



Warren County FY25 Budget

Important Budget Dates

Submit proposed property tax levies to the Department of Management.

Proposed levies can go down but cannot be raised

5 Mar.

Week of March 18th: Notice of Proposed Tax Levy Hearing published in local papers

18 Mar.

Proposed Property Tax Levy Hearing held
to get public input, no decisions made

2 Apr.

Week of April 8th: Notice of Proposed Budget Hearing published in local papers
(date subject to change)

8 Apr.

Budget Hearing held, budget decided on and finalized
(date subject to change)

23 Apr.

Statewide Budget Certification Deadline

30 Apr.

Presentation Agenda

2023 Assessments

HF 718

Levy Review

Working Budget Review

Final Budget *(still to come)*

FY

- Fiscal Year
- The County's budget is based on the fiscal year which runs from July 1st to June 30th

LOST

- Local Option Sales Tax
- A sales tax in Warren County that was voted to be used solely for rural property tax relief

HF
718

- House File 718
- Legislation that goes into effect for this budget limiting tax revenue

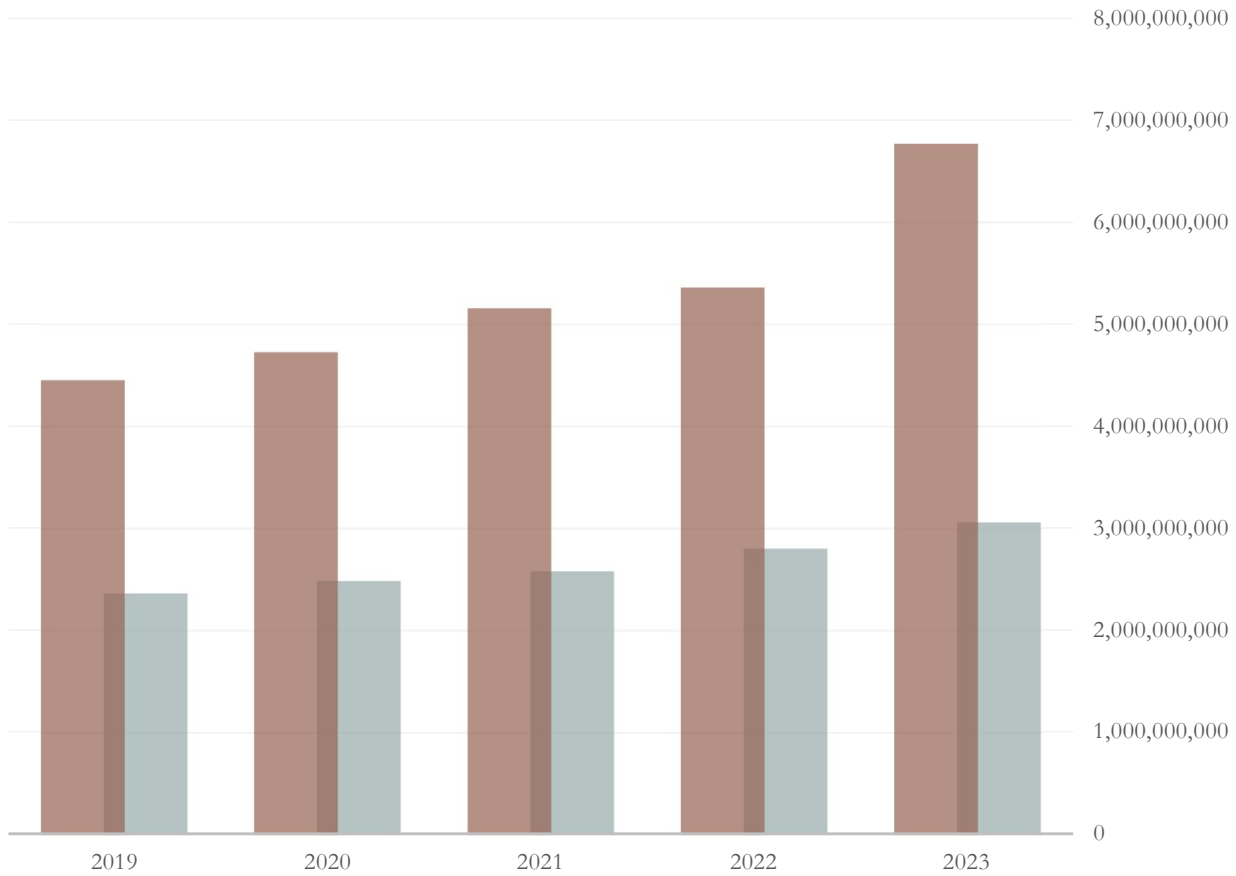
Quick Glossary



2023 *Assessments*

Assessment Notes

- State limits the statewide taxable value growth due to revaluation or reassessment to 3%
 - It is a statewide limit, not per residence, county, etc.
 - This limit is what is used to calculate the rollback percentage.
 - The rollback for FY25 is 46.3428% for residential property
 - The rollback in FY24 was 54.6501%
 - Because of the rollback, the overall assessed valuation increased approx. 26% however, the overall taxable valuation increased approx. 9%.



ASSESSED VS. TAXABLE VALUES



House File 718

HF 718 Overview



Imposes stricter limits on maximum rural and general basic tax levies; requires the levies to decrease.



