

1. The Library acquired the Muscatine Power & Water (MPW) Channel 5 programming station in the 2020/2021 fiscal year and the 2020/2021 expenditures included start up costs for the new station.
2. Any sponsorships or donations for Channel 5 Programming are not yet determined. The Library Channel 5 revenues and expenditures are being accounted for in a subaccount of the Library Trust

MUSCATINE ART CENTER

TRUST FUNDS

GENERAL INFORMATION:

The City of Muscatine has four trust funds associated with the operation of the Muscatine Art Center. Funds in these trusts may only be used according to the provisions of the trusts.

The gift of the Musser Mansion in 1965 by the heirs of Laura Musser, Mrs. Mary Musser Gilmore, and Mrs. Mary Catherine McWhirter, was the beginning of an art/museum facility in Muscatine. This building was to be used as a memorial art gallery and museum. In addition to the gift of property, a trust of $100,000 was established by McWhirter and Gilmore to be invested with the interest to be used to assist with the ongoing care and maintenance of the Museum. The principal is to remain intact. Funds from this trust have been used for the general upkeep of the mansion as well as major areas of conservation and preservation of objects owned by Laura Musser which are in the permanent collection. The 2021/2022 revised estimate and 2022/2023 budget each have expenditures of $2,000 budgeted to be expended from this trust. The projected balance at the end of 2022/2023 is $102.003.

The $40,000 Alice Dodge Schaeffer Trust was established in 1976 to accompany a gift of primarily Victorian (c.1850) bedroom furnishings which was given as a memorial to Sarah Eaker Hughes, aunt of the donor. Interest from this trust has been used for the conservation of the initial gift of objects. The 2021/2022 revised estimate and 2022/2023 budget each have expenditures of $500 budgeted to be expended from this trust. The projected balance at the end of 2022/2023 is $46,657.

The Art Center Donations Trust is used for cash donations made by individuals, groups, or businesses to the Art Center. Any part of the Trust or its interest earnings may be used as designated by the Board of Trustees. This trust is traditionally used for the purchase of acquisitions for the permanent collection. A donor may also contribute funds through this trust to be used for designated object(s) to enrich a specific part of the collection or for the promotion of programs relating to Art Center collections or exhibitions. Additionally, funds from the sale of deaccession items from the permanent collection are credited to this trust. Other purchases are made at the direction of the Board of Trustees. In 2021/2022 a total of $62,500 in donations and grants is budgeted to be received and $58,000 is budgeted to be expended. The projected balance in this trust is $42,208 at the end of 2021/2022. Grants and donations budgeted to be received in 2022/2023 total $10,900 and $8,500 is budgeted to be expended. The projected balance in this trust at the end of 2022/2023 is $44,608.

A bequest of $300,000 was received in 1999/2000 from the estate of Brad Burns and approximately $413,000 of additional funding from this estate was received in 2004/2005. Any part of the bequest or its interest earnings may be used as designated by the Board of Trustees. In 2008/2009 $134,989 was expended from this trust for acquisition of property next to the museum. In 2016/2017, $20,000 was transferred from this fund to the Community Foundation of Greater Muscatine. These funds combined with other sources will provide an annual grant for the Muscatine Art Center. The 2021/2022 revised estimate includes $302,500 in expenditures, including $295,000 for the purchases of the neighboring property. The purchase of this property was primarily to address collection storage concerns. A 2019 report from the Collections Assessment for Preservations assessors found collection storage concerns at the Art Center. An anonymous donor contributed $147,500 for the property purchase. The 2022/2023 budget includes $125,000 in expenditures. The 2022/2023 budget allocation is for design work for a building addition. The projected balance in this trust at the end of 2022/2023 is $16,281.

McWhirter-Gilmore Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 103,186	$ 104,955	$ 104,955	$ 105,003	$ 103,603
Revenues					
Interest	1,769	958	1,500	600	400
Funds Available	$ 104,955	$ 105,913	$ 106,455	$ 105,603	$ 104,003
Expenditures					
Contractual Services	$ 0	$ 0	$ 1,000	$ 1,000	$ 1,000
Capital Outlay	0	910	1,000	1,000	1,000
Total Expenditures	0	910	2,000	2,000	2,000
Ending Balance, June 30	$ 104,955	$ 105,003	$ 104,455	$ 103,603	$ 102,003
Increase (Decrease) in Fund Balance	**$ 1,769**	**$ 48**	**$ (500)**	**$ (1,400)**	**$ (1,600)**

Alice Schaeffer Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 46,015	$ 46,812	$ 47,512	$ 47,207	$ 46,957
Revenues					
Interest	797	395	500	250	200
Funds Available	$ 46,812	$ 47,207	$ 48,012	$ 47,457	$ 47,157
Expenditures	0	0	500	500	500
Ending Balance, June 30	$ 46,812	$ 47,207	$ 47,512	$ 46,957	$ 46,657
Increase (Decrease) in Fund Balance	**$ 797**	**$ 395**	**$ 0**	**$ (250)**	**$ (300)**

Art Center Donations Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 27,154	$ 35,643	$ 34,443	$ 37,708	$ 42,208
Revenues					
Donations	$ 3,722	$ 3,281	$ 5,000	$ 6,000	$ 4,800
Special Project Donations	1,750	5,492	0	5,900	0
Interest	561	79	400	100	100
Art Center Grants	4,500	2,135	5,000	44,000	5,800
Miscellaneous Sales	2,203	0	200	6,500	200
Total Revenues	$ 12,736	$ 10,987	$ 10,600	$ 62,500	$ 10,900
Funds Available	$ 39,890	$ 46,630	$ 45,043	$ 100,208	$ 53,108
Expenditures					
Art Center Materials	$ 340	$ 3,494	$ 3,500	$ 1,000	$ 1,500
Contractual Services	3,907	5,428	25,000	56,000	6,000
Capital Outlay	0	0	5,000	1,000	1,000
Total Expenditures	$ 4,247	$ 8,922	$ 33,500	$ 58,000	$ 8,500
Ending Balance, June 30	$ 35,643	$ 37,708	$ 11,543	$ 42,208	$ 44,608
Increase (Decrease) in Fund Balance	**$ 8,489**	**$ 2,065**	**$ (22,900)**	**$ 4,500**	**$ 2,400**

Brad Burns Trust

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 286,305	$ 291,244	$ 295,244	$ 293,781	$ 140,281
Revenues					
Donation	$ 0	$ 0	$ 0	$ 147,500	$ 0
Interest	4,939	2,537	3,500	1,500	1,000
Funds Available	$ 291,244	$ 293,781	$ 298,744	$ 442,781	$ 141,281
Expenditures					
Contractual Services	$ 0	$ 0	$ 50,000	$ 6,100	$ 125,000
Capital Outlay	0	0	0	296,400	0
Total Expenditures	$ 0	$ 0	$ 50,000	$ 302,500	$ 125,000
Ending Balance, June 30	$ 291,244	$ 293,781	$ 248,744	$ 140,281	$ 16,281
Increase (Decrease) in Fund Balance	**$ 4,939**	**$ 2,537**	**$ (46,500)**	**$ (153,500)**	**$ (124,000)**

INTERNAL SERVICES FUNDS

EQUIPMENT SERVICES OPERATIONS

GENERAL INFORMATION:

The Equipment Services Operation is accounted for as an Internal Service Fund. This type of fund is established to account for operations which serve other departments of the City. The Equipment Services Operation is responsible for the maintenance and repair of all City vehicles and equipment. Repair and maintenance includes major repairs in addition to routine and preventive maintenance.

