

MARSHALLTOWN

— I O W A —

Joel Greer, Mayor
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TO: Mayor Greer and City Council
FROM: Diana Steiner, Finance Director
DATE: 11/10/23
RE: Street Financial Report (SFR) for FY2023

Strategic Plan:

- Strategy 1: Expand and improve development in the community.
- Strategy 2: Enhance Marshalltown's public image.
- Strategy 3: Continually improve and sustain the City's infrastructure, organization, and services.
- Strategy 4: Partner with citizens, for-profit, non-profit, and others to improve quality of life.

Plan Objective: Plan and fund improvements to the City's infrastructure.

Recommendation: The SFR annual report has been prepared by the Finance staff and it is required to be presented to the City Council. The report is filed electronically.

Budget Impact: If the report is not submitted to the Iowa Department of Transportation by the due date of December 1st, the State Treasurer can withhold Road Use Tax (RUT) funds to the City. FY23's budget for RUT revenue was \$3,490,000 and the actual amount received was \$3,797,108.

Description/Background: This report outlines all activity as reported in the Road Use Tax (RUT) fund 110 and also shows other activities associated with streets, including debt payments, capital projects and street-related equipment purchases in other funds also. Pages 1-2 shows expenses by funding source. The General Fund pays for wages and benefits for the Public Works department and a small percentage of the City Administrator and HR Director's time. The RUT transfers money to reimburse the General Fund for these gross wages. The General Fund also paid for the general liability insurance portion related to Public Works, which is funded by the insurance property tax levy.

The RUT Fund pays for part of the Data Management Coordinator position related to street work. The RUT also pays for contracted work and supplies to develop and maintain streets, street lighting and street sign costs, snow removal, engineering, equipment, and other operational costs for the department. Total revenues in the RUT were \$4,666,615 and total expenses were \$3,096,796. The beginning fund balance was \$6,303,147, which leaves \$7,872,966 as the fund balance at 6/30/2023.

The Other Special Revenues column contains activity related to Local Option Sales Tax transfers for street projects and debt service, TIF revenue and transfers for bond payments relating to streets, and property tax revenues levied for employee benefits which is then transferred to the General Fund.

The Debt Service column shows our principal, interest, and bond fees related to the street portion of the bonds. More detail is on page 4. This is funded by local option sales tax property tax relief dollars and TIF street projects.

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Greg Nichols, Jeff Schneider, Gary Thompson



The Capital Project column consists of projects that are funded by bonds, transfers from local option sales tax capital funds, interest earned, and MWW contributions.

Pages 5-8 show an equipment listing used by the public works department. The equipment additions this year include a paint truck \$245,500, Caterpillar with wheel loader \$202,906, 2 Chevy Silverado trucks totaling \$86,301.

Page 9 indicates projects that were 100% completed by the end of FY23 and are construction, reconstruction or improvement projects. Maintenance projects are not required to be reported.

Page 10 summarizes the activity for the year. Expenses were \$13,508,115 and revenues were \$12,850,075. Remember that we borrowed \$9,555,000 in FY23, but of that only \$3.3M was allocated for streets (\$182,091 of the bond premium was also allocated for street projects). Overall, the ending fund balance for street related activity is \$14,180,256.

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