

MARSHALLTOWN

— I O W A —

City Administrator's Office

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To: Mayor Greer and the City Council
From: Jessica Kinser, City Administrator
Date: January 17, 2022
RE: 2nd Draft of the CIP

Below is a summary of changes that were made from the first draft to the second draft of the FY22-26 Capital Improvement Plan.

- Fund 030- The revenue source in this fund is the CIP tax levy (\$0.675/\$1,000 of taxable valuation) and is used to fund the regular capital needs of departments rather than the General Fund (001). The revenue decreases in FY24 when we start to move some dollars to Fund 032 (see below) to fund a larger equipment purchase. We are maintaining the required 15% fund balance each year in the proposal.
UPDATE: Reduced revenue in FY24 (added to Fund 032); reduced FY24 wayfinding amount from \$50,000 to \$25,000 to stay in 15% fund balance requirement
- Fund 031- This is the Building Maintenance Fund, and is typically funded by the sale of City-owned buildings or other fixed assets. Ongoing projects are mostly focused on City Hall and the Carnegie Building. Please note that the City Hall boiler project is in the last year, as we are not intending to replace it but have it noted in case something happens (currently share the boiler with YSS). The bigger issue is that in FY26, we will run out of funds if no other revenues are added.
UPDATE: Added in \$500 interest revenue in FY26.
- Fund 032- This fund is only for the accounting of the purchase of larger dollar Fire vehicles. This is where the purchase of the two fire trucks with the 2020 bond occurred and where we are planning to set aside funds for the purchase of equipment in FY26.
UPDATE: Added in \$25,000 in revenue in FY24 to balance FY26 purchase.
- Fund 110- The Road Use Tax fund captures many project. Large projects to note are the repayment of the work to occur on Highway 14/South Center Street (3 installments); Railroad Crossing Safety Improvements/Quiet Zone (work outside of railroad right-of-way), and portions of development projects in 2022. This fund also purchases all equipment necessary for the Engineering, Street and Utility divisions of Public Works.

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UPDATE: Amount for RR Quiet Zone project reduced to reflect 2nd Street crossing remaining open.

- Fund 121- This accounts for the LOST- Capital designated funds, which is no longer a funded category. Projects to utilize these funds include the Edgewood Extension (local, non-eligible grant costs) and Creekside Estates. The South 7th Avenue Extension is actually using Council-designated LOST (not shown in revenue), but can utilize the Capital LOST if overruns do not happen on the two budgeted projects.

UPDATE: Increased amounts for local costs for Edgewood for debris chipping.

- Fund 132- Two projects are partially accounted for in this fund- the grant for the Pickleball Pocket Park and DOT Traffic Safety Improvement grants, which is active for a traffic signal controller project currently. This fund does account for non-capital grants as well so more activity will show in the Tyler budget reports.
- Funds 151, 152 & 177- These fund accounts for Police special revenues, of which some capital spending occurs. There are no planned purchases but this provides budgetary authority to make purchases.
- Fund 170- The Library Gift Fund includes donations to the Library which are then allocated to specific uses. The planned capital expenses include a portion to the Bookmobile as well as the building of an accessory building to house the vehicle.
- Fund 311- This fund is accounting for the Edgewood Extension project. All federal and state grants will flow through this fund. The local portion of the project is shown in Fund 121.
- Fund 312- This is the Airport capital fund and is showing the activity for the terminal and hangar project. There will be some bond funds remaining once the contracts with Garling and CGA are completed. However, there are still some projects to complete, (signage and a 24-hour pilots lounge) which will happen outside of the current projects, but in the current and next fiscal years.
- Fund 353- This fund is a “holding” fund for future projects for which general obligation bonds are the proposed funding source and the debt service levy is the proposed repayment source. This includes a number of park projects as well as a lot of street and other work. We will discuss these items in more detail with the Debt Capacity Workbook, but the individual project worksheets have more detail for the proposed projects.
UPDATE: Added City Hall Parking Lot and State Street Pedestrian Alley. Adjusted Trail Connection to include most recent bridge and pavement figures. Updated the FY23 Street Improvement Program to \$5,000,000.
- Fund 355- The Dangerous and Dilapidated (D&D) Building Fund reflects the revenue transferred from the General Fund as well as recent bond revenues. The estimate of nearly \$1 million in the current fiscal year reflects no FEMA

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funding for the downtown properties. It is proposed to borrow \$600,000 more in FY23 to fund that year and future years.