Most City departments use the Equipment Services Operation for repair and maintenance of their vehicles in lieu of their own departmental resources. As in a commercial garage enterprise, the Equipment Services Operation is financed by user fees charged to the department for the repairs performed. The user fee includes the direct cost of labor, repair parts, and an allowance for overhead costs of the operation. The objective of the operation is to ensure user fees for the fiscal year are sufficient to cover the repair costs incurred.

The operation is located at the City's Public Works Facility and includes a centralized fuel system which has assisted the City in eliminating approximately fifteen (15) different stations located throughout the City's facilities. Accountability and accessibility of fuel consumption data have also improved with this system.

A major expenditure in the Equipment Services budget is the purchase of fuel products including gasoline, diesel fuel, and oil. These fuel costs plus a per gallon surcharge are charged back to departments as inventories are used.

Labor is the other major cost in this activity, which includes a fulltime supervisor and three fulltime mechanics. The hourly charge for labor including overhead costs was $85.00 per hour in 2017/2018 and that rate was maintained for 2018/2019. The rate increased to $88.00 per hour in 2019/2020, further increased to $92.00 in 2020/2021, and further increased to $96.00 per hour in 2021/2022. The rate is budgeted to increase to $98.00 per hour in 2022/2023.

In addition to the labor rate charge there is a 3% surcharge on parts, outside services, oil, and tires. A per gallon surcharge has also been applied to fuel dispensed to City vehicles utilizing this operation. This fee is currently $.30 per gallon. These surcharge fees are budgeted to remain the same for 2022/2023.

CURRENT TRENDS AND ISSUES:

The 2021/2022 revised estimate expenditures are $10,900 more than the original budget. This overall increase is due to (1) a $7,900 increase in personal services costs primarily due to retirement pay for an employee, (2) an $800 increase in commodities, (3) a $300 increase contractual services, and (4) a $1,900 increase in capital outlay.

The 2022/2023 budget is $6,500 (.5%) more than the original 2021/2022 budget. The budget includes an increase of $9,700 in personal services costs, an $800 increase in commodities, a $500 increase in contractual services, a $5,100 decrease in capital outlay, and a $600 increase in transfers.

A new vehicle lift was purchased in 2020/2021 at a cost of $107,800. The new lift accommodates larger

vehicles. This lift was financed with an internal loan. There was a $20,000 down payment in 2020/2021 and payments of $22,000 will be made annually over the next four years to complete the financing for this equipment.

As an internal service fund as fuel costs fluctuate, cost increases or decreases are passed on to the various City departments based on their actual fuel usage. The fund balance in this operation had been decreasing in recent years which required the labor rate to be increased from $88.00 per hour to $92.00 per hour in 2020/2021 and to $96.00 per hour for 2021/2022. This rate is budgeted to increase to $98.00 per hour in 2022/2023. The Equipment Services operation is expected to have a deficit balance (before inventory) of $7,204 on June 30, 2023.

GOAL STATEMENT:

To provide for the maintenance of all City vehicles and major equipment including both preventive and emergency maintenance to assure such equipment can be utilized by the City work force in the most productive and cost efficient manner.

PERFORMANCE MEASURES:

	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Estimated 2021/2022	Estimated 2022/2023
Autos, Pickups, Flatbeds Serviced	181	187	178	182	182
Trucks, Buses, Garbage Trucks Serviced	114	117	107	113	113
Heavy Equipment/Tractors Serviced	25	27	33	29	29
Gallons of Gasoline Dispensed	110,671	99,374	104,754	105,000	105,000
Gallons of Diesel Fuel Dispensed	59,668	47,231	48,748	52,000	52,000
Preventative Maintenance Work Orders	1,193	834	853	844	844
Emergency Maintenance Work Orders	749	581	535	558	558
Work Orders Completed	1,942	1,415	1,388	1,402	1,402
Total Miles Driven (all vehicles)	966,504	854,231	932,031	918,000	918,000

RECENT ACCOMPLISHMENTS:

During the past year supply chain issues and turnover in one of the mechanic positions have challenged this department. Parts are getting harder to find and taking longer to receive. These issues have affected the workflow through the shop as it takes longer to get vehicles serviced and repaired. Staff continues to stock common items and consumables to limit equipment downtime.

The department recently purchased a lift machine to use when removing and replacing tire and wheel assemblies on vehicles. This machine helps prevent lifting accidents and injuries. The department has also ordered a larger rolling ladder for the shop to assist with repairs and servicing of the garbage trucks and larger equipment. The new equipment is OSHA approved and provides a more stable, safe work platform with less risk of injury.

Staff attended an in-person training luncheon this fall and learned about suspension repairs and parts. Vehicles and equipment are getting more complicated every year because of the electronics and the fuel and emission standards that the manufacturers are dealing with. Staff will continue to look for training opportunities.

OBJECTIVES TO BE ACCOMPLISHED IN 2022/2023:

- To provide all the necessary protective equipment and shielding required to meet OSHA standards.
- To continue to look for new training opportunities as they become available.
- To continue to provide the tools and equipment necessary to work on newer equipment in-house, keeping vehicle downtime to a minimum.
- To continue to help as needed in building a vehicle and equipment replacement list for the City.

Equipment Services Operations

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance (Deficit), July 1	$ 9,708	$ 13,815	$ 23,815	$ (3,204)	$ (11,804)
Revenues					
Charges for Services - City Departments	$ 1,036,332 (2)	$ 1,059,312 (3)	$ 1,338,800 (4)	$ 1,338,800	$ 1,347,600 (5)
Miscellaneous	629	5,632	500	500	500
Total Revenues	$ 1,036,961	$ 1,064,944	$ 1,339,300	$ 1,339,300	$ 1,348,100
Funds Available	$ 1,046,669	$ 1,078,759	$ 1,363,115	$ 1,336,096	$ 1,336,296
Expenditures (1)	1,032,854	1,081,963	1,337,000	1,347,900	1,343,500
Ending Balance (Deficit), June 30	$ 13,815	$ (3,204)	$ 26,115	$ (11,804)	$ (7,204)
Allowance for Inventory	89,738	124,758	89,738	124,758	124,758
Net Balance, June 30	$ 103,553	$ 121,554	$ 115,853	$ 112,954	$ 117,554
Increase (Decrease) in Net Balance	**$ 4,107 (2)**	**$ (17,019) (3)**	**$ 2,300**	**$ (8,600)**	**$ 4,600**

1. Expenditures include changes in compensated absences.
2. For 2019/2020 the labor rate was $88.00 per hour.
3. The labor rate for 2020/2021 was increased to $92.00 per hour. This increase was due to the purchase of the new vehicle lift at a cost of $107,800. An internal loan was used to finance the purchase of the lift. A $20,000 downpayment was included in the revised estimate for 2020/2021 and the 2021/2022 and 2022/2023 budgets include $22,000 for the first and second payments on the loan.
4. The labor rate increased to $96.00 per hour for the 2021/2022 fiscal year.
5. The labor rate is budgeted to increase to $98.00 per hour for the 2022/2023 fiscal year.

