

C · E · D · A · R

**FY2016
BUDGET**

Where does the
money come from?
And where does
it go?

F · A · L · L · S

Iowa



To the Citizens of Cedar Falls:

The Department of Finance & Business Operations hereby submits the Budget Brochure for 2016. This report is intended to provide the public with a brief summary of the City's Budget for the fiscal year from July 1, 2015 through June 30, 2016. Since the complete FY16 document may contain data unfamiliar to many readers, we have tried to depict our budget highlights through graphics, charts, and condensed table presentation.

This financial information has been gathered from a much lengthier document. The three-year financial plan includes the FY2016 budget, FY2017 and FY2018 projections, the City Council goals, long-term financial strategies, and the Capital Improvement Program. The financial plan also includes charts illustrating property tax effects, debt service schedules, employee information, and other miscellaneous graphs and statistical information. If anyone would like to purchase a copy of a complete FY2016-2018 Financial Plan, they should contact the Department of Finance & Business Operations at (319) 273-8600 or visit the City's website at www.cedarfalls.com.

**Cedar Falls FY16 Property Tax
Where the Property Tax is Spent**

Department or Fund	Total Levy Property Tax	Property Tax Per \$1,000
Finance & Business Operations	4.47%	0.54
Admin./Leg./Miscellaneous	5.00%	0.58
Debt Service	6.02%	0.59
Community Development	5.43%	0.63
Fire	12.23%	1.42
Municipal Oper. & Prog.	15.84%	1.84
Levy - Cedar Falls Band	0.17%	0.02
Levy - Liability Insurance	0.96%	0.11
Levy - MET Transit	2.09%	0.24
Levy - Library	2.33%	0.27
Levy-EMA	2.25%	0.26
Library	4.55%	0.53
Mayor	0.45%	0.05
Police	20.76%	2.42
City Administrator	0.81%	0.09
Trust & Agency	16.64%	1.94
Total Levy	100.00%	\$11.53

With a wide variety of services and \$82 million in budgeted revenues and expenses, YOUR EARLY INPUT AND PARTICIPATION can have a significant influence on the services, which are provided, and on how resources are allocated to those services. For this process to succeed, citizen participation early in the budget process is vital.

**SO PLEASE GET INVOLVED EARLY!
WHAT HAPPENS AND WHEN?**

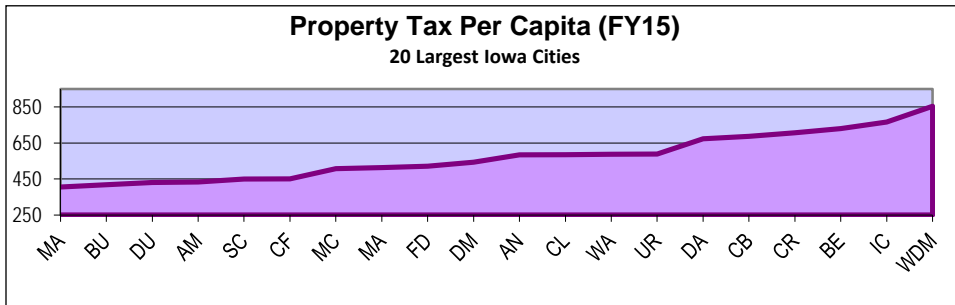
The City Budget process begins nearly twelve months before the actual start of the budget year, which runs from July 1st through June 30th. This process provides for:

- A substantial degree of citizen input
- Formal direction from elected officials
- Preparation of the proposed budget by City staff
- Final decision and adoption by the elected City Council

The FY2017 City Budget process includes the following tentatively scheduled meetings at City Hall. Citizens are welcome to attend.

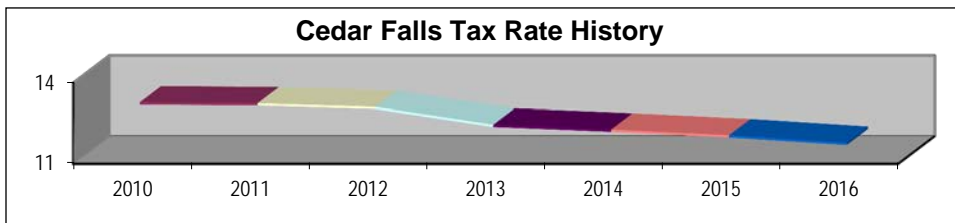
Monday, February 1, 2016	7:00 p.m.	Maximum Budget Set
Monday, February 15, 2016	7:00 p.m.	Public Hearing & Final Adoption of Budget

Prepared by the Department of Finance & Business Operations



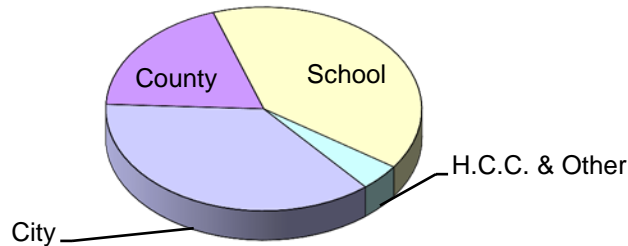
Cedar Falls local government continued to operate at one of the lowest per capita property tax rates among the 20 largest cities in Iowa in FY15.