UPDATE: Changed revenue to show \$250,000 of D&D in Fund 360 (will be a “transfer in” in Fund 355 in Tyler financial system).

- Fund 360- This fund accounts for the bond proceeds and projects from the 2019 GO Bond. The Fisher and Anson sidewalk projects will be active in the next fiscal years. This fund also has about \$275,000 for the Anson Shelter Project that we would like to discuss allocating to another park project. A portion of the UnityPoint Secondary Access project has been shifted to this fund as there are remaining proceeds from the East Merle Hibbs project.

UPDATE: Added expenses for current year for Coliseum and D&D program. Added in interest as revenue based of YTD figures. Recommend allocating \$400,000 to future bond projects, specifically municipal park improvements.

- Fund 362- This fund accounts for the 2020 GO Bond and projects. The only project not complete in this fund is the Railroad Crossing Safety Improvements/Quiet Zone. The trail repaving project was completed in the current fiscal year.

UPDATE: Adjusted Quiet Zone cost down \$50,000 based on keeping 2nd Street crossing open. Added in projects that were not previously shown with adjusted balances. Recommendation is to leaving likely \$70,000 fund balance as Quiet Zone project is not complete.

- Fund 363- This fund accounts for the 2021 GO Bond projects, which are active in this current and into the next fiscal year, including the design of the South Center Street Viaduct Improvements, design and construction of the State Street project, and the start of some street projects. Engineering’s proposed rehab of East Main Street from 3rd Avenue to 12th Avenue will require more than \$2.9 million available from the next round of Street Improvement Program funding.

UPDATE: Bond proceed figure was \$200,000 less than what it should have been. Fund balance reflects what was not needed for the Softball Parking Lot. Recommendation is to leave this balance as is due to multiple projects being incomplete.

- Fund 381- This fund accounts for the bond proceeds from the 2018 borrowing and will close out this fiscal year. Projects which are now completed include the 12th Avenue sidewalk and renovation of the parking lot at 1st and Church Streets. When all transfers are complete, we will identify how much funding the Council can reallocate.

UPDATE: Costs were updated for completion of 12th Avenue Sidewalk Project and 1st Street Parking Lot project (more bond funds used, less stormwater funds). Fund closing out with the completion of both projects with no bond proceeds to reallocate.

- Fund 389- This fund accounts for the American Rescue Plan Act (ARPA) funds, which are currently allocated to the State Street project and the Edgewood

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detention pond project. Another non-capital expense of MPACT has been allocated \$400,000, meaning the current available balance is \$730,523.

- Fund 395- This is the fund that we capture a number of our economic development-related street projects in, including UnityPoint Secondary Access and Creekside Estates, which will both have developer payments to the City.
- Fund 612- This fund has all projects related to the Wastewater Treatment Plant. The largest project to note is an \$8 million replacement of the headworks, which will be part of a State Revolving Fund loan in early 2022. Other projects, including the engineering of the headworks, is being funded with cash available. **UPDATE: 1ST Street Parking Lot allocated in error at \$288,550; project removed and revenues adjusted.**
- Fund 616- This fund includes the very large sanitary sewer projects, including the support for the sanitary sewer portions of some street projects. The next large project is scheduled for FY23, with a bond issuance of \$3.9 million for additional point-in-place repair. It is also supported with sanitary sewer user fees.
- Fund 690- The Transit Fund captures capital purchase that support Marshalltown Municipal Transit. The largest purchase is a new bus is FY24, which will have an 85% federal grant for the standard length, and local cost for the remainder (and extra length as proposed).
- Fund 740/741- The Stormwater Fund includes equipment, vehicles, repairs, and maintenance for the stormwater collection system and lift stations. The 4th Street/Meadow Lane project is set to come out of this fund. **UPDATE: Reduced costs for 1st Street Parking Lot. Removed Stormwater Charge revenue as already included as part of fund; added in GO Bond in FY26.**
- Fund 750- Compost activities are accounted for in this fund, which are supported by user fees of the Compost Facility. The current fiscal year includes an equipment purchase and debris removal, with the next purchase not planned until FY26. **UPDATE: Fund 750- Removed grinding project as not a capital expense.**

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