Function:
Internal Service

Department:
Public Works

Activity:

Equipment Services Operations

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Percent Change
Expenditure Summary						
Personal Services	$ 350,214	$ 364,367	$ 383,400	$ 391,300	$ 393,100	2.53%
Commodities	445,272	514,610	620,900	621,700	621,700	0.13%
Contractual Services	211,320	156,377	284,700	285,000	285,200	0.18%
Capital Outlay	4,950	540	6,000	7,900	900	-85.00%
Transfers	18,800	39,400	42,000	42,000	42,600	1.43%
Total Expenditures	$ 1,030,556	$ 1,075,294	$ 1,337,000	$ 1,347,900	$ 1,343,500	0.49%
Funding Sources						
Charges for Services	$ 1,036,332	$ 1,059,312	$ 1,338,800	$ 1,338,800	$ 1,347,600	0.66%
Other	629	5,632	500	500	500	0.00%
Total Funding Sources	$ 1,036,961	$ 1,064,944	$ 1,339,300	$ 1,339,300	$ 1,348,100	0.66%

Personnel Schedule

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023	Budget Amount 2022/2023
Full Time:						
Vehicle Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	
Vehicle Mechanic II	3.00	3.00	3.00	3.00	3.00	
Total	4.00	4.00	4.00	4.00	4.00	$ 251,700
Employee Benefits						141,400
Total Personal Services						$ 393,100

Capital Outlay

Item	*Quantity*	*Replacement*	*Amount*
Mobile Tool Carts	3	Yes	$ 900
Total			$ 900

INTERNAL SERVICE FUNDS

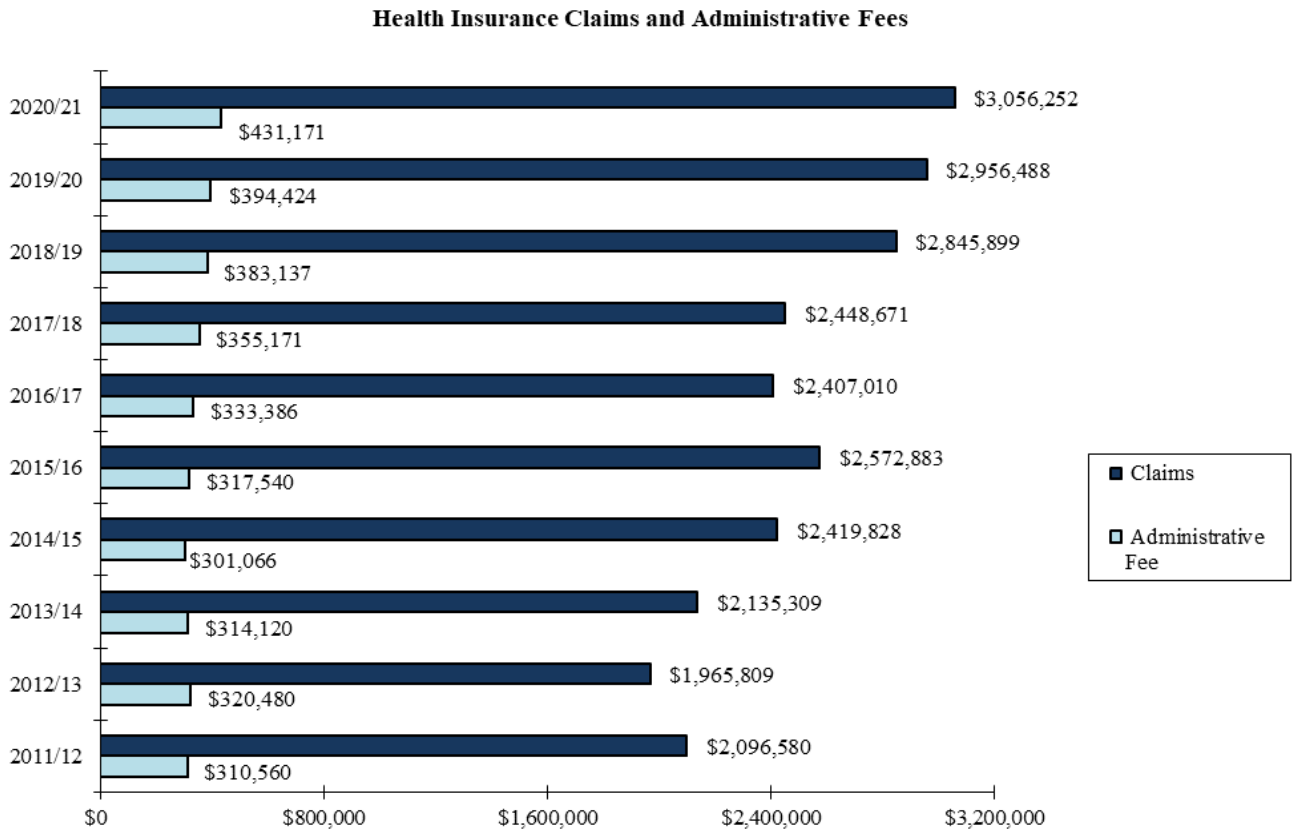
HEALTH INSURANCE FUND

GENERAL INFORMATION:

On January 1, 1985 the City changed its employee medical insurance program to a modified self insurance plan. Wellmark Blue Cross/Blue Shield continued as the carrier of the plan and also serves as the administrator. As part of the program the Health Insurance Fund was established.

All payments of premiums from the City, employees, and retirees are credited to the Health Insurance Fund. From this fund the City pays all actual medical claims paid by Wellmark on a monthly basis. The City also pays Wellmark a monthly administrative fee per employee for this service. This administrative fee includes stop loss insurance to cover catastrophic illnesses. As a result, the City is funding 100% of the exposure up to the level where the individual and aggregate stop loss insurance takes effect. When claims are less than the amount funded, the savings are retained by the City.

The amount of health insurance claims and administrative fees paid for the last ten fiscal years are shown in the table below. As shown, there has been a significant increase in claims for the City's group since 2011/2012.