Significantly affects the finances of counties and their ability to grow.

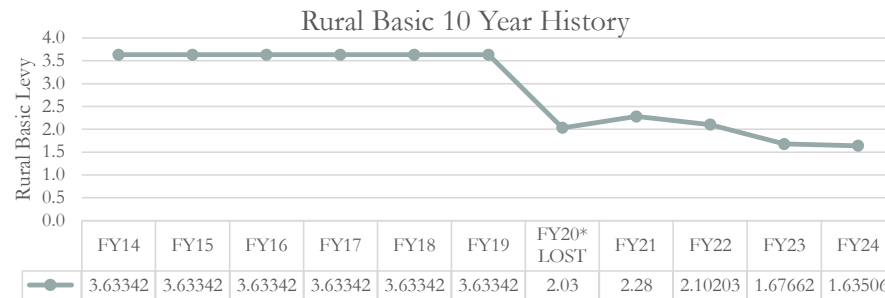
-The restraints are tightest for the entities experiencing the greatest growth like Warren County.

-Does not take into account growth caused by new builds; limits the effect of growth on revenues regardless of the cause.



Because of Local Option Sales Tax funds, Warren County already had one of the lowest rural levies in the state especially when accounting for the county's size. This rate is pushed even lower for FY25

-LOST funds buying down the levy can be seen in the chart below. FY2020 was the first full year that funds were received.

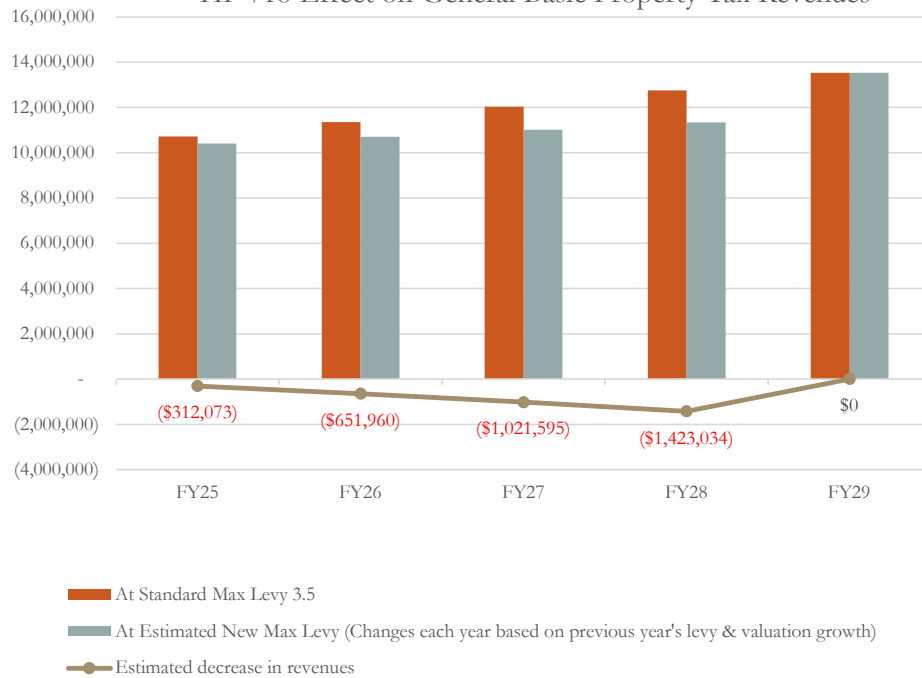


HF 718 Estimated 5-Year Effect

Currently set to expire in FY29

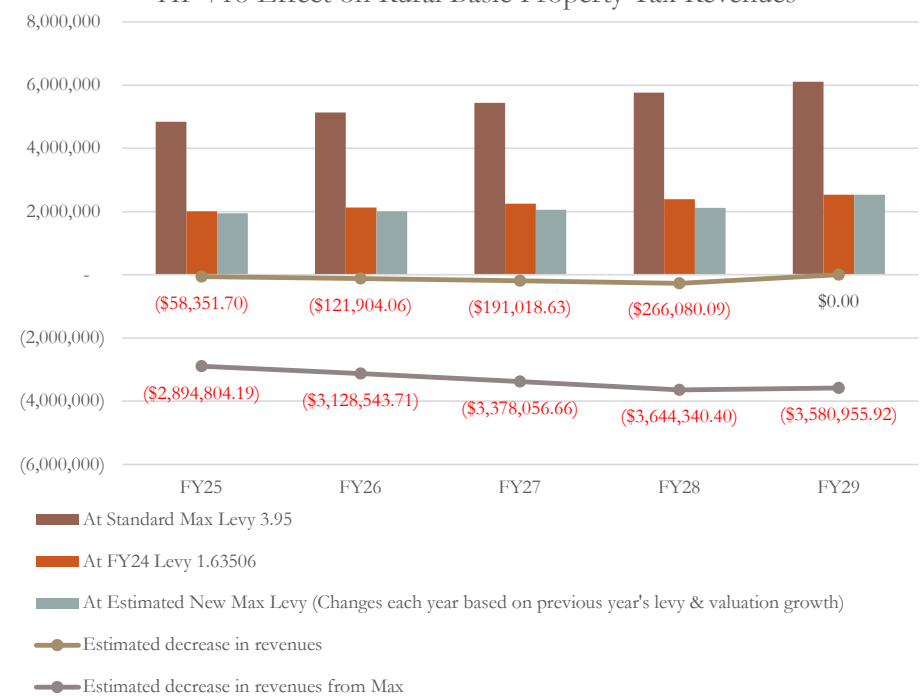
General Basic Levy (Paid by Urban + Rural)

