



FY25-FY29
Capital Improvements Plan
Executive Summary

Final as of 2/29/24

Overview of Funding	FY25	FY26	FY27	FY28	FY29	Total
Expenditures by Fiscal Year	\$33.1M	\$69.0M	\$22.8M	\$13.9M	\$30.1M	\$170.2M
<i>Funding*:</i>						
Federal/State Grants	\$2.2M	\$2.2M	\$5.9M	\$320K	\$4.5M	\$15.2M
Private Grants	\$200K	\$0	\$5K	\$0	\$0	\$0.21M
G.O. Bonds	\$12.7M	\$6.3M	\$5.6M	\$1.9M	\$13.1M	\$39.66M
SRF Loans	\$1.0M	\$45.4M	\$0	\$0	\$0	\$46.45M
TIF Certification	\$2.2M	\$2.5M	\$2.5M	\$2.7M	\$4.1M	\$14.02M
Road Use Fund	\$920K	\$1.4M	\$930K	\$835K	\$650K	\$4.69M
Water Fund	\$2.9M	\$2.6M	\$2.1M	\$1.9M	\$1.8M	\$11.38M
Sewer Fund	\$2.6M	\$2.5M	\$2.4M	\$2.2M	\$2.4M	\$12.07M
LOSST Fund	\$1.7M	\$2.1M	\$2.2M	\$2.1M	\$1.8M	\$9.89M
Hotel Tax Fund	\$230K	\$230K	\$230K	\$230K	\$230K	\$1.15M
Storm Sewer Fund	\$385K	\$465K	\$470K	\$475K	\$310K	\$2.10M
Sanitation Fund	\$170K	\$805K	\$0	\$0	\$0	\$0.98M
General Projects	\$1.2M	\$1.4M	\$1.1M	\$1.2M	\$870K	\$5.78M
EMS & Hazmat RV	\$455K	\$300K	\$515K	\$30K	\$285K	\$1.58M
All Other Sources	\$1.4M	\$665K	\$0	\$5K	\$50K	\$2.09M

Proposed CIP Highlights	FY	Investment	Funding
Police Vehicle Replacement	25-29	\$1.08M	\$1.08M General Projects
Fire Aerial Truck	26	\$1.48M	\$956K G.O., \$525K General Projects
Ambulance Replacement (4 Units + Related Equipment)	25-27,29	\$1.80M	\$331K G.O., \$1.47M Ambulance Revenue
Bike North Iowa/Destination Iowa Improvements (Yr 2 of 2)	25	\$5.3M	\$2.2 State Grant and prior year funding
Highway 122 West Reconst. (Yr 1 of 2)	29	\$7.5M	\$7.5M TIF-Backed G.O.
Highway 122 Mercy Reconstruction	25	\$6M	\$6M TIF-Backed G.O.
Street Rehab Program (4 Projects)	26-29	\$5.5M	\$4.5M G.O., \$375K Water, \$600K Sewer
U.S. 65/South Federal Reconstruction	25-26	\$3.25M	\$2.08M G.O., \$825K Water, \$350K Sewer
Penn Avenue Street & Utility Project	26-27	\$1.23M	\$600K State Grant,

Proposed CIP Highlights	FY	Investment	Funding
			\$150K Water, \$275K RUT, \$200K Sewer
O&M Vehicle Replacement	25-29	\$1.84M	\$1.44M G.O., \$400K RUT
Airport- Runway 18/36 Pavement Rehab	26-27	\$5.92M	\$5.33M Federal Grant, \$592K G.O.
Airport- Runway 12/30 Pavement Rehab	28	\$4.66M	\$4.2M Federal Grant, \$466K G.O.
Library- Facility Maintenance	25-27	\$350K	\$350K General Projects
Museum Off-Site Storage (Yr 2 of 2)	25	\$300K	\$100K General Projects, \$200K Private Funding
Pool Repairs, Phase 1	27	\$850K	\$850K LOSST G.O.
Golf Irrigation System Replacement	27	\$900K	\$900K LOSST G.O.
Drill & Develop Well #15 (Yr 2 of 2)	25	\$2M	\$2M TIF G.O.
EDR Water Treatment Upgrades	25-26	\$15M	\$125K Water, \$14.9M SRF Loan
Taft Water Main Looping (Yr 2 of 2)	25	\$3.5M	\$2.86M TIF G.O., \$242K TIF Cert, \$400K Water
Sewer Collection System Maintenance	24-28	\$5.9M	\$5.9M Sewer
Sewer- Water Reclamation Nutrient Reduction Improvements (Yrs 2&3 of 3)	25-26	\$27.75M	\$27.75M SRF Loan
Sewer- 43 rd SW Lift Station	25-26	\$3.82M	\$3.82M SRF Loan
Sanitation- Automated Collection/ Vehicle Replacement	25-27	\$3.73M	\$2.75M G.O., \$975K Sanitation Fund

Underlying Assumptions of Plan

Tax Rate	Levy held steady or slightly decreased	
General Obligation Debt	Within adopted financial policies for levy rate; seek to reduce G.O. usage for smaller projects & equipment, gradually reduce G.O. debt load to 50% or less of legal capacity with strategies in place.	
Fund Balances	Within adopted financial policies, with minor temporary variances as projects are completed and rate increases come into effect.	
All Utilities	Proposed changes in the plan rate structures as follows:	
	<ul style="list-style-type: none"> Water: Continue 2.5% annual increases pending EDR upgrade costs 	<ul style="list-style-type: none"> Sewer: 3.5% base rate/22.5% usage increases in FY25 & FY26 and 3.5%/12% in FY27; more typical thereafter
	<ul style="list-style-type: none"> Storm Sewer: Change to ERU approach 	<ul style="list-style-type: none"> Sanitation: Change to automated collection

* Explanation of acronyms used: RV=Revenue; G.O.= General Obligation Bonds; SRF= State Revolving Fund Loan; TIF= Tax Increment Financing; RUT = Road Use Tax; LOSST= Local Option Sales & Service Tax; EMS= Emergency Medical Services (Ambulance) fees; ERU= Equivalent Residential Unit measurement of impervious surface area