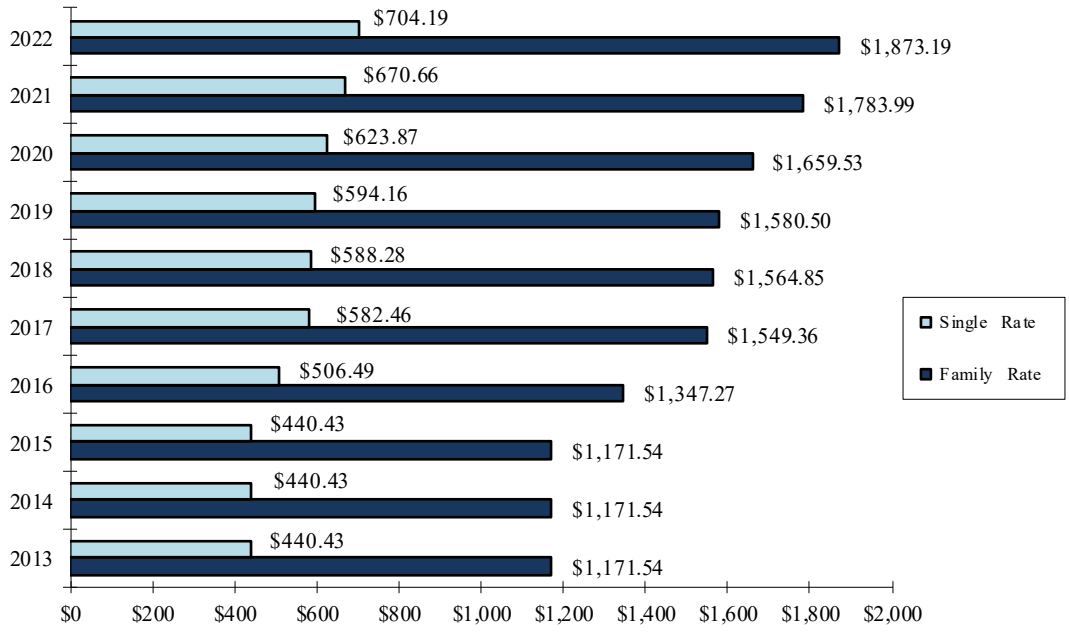


The monthly premium charges for single and family health insurance coverage for City employees, dependents, and retirees has varied significantly over the last ten years as shown in the table on the next page. For January 1, 2008 rates increased by 10.2% for both single and family coverage. Due to a leveling of claim costs in 2008, the 2008 rates were maintained for 2009, 2010, 2011, and 2012. For January 1, 2013 rates increased by 3% for both single and family coverage. These rates were maintained for 2014 and 2015. For

January 1, 2016, due to the significant increase in claims, the rates were increased by 15% for both single and family coverage. For January 1 2017, due to continued high levels of claims, rates were again increased by 15% for both single and family coverage. With the leveling of claims in 2017, January 1, 2018 rates were increased by 1% for both single and family coverage and for January 1, 2019, rates were increased by an additional 1%. For January 1, 2020, rates were increased by 5% and for January 1, 2021, rates were increased by 7.5%. For January 1, 2022, rates were increased by 5%.

The City made a number of changes in the health insurance plan in past years. In 2003 the City changed to a Preferred Provider Organization (PPO) plan with Wellmark. This plan resulted in increased discounts on medical claim costs to the City and its employees when using health care providers on the "preferred providers" list. In 2004 deductibles were increased from $200 to $300 for single coverage and from $500 to $600 for family coverage. Out-of-pocket maximums were increased from $500 to $600 for single and from $1,000 to $1,300 for family coverage. These provisions remained in effect until 2013 when the deductibles were increased from $300 to $400 for single coverage and from $600 to $800 for family coverage. Out-of-pocket maximums were increased from $600 to $800 for single and from $1,300 to $1,600 for family coverage. Deductibles were increased again in 2014 from $400 to $500 for single coverage and from $800 to $1,000 for family coverage. Out-of-pocket maximums were increased from $800 to $1,000 for single and from $1,600 to $2,000 for family coverage. Deductibles were increased again in 2016 from $500 to $600 for single coverage and from $1,000 to $1,200 for family coverage. Out-of-pocket maximums were increased from $1,000 to $1,200 for single and from $2,000 to $2,400 for family coverage. The deductibles and out-of-pocket maximums were maintained in 2017, 2018, 2019, 2020, 2021, and 2022 for both single and family coverage. The rates for single and family coverage for the past ten years are shown in the chart below.

Monthly Health Insurance Rate History



CURRENT TRENDS AND ISSUES:

As noted previously, effective January 1, 2016 the City's health insurance rates for both the single and family coverage increased by 15% to $506.49 and $1,347.27, respectively. Effective January 1, 2017 the City's health insurance rates for both the single and family coverage increased again by 15% to $582.46 and $1,549.36, respectively. Effective January 1, 2016, the City also increased the individual stop loss limit from $75,000 to $100,000. The individual stop loss limit remained at $100,000 for 2017, 2018, and 2019. The City chose to increase the individual stop loss limit to $120,000 in 2020. The City's health insurance rates for

single and family coverage increased by 1% effective January 1, 2018, increased by another 1% January 1, 2019, and increased by 5% January 1, 2020. The rates were increased January 1, 2021 by 7.5% and increased again by 5% on January 1, 2022. The annual aggregate maximum level has been established at $4,596,104 for calendar year 2022 compared to $4,547,412 for calendar year 2021. The annual aggregate amounts reflect 125% of expected claims for 2021 and 2022 for the City's group. The premium rates for 2021 included an administrative fee of $179.67 per month per contract. This fee is paid to Wellmark for claims processing services, as fees for the individual and aggregate stop loss insurance, and the Wellmark network access fee. For 2022, the monthly administrative fee increased to $201.54 per month.

The 2021/2022 revised estimate and 2022/2023 budget each include $4,200 to fund administrative costs of the flexible benefit plan implemented in 1997. Savings in the City share of FICA and Medicare costs are expected to offset the fees charged to administer this program.

The Employee Wellness program was established by the City in 1987. The 2021/2022 revised estimate and 2022/2023 budget include transfers to fund 100% of the cost of this program. This program is the responsibility of the Parks and Recreation department. The costs of this program are $66,000 for the 2021/2022 revised estimate and $68,000 for the 2022/2023 budget. Additional information on this program can be found in the Wellness Program activity budget in the General Fund section of this document.

The 2022/2023 budget allows for estimated health insurance claims costs of $3,608,300 which is $68,630 less than Wellmark's projected claims of $3,676,930 for the City's group for calendar year 2022. Based on this claims projection, the Health Insurance fund balance is estimated at $2,002,491 at the end of 2022/2023. As noted previously, however, the City is responsible for funding up to 125% of Wellmark's expected claims amount if actual claims exceed the expected claims. The 125% of expected claims calculates to $4,596,104 for 2022. In the event the City's actual claims exceed the expected amount of $3,676,930 for calendar year 2022, the amount in excess of the expected claims would result in a decrease in fund balance by that amount. With the rates set by the City for 2022, and the budgeted claims expenditures of $3,608,300, if claims would reach the 125% maximum level of $4,596,104, the fund balance would decrease by $987,804. This would be the "worst case" scenario. The projected fund balance of $2,002,491 at the end of 2022/2023 would be sufficient to fund claims in excess of the estimated amount.

As specified in the contracts with the City's three bargaining units, the employee contributions toward their health insurance coverage increased from 5% to 6% effective January 1, 2017. The contribution increased further to 7% effective January 1, 2018 and increased again to 8% effective January 1, 2019. The 8% rate was maintained for 2020. The contribution increased to 9% effective January 1, 2021 for all groups except the Fire bargaining unit. The rate was maintained at 8% for members of this group. These increases will assist in funding future year health insurance costs. The 2021 employee contribution rates were maintained for 2022.