HF 718 Effect on General Basic Property Tax Revenues



Rural Basic Levy (Paid by Rural Only)

HF 718 Effect on Rural Basic Property Tax Revenues



Estimated Assessment & HF 718 Effect on Single Home Annual Property Taxes Fiscal Year 2024 vs. 2025					
FY25: Estimate 20% Value Increase & Rollback at 46.3428%					
Assessed Home Value					
FY2024	FY2025	FY2024	FY2025	FY2024	FY2025
\$250,000	\$300,000	\$500,000	\$600,000	\$750,000	\$900,000
Urban Taxes					
-\$7		-\$14		-\$21	
Rural Taxes					
-\$10		-\$20		-\$30	

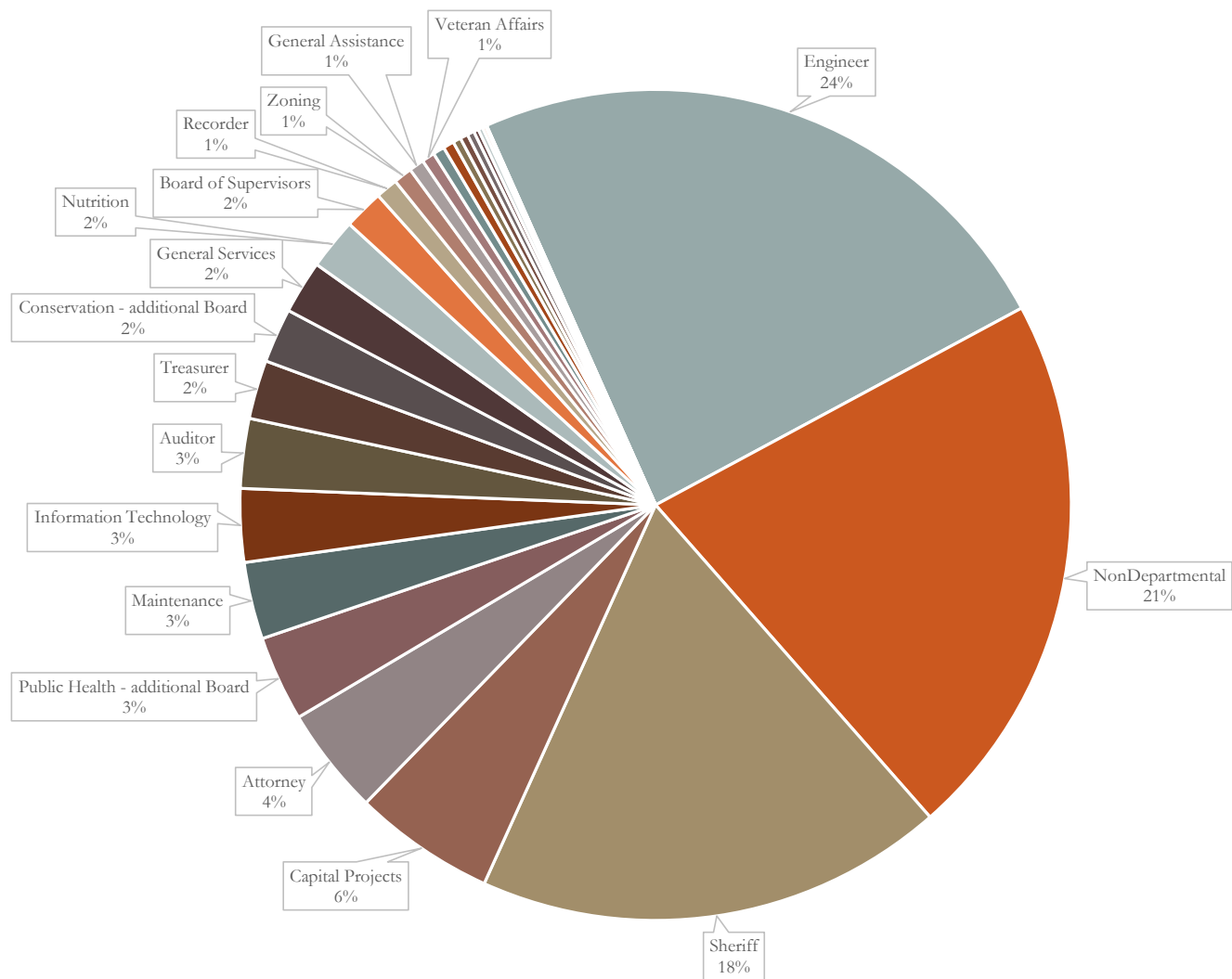
ASSESSMENT & HF 718 ESTIMATED EFFECT

DATA USED TO CALCULATE EFFECT ON TAXES PAID						
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025
Assessed Value	\$250,000	\$300,000	\$500,000	\$600,000	\$750,000	\$900,000
Multiply by Rollback	54.6501%	46.3428%	54.6501%	46.3428%	54.6501%	46.3428%
Taxable Value	\$136,625	\$139,028	\$273,251	\$278,057	\$409,876	\$417,085
Urban Levy						
Proposed Urban Levy	6.13812	5.98053	6.13812	5.98053	6.13812	5.98053
Estimated Tax	\$839	\$831	\$1,677	\$1,663	\$2,516	\$2,494
Estimated Difference:	-\$7		-\$14		-\$21	
Rural Levy						
Proposed Rural Levy	7.77318	7.56796	7.77318	7.56796	7.77318	7.56796
Estimated Tax	1,062	1,052	2,124	2,104	3,186	3,156
Estimated Difference:	-\$10		-\$20		-\$30	