City	FY15 Tax Per Capita	2010 Population	Abbreviation
Marshalltown	405.31	27,552	MA
Burlington	418.01	25,663	BU
Dubuque	430.44	57,637	DU
Ames	433.25	58,965	AM
Sioux City	449.71	82,684	SC
Cedar Falls	450.54	39,260	CF
Mason City	507.34	28,079	MC
Marion	513.26	34,768	MA
Fort Dodge	520.98	25,206	FD
Des Moines	543.20	203,433	DM
Ankeny	584.14	45,582	AN
Clinton	584.92	26,885	CL
Waterloo	587.44	68,406	WA
Urbandale	588.62	39,463	UR
Davenport	673.43	99,685	DA
Council Bluffs	687.02	62,230	CB
Cedar Rapids	706.79	126,326	CR
Bettendorf	730.11	33,217	BE
Iowa City	766.57	67,862	IC
West Des Moines	854.24	56,609	WDM
Average	571.77		



Between FY10 and FY16, the tax rate decreased \$1.49. In FY16, the rollback factor that determines residential taxable values increased from 54.40% to 55.73%. This combined with the decrease in tax rate will show a net effect of 0.00% increase for the average home owner. In FY16, the tax rate will decrease from \$11.81 to \$11.53.

Breakdown of Property Taxes Paid FY15



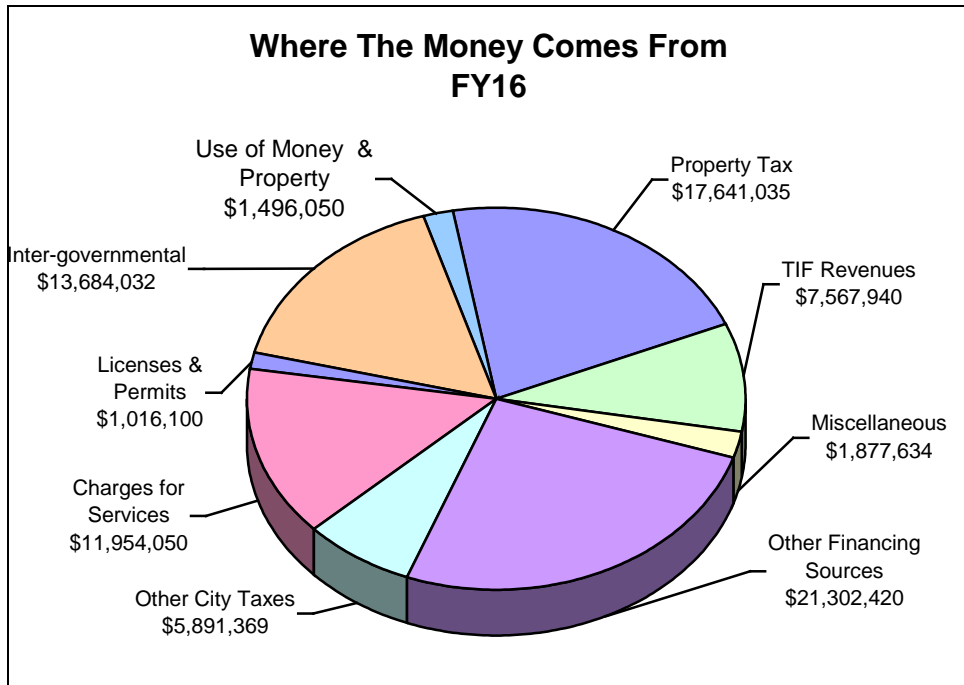
Taxes paid per \$1,000 of Taxable Valuation (FY15)

	(A)		(B)		(C)
City	\$11.81	X		=	
School District	\$12.78	X		=	
County	\$6.12	X		=	
H.C.C. & Other	\$1.36	X		=	
Less:					
Homestead Credit					()
Military Credit					()
Total	\$32.07				

To calculate the tax breakdown for your own home, divide your property's TAXABLE VALUE by 1,000; enter the result into column (B) and multiply by the figures in column (A).