Health Insurance Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 2,064,915	$ 2,097,950	$ 1,860,450	$ 2,182,591	$ 2,094,991
Revenues					
Interest	$ 41,531	$ 5,595	$ 5,000	$ 2,500	$ 2,000
City Contributions	2,964,723	3,175,989	3,431,400	3,372,100	3,588,200
Employee Contributions	272,700	312,751	368,400	380,400	395,900
Retiree Contributions	177,451	157,490	161,200	142,400	177,300
Total Revenues	$ 3,456,405	$ 3,651,825	$ 3,966,000	$ 3,897,400	$ 4,163,400
Funds Available	$ 5,521,320	$ 5,749,775	$ 5,826,450	$ 6,079,991	$ 6,258,391
Expenditures					
Health Insurance Claims	$ 2,956,488	$ 3,056,252	$ 3,604,000	$ 3,404,000	$ 3,608,300
Administrative Fees	394,424	431,171	493,000	488,000	552,300
Special Service Coverage	0	3,500	0	3,500	3,500
Flexible Benefit Plan Fees	3,990	4,161	4,200	4,200	4,200
Audit Fees	1,075	1,090	1,100	1,100	1,200
State Assessment	0	3,253	5,000	5,000	5,000
Wellness Tracking Program	8,000	8,240	8,200	8,500	8,500
Affordable Care Act Fees:					
PCORI Fee (Patient Centered Outcomes Research Institute)	1,551	0	0	1,700	1,900
Transfers Out:					
General Fund Wellness Program	54,842	56,517	66,000	66,000	68,000
Administrative Fee	3,000	3,000	3,000	3,000	3,000
Total Expenditures	$ 3,423,370	$ 3,567,184	$ 4,184,500	$ 3,985,000	$ 4,255,900
Ending Balance, June 30	$ 2,097,950	$ 2,182,591	$ 1,641,950	$ 2,094,991	$ 2,002,491
Increase (Decrease) in Fund Balance	**$ 33,035**	**$ 84,641**	**$ (218,500)**	**$ (87,600)**	**$ (92,500)**

Explanation of Changes in Fund Balances:

Under the City's modified self insurance health plan, the City funds health insurance claims up to the individual and aggregate stop loss insurance levels. The individual stop loss limit was set at $75,000 through 2015, it was increased to $100,000 beginning in 2016, and it was increased to $120,000 beginning in 2020. The aggregate stop loss limit is set at 125% of expected claims for the City's group. The fund balance has increased in recent years due to claims being lower than the expected levels. Based on the budget projections for 2021/2022 and 2022/2023, higher claims are expected. Actual fund balance changes, however, will depend on actual claims each year.

INTERNAL SERVICE FUNDS

DENTAL INSURANCE FUND

GENERAL INFORMATION:

On January 1, 2003 the City changed its employee dental insurance program to a self-insured plan. Wellmark Blue Cross/Blue Shield is the carrier of the plan and also serves as the administrator. As part of the program the Dental Insurance Fund was established.

All payments of premiums from the City, employees, and retirees are credited to the Dental Insurance Fund. From this fund the City pays all actual claims paid by Wellmark on a monthly basis. The City also pays Wellmark a monthly administrative fee per employee for this service. When claims are less than the amount funded, the savings are retained by the City.

CURRENT TRENDS AND ISSUES:

In years prior to 2014, the City paid 100% of the cost of dental insurance for the employee and if employees opted for family coverage, it was paid 100% by the employee. Beginning in 2014 employees pay $1.00 per month toward their single coverage with the City paying the remaining cost. Employees continue to pay 100% for family coverage if they choose this option. The change in employee participation for single coverage was due to provisions of the Affordable Care Act.

In 2016 monthly dental insurance rates were $32.39 for single coverage with an additional $55.42 if the employee opted for family coverage. The monthly administrative fee was $3.75 per contract. These rates, including the administrative fee, were maintained for 2017. In 2018, the dental insurance rates increased to $33.87 with an additional $57.94 if the employee opted for family coverage. The monthly administrative fee increased to $3.93 per contract. The maximum coverage was increased from $1,000 to $1,500 in 2018. The 2018 rates were maintained for 2019 and 2020. In 2021, the dental insurance rates decreased to $31.94 with an additional $54.61 if the employee opted for family coverage. The monthly administrative fee was maintained at $3.93 per contract and the maximum coverage was maintained at $1,500 for 2021. In 2022, the dental insurance rates increased to $33.23 with an additional $56.81 if the employee opted for family coverage. The monthly administrative fee was maintained at $3.93 per contract and the maximum coverage remained at $1,500 for 2022.

For the 2022/2023 year, City, employee, retiree contributions, and interest are estimated at $173,200. The administrative fee is projected to be $10,200 and claims are estimated at $163,000 for the year. An estimated fund balance of $76,720 is projected for June 30, 2023.

Dental Insurance Fund

Fund Statement

	Actual 2019/2020	Actual 2020/2021	Budget 2021/2022	Revised Estimate 2021/2022	Budget 2022/2023
Beginning Balance, July 1	$ 65,712	$ 84,199	$ 86,099	$ 78,320	$ 76,720
Revenues					
City Contributions	$ 74,377	$ 72,937	$ 78,600	$ 73,400	$ 79,300
Employee Contributions	82,726	82,575	82,400	86,500	89,200
Retiree Contributions	4,615	3,989	4,700	3,700	4,700
Interest	1,792	232	100	0	0
Total Revenues	$ 163,510	$ 159,733	$ 165,800	$ 163,600	$ 173,200
Funds Available	$ 229,222	$ 243,932	$ 251,899	$ 241,920	$ 249,920
Expenditures					
Dental Insurance Claims	$ 135,528	$ 156,121	$ 155,000	$ 155,000	$ 163,000
Administrative Fees	9,495	9,491	10,200	10,200	10,200
Total Expenditures	$ 145,023	$ 165,612	$ 165,200	# $ 165,200	$ 173,200
Ending Balance, June 30	$ 84,199	$ 78,320	$ 86,699	$ 76,720	$ 76,720
Increase (Decrease) in Fund Balance	**$ 18,487**	**$ (5,879)**	**$ 600**	**$ (1,600)**	**$ 0**

SUPPLEMENTAL INFORMATION

Appendix A

CITY OF MUSCATINE

COMMUNITY BACKGROUND

City Overview

The City of Muscatine, Iowa, the county seat of Muscatine County, is located in southeastern Iowa on the Mississippi River. The City is located 160 miles east of Des Moines, 200 miles west of Chicago, and 30 miles southwest of the Quad Cities. Being located adjacent to the deep channel of the Mississippi River, economical river transportation flourishes.

Muscatine was originally incorporated in 1851 by a special act of the Iowa State Legislature and today is a city of 23,797 people. Major employers located in the Muscatine area include: Grain Processing Corporation/Kent Feeds (corn distillates/feed); Kraft-Heinz, (formerly Heinz USA; food processing); HNI (HON Company/Industries, office furniture); Bayer U.S., (formerly Monsanto Company; herbicides and plastics); Raymond-Muscatine, Inc. (front-end loaders, etc.); and Stanley Consultants, Inc. (consulting - engineering and architects).

City Government

The City of Muscatine is a special charter city operating under a mayor and seven council members, one elected from each of five wards plus two at-large. The City has established the appointed post of City Administrator, who acts as chief administrator of the City as directed by the Council. The activities of the City are operated with the assistance of three Boards and seven Advisory Commissions serving the City Council and City Staff.

Population

The official U.S. Census figures for the past ninety years are listed below.