Working Budget Review

(will still undergo several changes)

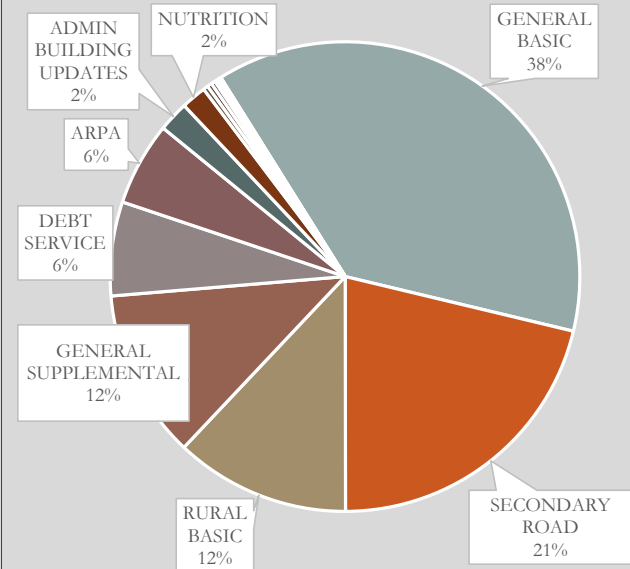


Current FY25 Expenses By Department

Department	FY25 Requested Expenses
Board of Supervisors	\$738,120
Auditor	\$1,290,563
Treasurer	\$1,092,675
Attorney	\$1,998,188
Sheriff	\$8,691,550
Recorder	\$407,900
Dept. Human Services	\$91,289
DCAT	\$213,000
Engineer	\$11,349,017
Veteran Affairs	\$240,600
Conservation - additional Board	\$1,007,369
Public Health - additional Board	\$1,584,835
Weed Commission	\$17,130
General Assistance	\$279,890
Nutrition	\$950,175
Medical Examiner	\$125,000
Wellness	\$60,000
District Court	\$145,000
County Library	\$204,750
Historical Society	\$2,000
Capital Projects	\$2,625,101
Maintenance	\$1,426,200
Townships	\$5,900
General Services	\$986,914
Information Technology	\$1,359,819
Zoning	\$344,028
Juvenile Probation	\$146,600
Liberty Center Sewer	\$85,120
NonDepartmental	\$10,192,891
Totals	\$47,661,623

Fund	Estimated FY24 Ending Fund Balances	FY25 Requested Expenses	FY25 Requested Revenues	Effect on FY25 Fund Balance	Estimated FY25 Ending Fund Balances	
0001 GENERAL BASIC	\$5,814,307	\$17,935,260	\$16,648,069	(\$1,287,191)	\$4,527,116	25%
0002 GENERAL SUPPLEMENTAL	\$2,476,163	\$5,550,937	\$5,428,448	(\$122,489)	\$2,353,674	42%
0003 NUTRITION	\$48,420	\$826,570	\$829,900	\$3,330	\$51,750	
0004 JAIL COMMISSARY	\$37,250	\$0	\$0	\$0	\$37,250	
0005 WELLNESS FUND	\$48,379	\$60,000	\$60,000	\$0	\$48,379	
0006 CASE MANAGEMENT	\$296,784	\$0	\$0	\$0	\$296,784	
0007 MHDS SERVICES	\$0	\$0	\$0	\$0	\$0	
0008 ADMIN BUILDING UPDATES	\$992,800	\$992,800	\$0	(\$992,800)	\$0	
0009 NATIVE GRASS DRILL	\$1	\$0	\$0	\$0	\$1	
0010 MH-DD SERVICES	\$0	\$0	\$0	\$0	\$0	
0011 RURAL BASIC	\$2,174,074	\$5,748,936	\$4,790,948	(\$957,988)	\$1,216,086	21%
0013 PRISONER ROOM AND BOARD	\$286,899	\$0	\$20,000	\$20,000	\$306,899	
0017 CO ATTORNEY COURT FEES	\$306,087	\$162,859	\$220,500	\$57,641	\$363,728	
0018 CONSERVATION RESERVE	\$87,024	\$50,000	\$90,000	\$40,000	\$127,024	
0019 ARPA	\$3,059,741	\$2,739,991	\$50,000	(\$2,689,991)	\$369,750	
0020 SECONDARY ROAD	\$4,142,724	\$10,114,889	\$9,557,000	(\$557,889)	\$3,584,835	35%
0021 SECONDARY RDS-EQUIP REPLACEMENT	\$0	\$0	\$0	\$0	\$0	
0022 SECONDARY ROADS-CAPITAL IMPROVEMENT	\$0	\$0	\$0	\$0	\$0	
0023 REAP	\$117,425	\$0	\$22,200	\$22,200	\$139,625	
0024 RECORDER'S RECORD MANAGEMENT	\$20,038	\$25,000	\$11,000	(\$14,000)	\$6,038	
0026 ATTORNEY FORFEITURE FUND	\$6,363	\$2,000	\$0	(\$2,000)	\$4,363	
0027 CONSERVATION CAP IMPROVE & LAND	\$1	\$0	\$0	\$0	\$1	
0029 CO RECORDERS ELEC TRANSACTION FD	\$0	\$0	\$0	\$0	\$0	
0030 SHERIFF FORFEITURE FUND	\$10,845	\$0	\$0	\$0	\$10,845	
0031 LIBERTY CENTER SEWER SR	\$12,158	\$85,120	\$8,000	(\$77,120)	(\$64,962)	
0033 OPIOID ABATEMENT FUND	\$188,626	\$149,960	\$46,934	(\$103,026)	\$85,600	
1501 CAPITAL PROJECTS JC	\$0	\$0	\$0	\$0	\$0	
1503 CAPITAL PROJECTS 911	\$131,302	\$132,301	\$1,000	(\$131,301)	\$1	
1504 CAPITAL PROJECTS - SEC RD SHOP	\$95	\$0	\$0	\$0	\$95	
2010 DEBT SERVICE	\$125,300	\$3,085,000	\$3,126,881	\$41,881	\$167,181	5%
Totals	\$20,382,806	\$47,661,623	\$40,910,880	(\$6,750,743)	\$13,632,063	
Totals Less ARPA/Capital Projects/Admin/Opioid	\$16,010,242	\$43,646,571	\$40,812,946	(\$2,833,625)	\$13,176,617	