- ❖ To calculate the Homestead Credit, divide \$4,850 by 1,000 and multiply by the total tax rate in Column (A). To calculate the Military credit, divide \$1,852 by 1,000 and multiply the total tax rate in column (A). Homestead and Military credits are deducted from the total tax due.

The following is an example for a home with a GROSS ASSESSED VALUE of \$100,000: \$100,000 x 54.4002% (State Rollback) = \$54,400 (Taxable Value)/1,000 = 54.40 x \$11.81 = \$642.46 paid in City taxes; \$695.23 paid in School taxes; \$332.93 paid in County taxes; \$73.98 paid in H.C.C. & Other taxes; and \$1,744.60 paid in total. If applicable, Military and Homestead credits would reduce the total tax due by \$214.93.



REVENUE TERMS

Property Taxes: Funds received from taxes levied against private property.

TIF Revenues: Funds provided by incremental increases in tax revenues derived from increased taxable valuations in TIF districts.

Other City Taxes: Funds received from local option sales tax and hotel/motel taxes.

Licenses and Permits: Fees paid by persons for various items such as building permits, burial permits, and business licenses.

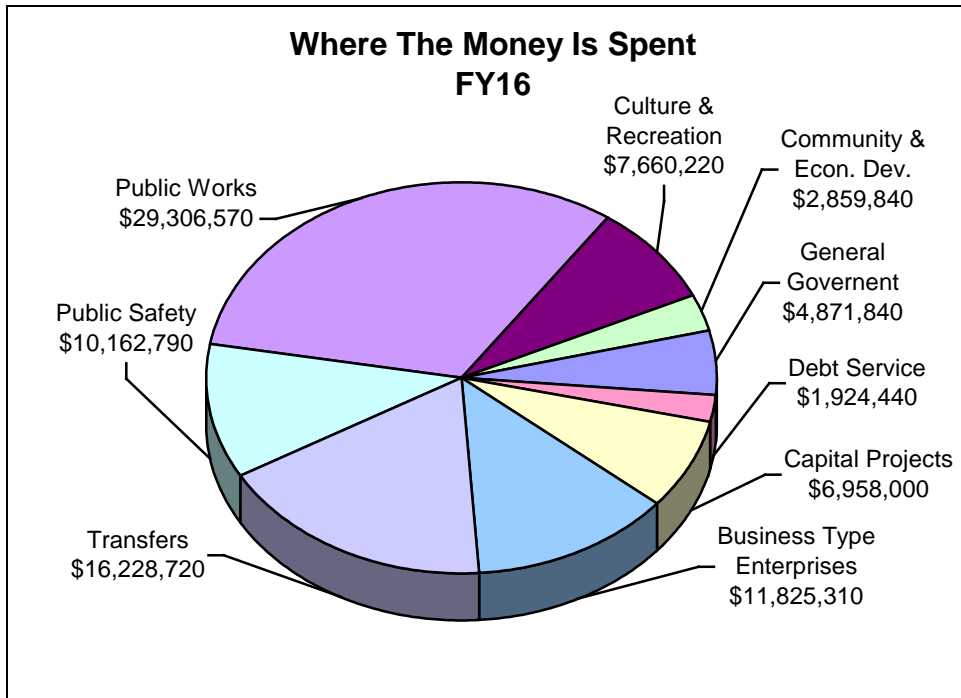
Use of Money & Property: Income received on investments and lease income.

Intergovernmental: Funds received from the Federal or State Government such as Block Grants, Rent Assistance, Road Use Tax, Liquor Profits, Backfill and funds received from the Cedar Falls Utilities.

Charges for Services: Fees paid by persons for services they use such as garbage collection, sewer rental and other services.

Miscellaneous: All other sources of revenue received, including refunds and donations.

Other Financing Sources: Monies transferred between various funds of the City and bond proceeds.



EXPENDITURE TERMS

Public Safety: Expenditures for police, fire, civil defense, inspections, and animal control.

Public Works: Expenditures for street repair, street construction, parking, street lighting, and engineering.

Culture & Recreation: Expenditures for library, parks, recreation, cemetery, community center, and visitors and tourism.

Community & Economic Development: Expenditures for economic development, federal housing programs, and planning and zoning.

General Government: Expenditures for financial services, public records, legal, and cable television. Health & Soc. Services included.

Debt Service: Expenditures for the retirement of principal and interest on bonds that are due during the budget year.

Capital Projects: Expenditures for major capital projects.

Business Type Enterprises: Expenditures for Refuse, Sewer operations and Stormwater.

Transfers: Expenditures transferred between various funds of the City.