Year	City of Muscatine	Muscatine County
2020	23,797	43,235
2013*	23,819*	42,745
2010	22,886	42,745
2000	22,697	41,722
1990	22,881	39,907
1980	23,467	40,436
1970	22,405	37,181
1960	20,997	33,840
1950	19,041	32,564
1940	18,286	31,296
1930	16,778	29,385

∗ Voluntary annexations in 2012 and 2013 increased the City of Muscatine's population by 933.

Major Employers and Major Tax Payers

Due to Muscatine's central location in the Midwest, the community has prospered with industrial development for many years. Presented below is a list of the larger industries and employers located within Muscatine.

Major Employers:

Employer	Product/Service	Approximate Number of Employees *
Bridgestone Bandag, LLC	Pre-cured tread rubber and related equipment and supplies	120
Grain Processing Corp./ Kent Feeds	Corn distillates, livestock and poultry feed, corn, soybeans and forage	913
Kraft-Heinz, U.S.A.	Food processing	331
Hy-Vee Food Stores	Grocery store	578
HNI Corporation (HON Company/Industries)	Office furniture and material	3,500
Bayer (formerly Monsanto Company)	Herbicides and ABS plastics	436
Muscatine Community School District	Education	780
County of Muscatine	County government	201
City of Muscatine	City government	229
Muscatine Power & Water	Utility	267
Musco Sports Lighting, Inc.	Sports lights	366
Stanley Consultants, Inc.	Engineers and architects	204
Raymond-Muscatine Inc.	Industrial trucks and end loaders	420
UnityPoint Health-Trinity Muscatine	Medical services	389
Wal-Mart Superstores	Discount and grocery store	335

* Employment numbers reflect 2021 levels.

Major Tax Payers:

Taxpayer	Taxable Valuation*	Rank	% of Total Taxable Value
Grain Processing Corp	$ 49,524,815	1	5.30%
HNI Corporation (HON Industries)	43,151,423	2	4.60%
Wal-View Development	29,683,431	3	3.20%
MLC Land Company LLC	13,985,505	4	1.50%
Menard Inc	10,458,477	5	1.10%
Gridco LLC	10,043,194	6	1.10%
Heinz, U.S.A	9,851,949	7	1.00%
Muscatine Downtown Investors LLC	9,516,626	8	1.00%
Wal-Mart Real Estate	9,361,008	9	1.00%
Bridgestone Bandag LLC	9,182,853	10	1.00%

(Continued)

(Continued)

Taxpayer	Taxable Valuation*	Rank	% of Total Taxable Value
Sodarock Properties LLC	8,587,515	11	0.90%
First National Bank of Muscatine	5,765,211	12	0.60%
Store Master Funding XIV LLC (White Distributing)	5,568,579	13	0.60%
Muscatine Plaza Properties LLC	5,385,261	14	0.60%
Davenport Farm & Fleet, Inc.	5,114,772	15	0.50%
LHV Muscatine LLC	4,930,785	16	0.50%
Central State Bank (CBI Bank & Trust)	4,881,087	17	0.50%
SECO Investments	4,822,002	18	0.50%
Prime Mover Company	4,771,962	19	0.50%
Muscatine Medical Associates LLC	4,340,988	20	0.50%

*January 1, 2021 valuations for property taxes to be paid in fiscal year 2022/2023.

Education

Children within the City and surrounding area attend the fine facilities of the Muscatine Community School District. Their educational facilities are outlined below:

Facility Name	Grades	Date of Construction	Enrollment
Muscatine High School	9-12	1974	1,504
Susan Clark Junior High	7-8	1960	762
Franklin Elementary	K-6	1954	314
Grant Elementary	K-6	1954	362
Jefferson Elementary	K-6	2016	509
Madison Elementary	K-6	1954	463
McKinley Elementary	K-6	1960	470
Mulberry Elementary	K-6	1962	303
Total			4,687

Educational opportunities are also complemented by the Eastern Iowa Community College, Muscatine Campus, a two-year college with an enrollment of approximately 1,800 students. Colleges or universities within commuting distance include: The University of Iowa, Iowa City; St. Ambrose University, Davenport; Iowa Wesleyan College, Mount Pleasant; and Augustana College, Rock Island, Illinois.

Transportation

The rail line serving Muscatine is the CP Railroad, providing daily freight service. There is no scheduled airline serving Muscatine; however, charter service is available. The modern airport has one 5,500 foot main runway and a crosswind runway of 4,000 feet. The nearest scheduled airlines (29 miles) are at the Quad City Airport in Moline, Illinois, 45 minutes away.

The City has both public and private barge facilities. Shipping time on the river has never been closed for more than three months. Because of the location of the deep channel on the Muscatine side of the river, hardly any dredging is needed to keep the river open.

The City is served by U.S. Interstate 80, located 14 miles north; Iowa primary highways No. 38, 22, and 92; U.S. Highway No. 61; and an Interstate Bridge, providing Highway 92 access over the Mississippi River connecting downtown Muscatine to Rock Island County, Illinois.

Medical

The medical needs of Muscatine are served by Trinity-Muscatine, one of four hospitals in the Trinity Regional Health System and part of Des Moines-based UnityPoint Health. Trinity-Muscatine includes an 80 bed acute care hospital providing emergency, general medical and surgical services, and a public health agency.

Building Permits

Building permits issued in the City for the last 5 calendar years are as follows:

	2017	2018	2019	2020	2021
Single Family Homes					
Number of New Homes:	9	3	3	3	11 (3)
Valuation:	$1,409,361	$352,325	$728,190	$597,954	$3,633,613
Home Remodel & Improvements					
Number of Permits Issued:	1,735 (1)	1,044 (1)	763	796	713
Valuation:	$13,467,685	$6,994,212	$4,561,866	$2,602,838	$3,658,207
Multiple-Family Dwelling					
Number of New Buildings:	4	1	18 (2)	3	9 (4)
Valuation:	$5,727,763	$353,090	$11,359,863	$827,390	$20,042,437
Commercial/Industrial/Other					
Number of New Buildings:	20	13	10	6	13
Valuation:	$18,061,492	$12,956,615	$5,015,417	$2,819,014	$6,953,649
Commercial/Industrial/Other Additions & Alterations					
Number of Permits Issued:	321 (1)	220 (1)	271	239	217
Valuation:	$35,399,502	$14,520,256	$33,318,971	$5,293,496	$24,004,327
Total Permits:	2,089	1,281	1,065	1,047	963
Total Valuations:	$74,065,803	$35,176,498	$54,984,307	$12,140,692	$58,292,233

1. 2017 remodeling and improvement permits includes those for roof, siding, and other repairs due to the summer wind and hail storms.
2. 2019 new multi-family dwellings consist of sixteen new triplex building for Oak Park, one new duplex condo, and the conversion of the former Hershey Building into apartments.
3. 2021 new single family homes include seven homes in the new Arbor Commons Subdivision.
4. 2021 new multi-family dwellings include the new Colorado Senior Lofts, the new Grandview Senior Lofts, and the new Steamboat Way Apartment complex consisting of one duplex and five 8-plex buildings.

Historical Employment Statistics

Following are the historical unemployment rates for the years indicated for Muscatine County and the State of Iowa:

Calendar Year	Muscatine County	State of Iowa
2021 *	4.70%	4.28%
2020 *	5.93%	5.25%
2019	2.90%	2.70%
2018	2.70%	2.50%
2017	3.30%	3.10%
2016	3.90%	3.70%
2015	3.90%	3.80%
2014	4.40%	4.40%
2013	4.70%	4.60%
2012	5.50%	5.20%
2011	6.40%	5.90%

*Unemployment rates in 2020 and 2021 were impacted by the COVID-19 pandemic.