CURRENT FY25 EXPENSES BY FUND – ALL FUNDS



Current FY25 Expenses By Fund – Funds Directly Effected by Property Taxes

- General Basic, General Supplemental, and Debt Service are paid by both Urban and Rural taxes
- Rural Basic is paid by rural only
- Secondary Road is funded primarily by Road Use Taxes and a transfer from Rural Basic (also a much smaller transfer from General Basic) as laid out per code.
- Percentages below represent the percent of total expenses for the year that are in the fund balance. Should be minimum 25% (except for debt service which is solely based on debt payments due each year).
 - Rural Basic currently does not fit within the 25% minimum fund balance.

Fund		Estimated FY24 Ending Fund Balances	FY25 Requested Expenses	FY25 Requested Revenues	Effect on FY25 Fund Balance	Estimated FY25 Ending Fund Balances	
0001	GENERAL BASIC	\$5,814,307	\$17,935,260	\$16,648,069	(\$1,287,191)	\$4,527,116	25%
0002	GENERAL SUPPLEMENTAL	\$2,476,163	\$5,550,937	\$5,428,448	(\$122,489)	\$2,353,674	42%
0011	RURAL BASIC	\$2,174,074	\$5,748,936	\$4,790,948	(\$957,988)	\$1,216,086	21%
0020	SECONDARY ROAD	\$4,142,724	\$10,114,889	\$9,557,000	(\$557,889)	\$3,584,835	35%
2010	DEBT SERVICE	\$125,300	\$3,085,000	\$3,126,881	\$41,881	\$167,181	

Expense Projections by Fund with HF 718 & Current Expense/Revenue Trends

- Current levels are not sustainable just one year later.
- Both General Basic and Rural Basic are projected to be well below the 25% minimum by FY26

Fund	FY26 Projected Expenses	FY26 Projected Revenues	Effect on FY26 Fund Balance	Estimated FY26 Ending Fund Balances	
0001 GENERAL BASIC	\$18,582,708	\$17,147,152	(\$1,435,556)	\$3,091,560	17%
0002 GENERAL SUPPLEMENTAL	\$5,618,277	\$5,591,301	(\$26,975)	\$2,326,698	41%
0011 RURAL BASIC	\$5,921,404	\$4,934,676	(\$986,727)	\$229,359	4%
0020 SECONDARY ROAD	\$10,418,335	\$9,843,710	(\$574,625)	\$3,010,210	29%
2010 DEBT SERVICE	\$3,177,550	\$3,220,687	\$43,137	\$210,319	7%

- Rural Basic would be projected to go negative by FY27

Fund	FY27 Projected Expenses	FY27 Projected Revenues	Effect on FY27 Fund Balance	Estimated FY27 Ending Fund Balances	
0001 GENERAL BASIC	\$19,154,511	\$17,661,207	(\$1,493,305)	\$1,598,255	8%
0002 GENERAL SUPPLEMENTAL	\$5,786,825	\$5,759,040	(\$27,785)	\$2,298,914	40%
0011 RURAL BASIC	\$6,099,046	\$5,082,717	(\$1,016,329)	(\$786,971)	-13%
0020 SECONDARY ROAD	\$10,730,885	\$10,139,021	(\$591,864)	\$2,418,346	23%
2010 DEBT SERVICE	\$3,272,877	\$3,317,308	\$44,432	\$254,750	8%

- General Basic would be projected to be nearly zero by FY28

Fund	FY28 Projected Expenses	FY28 Projected Revenues	Effect on FY28 Fund Balance	Estimated FY28 Ending Fund Balances	
0001 GENERAL BASIC	\$19,749,566	\$18,190,683	(\$1,558,884)	\$39,371	0%
0002 GENERAL SUPPLEMENTAL	\$5,961,852	\$5,931,812	(\$30,041)	\$2,268,873	38%
0011 RURAL BASIC	\$6,282,017	\$5,235,198	(\$1,046,819)	(\$1,833,790)	-29%
0020 SECONDARY ROAD	\$11,052,812	\$10,443,192	(\$609,620)	\$1,808,726	16%
2010 DEBT SERVICE	\$3,371,063	\$3,416,827	\$45,764	\$300,515	9%

Fund	Estimated FY24 Ending Fund Balances	FY25 Requested Expenses	FY25 Requested Revenues	Effect on FY25 Fund Balance	Estimated FY25 Ending Fund Balances	
0001 GENERAL BASIC	\$5,814,307	\$17,228,710	\$16,648,069	(\$580,641)	\$5,233,666	30%
0002 GENERAL SUPPLEMENTAL	\$2,476,163	\$5,425,469	\$5,428,448	\$2,979	\$2,479,142	46%
0003 NUTRITION	\$48,420	\$726,070	\$754,900	\$28,830	\$77,250	
0004 JAIL COMMISSARY	\$37,250	\$0	\$0	\$0	\$37,250	
0005 WELLNESS FUND	\$48,379	\$60,000	\$60,000	\$0	\$48,379	
0006 CASE MANAGEMENT	\$296,784	\$0	\$0	\$0	\$296,784	
0007 MHDS SERVICES	\$0	\$0	\$0	\$0	\$0	
0008 ADMIN BUILDING UPDATES	\$992,800	\$992,800	\$0	(\$992,800)	\$0	
0009 NATIVE GRASS DRILL	\$1	\$0	\$0	\$0	\$1	
0010 MH-DD SERVICES	\$0	\$0	\$0	\$0	\$0	
0011 RURAL BASIC	\$2,174,074	\$5,075,114	\$4,790,948	(\$284,166)	\$1,889,908	37%
0013 PRISONER ROOM AND BOARD	\$286,899	\$0	\$20,000	\$20,000	\$306,899	
0017 CO ATTORNEY COURT FEES	\$306,087	\$162,859	\$220,500	\$57,641	\$363,728	
0018 CONSERVATION RESERVE	\$87,024	\$50,000	\$90,000	\$40,000	\$127,024	
0019 ARPA	\$3,059,741	\$2,739,991	\$50,000	(\$2,689,991)	\$369,750	
0020 SECONDARY ROAD	\$4,142,724	\$10,788,711	\$9,557,000	(\$1,231,711)	\$2,911,013	27%
0021 SECONDARY RDS-EQUIP REPLACEMENT	\$0	\$0	\$0	\$0	\$0	
0022 SECONDARY ROADS-CAPITAL IMPROVEMENT	\$0	\$0	\$0	\$0	\$0	
0023 REAP	\$117,425	\$0	\$22,200	\$22,200	\$139,625	
0024 RECORDER'S RECORD MANAGEMENT	\$20,038	\$25,000	\$11,000	(\$14,000)	\$6,038	
0026 ATTORNEY FORFEITURE FUND	\$6,363	\$2,000	\$0	(\$2,000)	\$4,363	
0027 CONSERVATION CAP IMPROVE & LAND	\$1	\$0	\$0	\$0	\$1	
0029 CO RECORDERS ELEC TRANSACTION FD	\$0	\$0	\$0	\$0	\$0	
0030 SHERIFF FORFEITURE FUND	\$10,845	\$0	\$0	\$0	\$10,845	
0031 LIBERTY CENTER SEWER SR	\$12,158	\$85,120	\$8,000	(\$77,120)	(\$64,962)	
0033 OPIOID ABATEMENT FUND	\$188,626	\$149,960	\$46,934	(\$103,026)	\$85,600	
1501 CAPITAL PROJECTS JC	\$0	\$0	\$0	\$0	\$0	
1503 CAPITAL PROJECTS 911	\$131,302	\$132,301	\$1,000	(\$131,301)	\$1	
1504 CAPITAL PROJECTS - SEC RD SHOP	\$95	\$0	\$0	\$0	\$95	
2010 DEBT SERVICE	\$125,300	\$3,085,000	\$3,126,881	\$41,881	\$167,181	
Totals	\$20,382,806	\$46,729,105	\$40,835,880	(\$5,893,225)	\$14,489,581	
Totals Less ARPA/Capital Projects/Admin/Opioid	\$16,010,242	\$42,714,053	\$40,737,946	(\$1,976,107)	\$14,034,135	

Potential Cuts

- Cut requested new additional position (~75k)
- Insurance expense moved from 0011 to 0020 (~673k)
 - Could go to rural supplemental.
 - ~1.4 million total could be rural supplemental (includes 673k mentioned above)
- Cut program (~100k)
 - Cut transfer (75k)
- Limited a departmental increase by ~500k
- 50% of recommended elected increase.
 - ~155k cut from 0001
 - ~26k cut from 0002
- After removing elected and contracted employees, cutting COLA from 3% to 1.5% would save the General Fund ~50k and the Rural ~3k (cuts to 1.5% not included in this budget)