Retail Sales

The following illustrates the growth trend in taxable retail sales for the City of Muscatine as reported by the Iowa Department of Revenue:

Year Ended 3/31	Retail Sales	Number of Permits
2021	$ 405,303,320	677
2020	411,388,403	682
2019	391,048,279	706
2018	429,912,081	699
2017	421,069,443	706
2016	420,394,482	704
2015	401,787,000	701
2014	377,445,272	699
2013	371,978,755	711
2012	386,770,122	695

Population by Age (2020 Census):

Age Group	*City of Muscatine*	*Muscatine County*	*State of Iowa*
Under 5 years	7.0%	6.4%	6.3%
5 to 9 years	7.7%	7.4%	6.5%
10 to 14 years	6.8%	6.9%	6.6%
15 to 19 years	6.1%	6.6%	6.8%
20 to 24 years	6.6%	6.0%	7.2%
25 to 29 years	7.1%	6.3%	6.3%
30 to 34 years	6.4%	6.3%	6.3%
35 to 39 years	7.6%	6.7%	6.3%
40 to 44 years	5.1%	5.3%	5.6%
45 to 49 years	6.8%	6.4%	5.9%
50 to 54 years	5.4%	6.2%	6.3%
55 to 59 years	6.0%	6.4%	6.8%
60 to 64 years	6.5%	7.0%	6.5%
65 to 69 years	4.5%	5.1%	5.3%
70 to 74 years	3.9%	4.2%	3.9%
75 to 79 years	2.4%	2.6%	2.9%
80 to 84 years	2.0%	1.8%	2.1%
85 years and over	2.3%	2.4%	2.5%

Median Family Income (2020 Census):

Household Income	# of Households	% of Households
Under $10,000	601	6.4%
$10,000 to $14,999	441	4.7%
$15,000 to $24,999	827	8.9%
$25,000 to $34,999	979	10.5%
$35,000 to $49,999	1,505	16.1%
$50,000 to $74,999	1,572	16.9%
$75,000 to $99,999	1,322	14.2%
$100,000 to $149,999	1,531	16.4%
$150,000 to $199,999	352	3.8%
$200,000 or more	189	2.0%

Median and Mean Household Incomes (2020 Census):

Median	$53,768
Mean	$68,321

Race (2020 Census):

White	20,870
Black or African American	928
Asian	238
American Indian or Alaska Native	71
Native Hawaiian and Other Pacific Islander	24
Some Other Race	738
Two or More Race	928
	23,797

Hispanic or Latino and Race (2020 Census):

Hispanic or Latino (of any race)	4,402
Not Hispanic or Latino	19,395
	23,797

Appendix B

CITY OF MUSCATINE

COMMUNITY PROFILE

Date chartered	February 1, 1851
Form of government	Mayor/Council/City Administrator
Population (2020 Census)	23,797
Bond Rating (Moody's Investor Services)	Aa2
Number of employees (excluding seasonal)	
Full-time equivalent	229
Area in square miles	18.5
City of Muscatine facilities and services:	
Miles of streets	144
Parks and Recreation:	
Parks	15
Park acreage	272
Recreation open areas	8
Recreation open area acreage	232
Golf course	1
Swimming pools	1
Softball and baseball diamonds	20
Soccer fields	12
Tennis courts	8
Cemetery:	1
Number of acres	80
Library:	1
Number of registered borrowers	19,887
Circulation	400,858
Art Center and Museum	1
Police protection:	
Number of stations	1
Number of sworn officers	41
Fire protection and ambulance service:	
Number of stations	2
Number of fire/ambulance personnel	47

Sewer system:	
Number of treatment plants	1
Daily average treatment in gallons	5.15 million
Maximum daily capacity in gallons	16.9 million
Public transportation system:	1
Buses	11
Van	1
Fixed routes served	3
Shuttle vehicles operated	3
Municipal airport:	1
Primary runway length	5,500 feet
Crosswind runway length	4,000 feet

Appendix C

GLOSSARY

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

Activity: Specific or distinguishable type of work performed by a component of government for the purpose of accomplishing a function for which the government is responsible.

Appropriation: Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes.

Availability Criterion: Principle of the modified accrual basis of accounting according to which revenues may only be recognized when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Basis of Accounting: The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid).

Balanced Budget: A budget in which expenditures will not exceed estimated resources and revenues.

Bond: A written promise to pay a specific sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity dates, together with periodic interest at a specified rate.

Budget: The financial plan for the operation of a program or organization, which includes an estimate of proposed expenditures for a given period, and the proposed means of financing those expenditures.

Budget Message: A general outline of the budget, which includes comments regarding the government's experience during the past period, its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

Budgetary Basis of Accounting: The method used to determine when revenues and expenditures are recognized for budgetary purposes.

Business-Type Activities: Activities of the City that are financed in whole, or in part, by fees charged to external parties for goods or services. These activities are accounted for as enterprise funds and include the Airport, Transit, Parking, Golf Course, Boat Harbor, Marina, Soccer Events, Ambulance, Convention and Visitors Bureau, Refuse Collection, Landfill, Transfer Station, Water Pollution Control, and Collection and Drainage funds.

Capital Improvements Program: An annually updated plan or schedule of projected expenditures for public facilities and improvements which includes estimated project costs, sources of funding, and timing of work over a five-year period. For financial planning and general management, the program is presented as a plan of work and proposed expenditures, and is the basis for appropriation requests and bond issues.

Capital Projects Expenditures: Expenditures for facilities, facility or other improvements, or equipment which are non- recurring in nature and have a total cost in excess of $25,000.

Capital Outlay/Capital Expenditure: Operating budget expenditures for assets which have a value of $300 or more and have a useful economic lifetime of more than one year.

Capital Projects Fund: Fund used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Commodities: Supplies required by the municipality in order to perform services to its citizens.

Community and Economic Development Function: Government function that provides for planning and development of the City including the social, physical and economic needs of the City. Activities included in this function are Community Development, Economic Development and the Municipal Housing Programs.

Contractual Services: Services other than employee services such as contractual arrangements and consultant services, which may be required by the municipality.

Culture and Recreation Function: This function promotes the general well being of the City and encourages the fullest development of cultural and educational potentials of the citizens in the community. This function includes the activities of library, art center, parks and recreation, and cemetery.

Debt Service Fund: A fund established to account for the accumulation of resources for and the payment of general long-term debt, principal, and interest.

Depreciation: An appropriation is expended when a capital asset is acquired or constructed. By definition, a capital asset has a service life expected to extend over more than one fiscal period. The process of allocating the cost of a capital asset to the periods during which the asset is used is called depreciation.

Encumbrances: Obligations in the form of purchase orders, and/or contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved.

Encumbrance Variance: Differences between amounts encumbered to a budget year and the actual amount paid for those obligations in the succeeding year.

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of a governing body is that the cost of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Expendable Trust Funds: A trust fund in which its resources, including principal and earnings, may be expended. These funds are now accounted for as special revenue funds in the City's Annual Comprehensive Financial Report.