With Cuts – Funds Directly Effected by Property Taxes

- Brings funds within desired fund balance percentage for FY25:

Fund		Estimated FY24 Ending Fund Balances	FY25 Requested Expenses	FY25 Requested Revenues	Effect on FY25 Fund Balance	Estimated FY25 Ending Fund Balances	
0001	GENERAL BASIC	\$5,814,307	\$17,228,710	\$16,648,069	(\$580,641)	\$5,233,666	30%
0002	GENERAL SUPPLEMENTAL	\$2,476,163	\$5,425,469	\$5,428,448	\$2,979	\$2,479,142	46%
0011	RURAL BASIC	\$2,174,074	\$5,075,114	\$4,790,948	(\$284,166)	\$1,889,908	37%
0020	SECONDARY ROAD	\$4,142,724	\$10,788,711	\$9,557,000	(\$1,231,711)	\$2,911,013	27%
2010	DEBT SERVICE	\$125,300	\$3,085,000	\$3,126,881	\$41,881	\$167,181	

Expense Projections by Fund with Cuts

- More sustainable, but still requires additional revenues or expense cuts next FY to maintain fund balances.
- Secondary Roads would be projected to be well below the 25% minimum by FY26

Fund	FY26 Projected Expenses	FY26 Projected Revenues	Effect on FY26 Fund Balance	Estimated FY26 Ending Fund Balances	
0001 GENERAL BASIC	\$18,014,612	\$17,147,152	(\$867,460)	\$4,366,206	24%
0002 GENERAL SUPPLEMENTAL	\$5,515,825	\$5,591,301	\$75,477	\$2,554,618	46%
0011 RURAL BASIC	\$5,227,367	\$4,934,676	(\$292,691)	\$1,597,217	31%
0020 SECONDARY ROAD	\$11,112,372	\$9,843,710	(\$1,268,662)	\$1,642,351	15%
2010 DEBT SERVICE	\$3,177,550	\$3,220,687	\$43,137	\$210,319	

- Rural Basic and General Basic would also be projected to go below 25% by FY27

Fund	FY27 Projected Expenses	FY27 Projected Revenues	Effect on FY27 Fund Balance	Estimated FY27 Ending Fund Balances	
0001 GENERAL BASIC	\$18,569,372	\$17,661,207	(\$908,165)	\$3,458,041	19%
0002 GENERAL SUPPLEMENTAL	\$5,681,299	\$5,759,040	\$77,741	\$2,632,359	46%
0011 RURAL BASIC	\$5,384,188	\$5,082,717	(\$301,471)	\$1,295,746	24%
0020 SECONDARY ROAD	\$11,445,743	\$10,139,021	(\$1,306,722)	\$335,629	3%
2010 DEBT SERVICE	\$3,272,877	\$3,317,308	\$44,432	\$254,750	

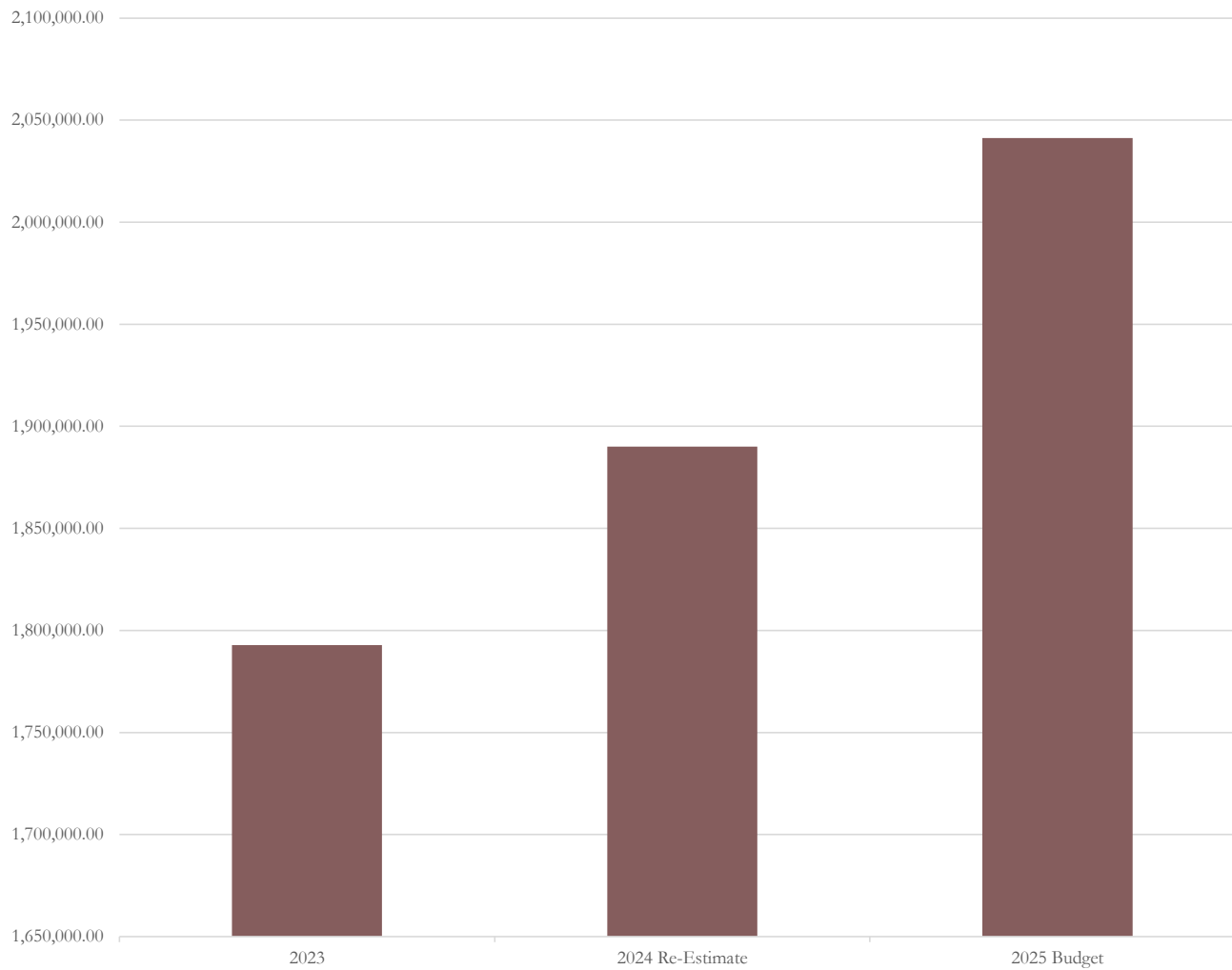
- Secondary Roads would be projected to be negative by FY28