Expenditures: The cost of goods received or services rendered for the government unit. For the City of Muscatine, expenditures are charged against an appropriation when incurred, not when paid.

Fiscal Policy: The City of Muscatine's policy with respect to taxes, spending, and debt management as they relate to government services, programs, and capital investments.

Fiscal Year: A twelve-month period to which an annual operating budget applies. The City of Muscatine's fiscal year is from July 1 through June 30.

Fringe Benefits: Benefits paid by the City of Muscatine for social security, retirement, group health, life, dental, and long-term disability insurance. It also includes costs for worker's compensation and unemployment.

Full-Time Equivalent: Full-time equivalent employees equal the number of employees on full-time schedules plus the number of employees on part-time schedules converted to a full-time basis.

Function: A group of related activities aimed at providing a major service or regulatory program for which a government is responsible.

Fund: The fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equity or balances and changes therein which are segregated for the purpose of carrying out specific activities or obtaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance: Funds remaining after the application of available revenues and resources to support expenditures for the fund.

General Fund: A fund used to account for all financial resources except those required to be accounted for in another fund.

General Government Function: Function that provides for the operation of the government and assures the general administration of the municipality. Activities included in this function are mayor and council, legal services, city administrator, human resources, wellness program, finance, information technology, risk management, and buildings and grounds.

General Obligation Bonds: Bonds for the payment of which the full faith and credit of the issuing government are pledged.

Goal: Broad statement of desired results for the city, department, and/or activity relating to the quality of services to be provided to the citizens of Muscatine.

Governmental Funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service fund, capital projects funds, and permanent funds.

Health and Social Services Function: Government function which provides for assistance to service agencies involved in providing health and social services in the community. For the City, this function includes the Economic Well-Being activity.

Intergovernmental Revenues: Revenue from other governments, primarily in the form of Federal and State grants, but may also be payments from other local governments.

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis.

Landfill Closure and Postclosure Care Costs: Costs incurred to provide for the protection of the environment that occur near or after the date that a municipal solid waste landfill stops accepting solid waste and during the postclosure period. Closure and postclosure care costs include the cost of equipment and facilities (e.g., leachate collection systems and final cover) as well as the cost of services (e.g., postclosure maintenance and monitoring costs).

Legal Debt Margin: The excess of the amount of debt legally allowed over the amount of debt outstanding.

Level of Service: Generally used to define the existing or current services, programs, and facilities provided by the government for its citizens. Level of service of any given activity may be increased, decreased, or remain the same depending upon the needs, alternatives, and available resources.

Levy: The total amount of taxes, special assessments, or service charges imposed by a government to support governmental activities.

Major Fund: A fund in which its assets, liabilities, revenues, or expenditures for the fiscal year are 10% or more of the respective governmental or business-type fund totals of assets, liabilities, revenues, or expenditures.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which are recognized when due.

Objectives: Specific measurable achievements that an activity seeks to accomplish within a given time frame, which are directed to a particular goal. An objective should be stated in terms of results, not processes or activities. For the City of Muscatine, departmental objectives are included in the department's budget request.

Ordinance: A formal legislative enactment by the governing body of a municipality.

Performance Measurement: Commonly used term for service efforts and accomplishments reporting.

Permanent Funds: A fiduciary fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

Personal Services: Expenditures for salaries, wages, and related employee benefits for persons employed by the municipality.

Proprietary Funds: Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Public Safety Function: Government function that provides for services to reduce the amount and effects of external harm to individuals and damage to property, and in general to promote an atmosphere of personal security from external events. Police, animal control, and fire activities are included in this function.

Public Works Function: Government function that provides for safe and well-maintained infrastructure for the City. Activities included in this function are public works administration, roadway maintenance, snow and ice control, street cleaning, traffic control, and engineering.

Resolution: An order of a legislative body requiring less legal formality than an ordinance; additionally, it has less legal status.

Revenue: Income received by the City of Muscatine to support the government's program of services to the citizens. Income includes such items as property tax, fees, user charges, grants, and fines.

Special Assessment: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Funds: Funds used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Taxable Valuations: Valuations set upon real estate or other property by a government as the basis for levying taxes.

Taxes: Compulsory charges levied by government for the purpose of financing services performed for the common benefit. This does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments.

Trust and Agency Funds: Funds used to account for assets held by a government in a trustee or agent capacity for individuals, private organizations, other governments, and/or other funds.

Working Capital: Current assets less current liabilities. The measure of working capital indicates the relatively liquid portion of total fund capital, which constitutes a margin or buffer for meeting obligations.

APPENDIX D

ACRONYMS AND ABBREVIATIONS

ABLE	Active Bystandership for Law Enforcement
ADA	Americans with Disabilities Act
ARPA	American Rescue Plan Act
CALEA	Commission on Accreditation of Law Enforcement Agencies
CARES	Coronavirus Aid, Relief, and Economic Security
CD	Certificate of Deposit
CD	Community Development
CDBG	Community Development Block Grant
CIP	Capital Improvements Program
COVID	Coronavirus Disease
CPI	Consumer Price Index
CRRSA	Coronavirus Response and Relief Supplemental Appropriations
EAP	Employee Assistance Program
EEO	Equal Employment Opportunity
EMS	Emergency Medical Service
EMT	Emergency Medical Technician
EPA	Environmental Protection Agency
FAA	Federal Aviation Administration
FBO	Fixed Base Operator (Airport)
FEMA	Federal Emergency Management Agency
FOG	Fats, Oils, and Grease (Water Pollution Control Plant)
FSS	Family Self-Sufficiency (Housing)
FTE	Full Time Equivalent
GASB	Governmental Accounting Standards Board
GEMT	Ground Emergency Medical Transport
GFOA	Government Finance Officers Association
GIS	Geographical Information System
GO	General Obligation (Bonds)
HAPS	Housing Assistance Payments
HIDTA	High Intensity Drug Trafficking Area
HUD	Department of Housing and Urban Development
HVAC	Heating, Ventilation and Air Conditioning System
HSWRS	High Strength Waste Receiving Station
ICMA	International City Managers Association
IDED	Iowa Department of Economic Development
IDNR	Iowa Department of Natural Resources
IDOT	Iowa Department of Transportation
IPAIT	Iowa Public Agency Investment Trust
IPERS	Iowa Public Employees Retirement System
MCC	Muscatine Community College

MEL	Muscatine Environmental Labratory
MFPRSI	Municipal Fire and Police Retirement System of Iowa
MORC	Muscatine Organics Recycling Center
MOU	Memorandum of Understaning
MP&W	Muscatine Power and Water
MSORT	Muscatine Special Operations Response Team
NLETS	National Law Enforcement Telecommunications System
OSHA	Occupational Health and Safety Administration
PHA	Public Housing Authority
P&Z	Planning and Zoning Commission
PC	Personal Computer
PEHP	Post Employment Health Plan
QHWRA	Quality Housing and Work Responsibility Act
RFP	Request for Proposals
RHS	Retirement Health Savings Plan
SAT	Safety Awareness Team
SCADA	Supervisory Control and Data Access System
SRF	State Revolving Fund Loan
SRO	School Resource Officer
TIF	Tax Increment Financing
WPCP	Water Pollution Control Plant