Fund	FY28 Projected Expenses	FY28 Projected Revenues	Effect on FY28 Fund Balance	Estimated FY28 Ending Fund Balances	
0001 GENERAL BASIC	\$19,146,873	\$18,190,683	(\$956,190)	\$2,501,851	13%
0002 GENERAL SUPPLEMENTAL	\$5,853,161	\$5,931,812	\$78,651	\$2,711,010	46%
0011 RURAL BASIC	\$5,545,714	\$5,235,198	(\$310,516)	\$985,230	18%
0020 SECONDARY ROAD	\$11,789,115	\$10,443,192	(\$1,345,924)	(\$1,010,294)	-9%
2010 DEBT SERVICE	\$3,371,063	\$3,416,827	\$45,764	\$300,515	

Additional FY25 Budget Considerations

- Inability to move rural expenses to the rural fund without adding a rural supplemental levy:
 - The equivalent to 12 sheriff deputies work primarily in the rural areas but only 7 are budgeted in the rural fund (would be an additional expense of nearly \$750,000).
 - Per code, secondary roads employee benefits could be paid from the rural basic or supplemental, but the secondary road fund may be bearing the burden which is not sustainable long term.
 - For fiscal year 2024 Warren County has the 17th highest rural value with 16th lowest rural rate out of Iowa's 99 counties due to LOST reducing the rate.
 - LOST funds remain unpredictable. FY2023 LOST funds received were over \$600,000 less than the prior year.
- Adding 2 Supervisors to the Board of Supervisors.
- Employee expenses and Union Contracts facilitating rate increases to be in line with other counties.
- Inflated costs for similar quantities.

Maintentance/Spot Rock & Hauling



Inflation Example

- Similar amounts of rock needed each fiscal year but estimated expense is up nearly \$250,000 from FY23



Levy Review

County Portion of Overall Levies

Based on current fiscal year rates

The average consolidated tax rate in Warren County for Fiscal Year 2024 is 31.55267

- FY2024 WC Rural Rate: 7.77318
- FY2024 WC Urban Rate: 6.13812

WC makes up only a portion of property tax levies

- Averages 25% of Rural levies
- Averages 19% of Urban levies

The rest of property taxes are paid to other taxing entities such as:

- Schools
- Colleges
- Cities
- Townships
- Districts
- Etc.

Proposed Levies for FY25

- Rural Basic and General Basic required to decrease as a result of HF 718.
 - General Basic:
 - FY24: 3.5
 - **FY25: 3.39806**
 - Rural Basic:
 - FY24: 1.63506
 - **FY25: 1.58743**
- Debt Levy is based on debt payments due with in the FY:
 - FY24: 0.94299
 - **FY25: 0.88734**
- General Supplemental is set to remain flat:
 - **FY24 & FY25: 1.69513**
- Because the county is now at the new rural basic max, it has the option to impose a rural supplemental rate

Total Property Tax Levies:

Proposed County-wide Levies:

	Urban:	Rural:
General Basic	3.39806	3.39806
General Supplemental	1.69513	1.69513
Rural Basic	n/a	1.58743
Debt Service	0.88734	0.88734
Total Tax Rate:	5.98053	7.56796

What a Rural Supplemental Levy would look like:

Rural Basic Valuation	1,225,281,215
Rural Supplemental Levy Rate	Additional Tax Dollars Received
0.1	122,528
0.25	306,320
0.5	612,641
0.75	918,961
0.78185	957,986
1	1,225,281
1.2041	1,475,361
1.25	1,531,602
1.5	1,837,922

Amount to cover current deficit

Max. amount that can be paid via Rural Supplemental - would allow additional rural deputies

Looking Forward...

Possible EMS changes
and additional levy

Current budget is not
sustainable long-term.
REQUIRES changes
to fiscal year 2026 by
either:

Administration
Building Updates

Cutting
expenses/services

Adding new
revenue streams