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# CITY OF MOUNT VERNON FY26-27 BUDGET

## FY 2027-2028 BUDGET TIMETABLE

- October 2026  
Budget Worksheets Distributed
- October 2026 through January 2027  
Capital Projects Discussed
- December 2026  
Departmental Asking Assembled
- Tentative Dates - January 4, January 18, and February 1, 2027  
General Budget Review by Council – Set Public Hearing Date
- April 5 or April 19, 2027  
Public Hearing Introducing FY 27-28 Budget and Adoption
- April 30, 2027  
Budget Certified to County Auditor
- July 1, 2027  
FY 27-28 Budget Year Starts

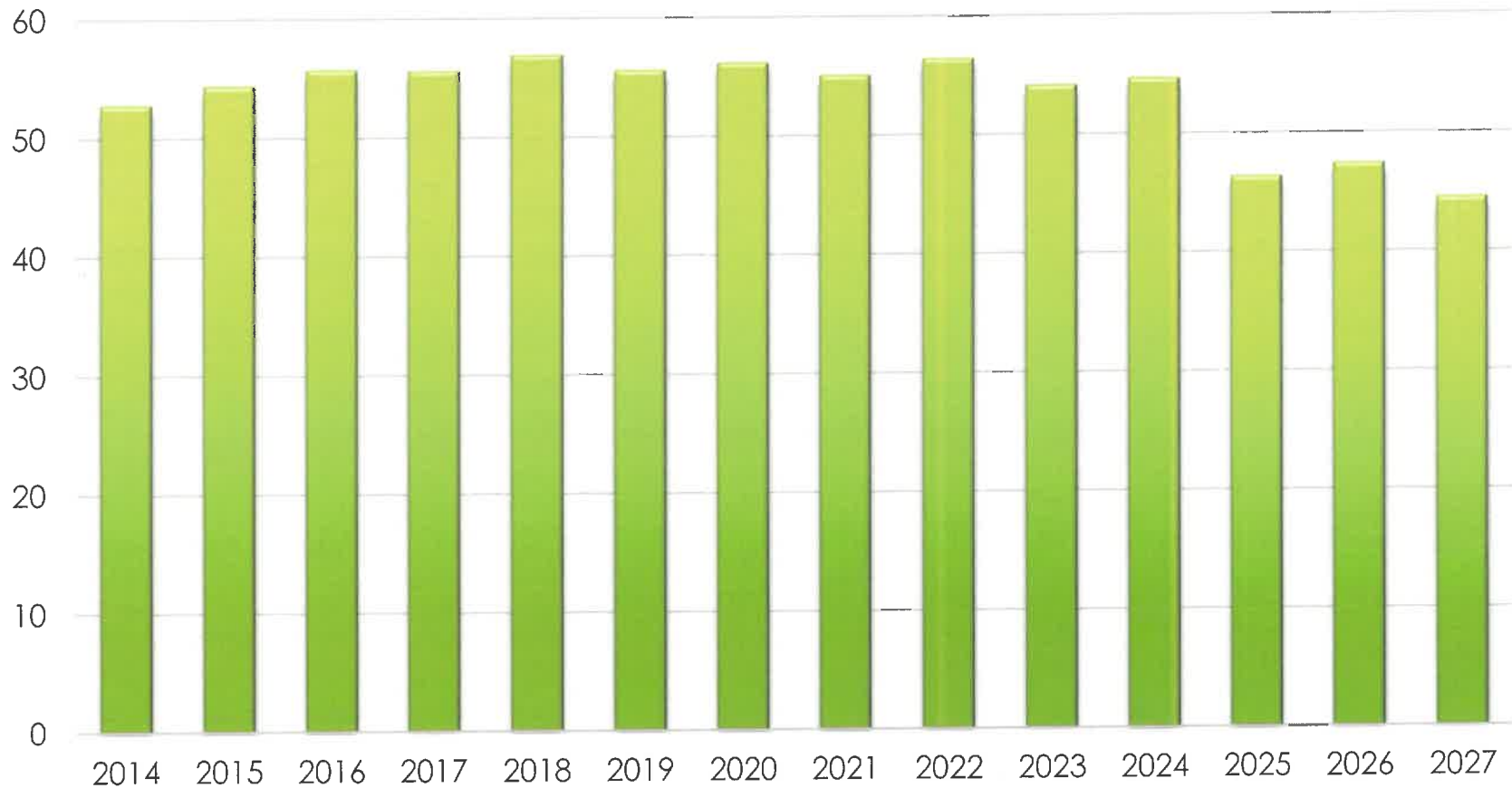
\* Staff will be monitoring proposed changes to the Iowa property tax system and will need to adjust schedules accordingly

## BUDGET REVISIONS IN REVIEW

### TAX LEVY AND ROLLBACK CHANGES

- Tax Levy remains steady at \$13.50187
- Residential Rollback from 47.4316% to 44.5345%
- Commercial Rollback stays at 90%
- Agricultural Rollback from 73.8575% to 59.4401%
- Industrial Rollback stays at 90%
- Multi-Family Rollback from 47.4316% to 44.5345%
- The first \$150,000 of taxable valuation on commercial and industrial property is subject to the residential rollback of 44.5345%

# RESIDENTIAL PROPERTY TAX ROLLBACK HISTORY



## MT. VERNON PROPERTY TAX LEVY

Effect on a \$300,000 home with the residential rollback

- 2026 -  $\$300,000 \times .474316\% = \$142,295$   
 $\$142,295/1000 \times \$13.50187 = \$1921.25$
- 2027 -  $\$300,000 \times .445345\% = \$133,604$   
 $\$133,604/1000 \times \$13.50187 = \$1803.90$
- Decrease of \$117.35 for the year – this assumes that Linn County does not change the value of your home and only represents the City of Mt. Vernon's levy.

## CITY PROPERTY TAX LEVIES FOR FY 26-27

(Levy rates are based upon \$1 per \$1000 of taxable valuation. Previous years levy rates are indicated in red.)

- General Government \$8.14404  
(8.38836) (consolidated)
- Employee Benefits \$3.848855 (4.39070)
- Tort Liability \$0.8348 (0.0478)
- ~~Emergency Levy \$0.27000 (eliminated)~~
- ~~Library Support Levy \$0.27000 (eliminated)~~
- Capital Projects \$0.67500 (Fire Equip.)
- Debt Service Levy \$0

Total \$13.50187


# TAX HISTORY (WITH UTILITY REPLACEMENT)

Fiscal Year	Total Valuation (Regular, minus debt service)	General Fund Dollars	Total Property Taxes	% General Fund Change (rounded)
FY 2018-2019	\$137,810,838	\$1,116,268	\$1,795,333	2.35%
FY 2019-2020	\$141,655,440	\$1,147,409	\$1,850,670	2.79%
FY 2020-2021	\$144,340,131	\$1,169,155	\$1,889,940	1.89%
FY 2021-2022	\$143,313,070	\$1,160,836	\$1,878,143	-0.71%
FY 2022-2023	\$154,219,930	\$1,249,181	\$2,019,944	7.61%
FY 2023-2024	\$148,443,400	\$1,202,392	\$1,957,617	-3.75%
FY 2024-2025	\$161,492,047	\$1,354,653	\$2,158,509	12.66%
FY 2025-2026	\$153,733,842	\$1,289,575	\$2,080,385	-4.80%
FY 2026-2027	\$179,796,014	\$1,464,266	\$2,432,466	13.55%

\*Please note the % difference reflects changes to the general fund.



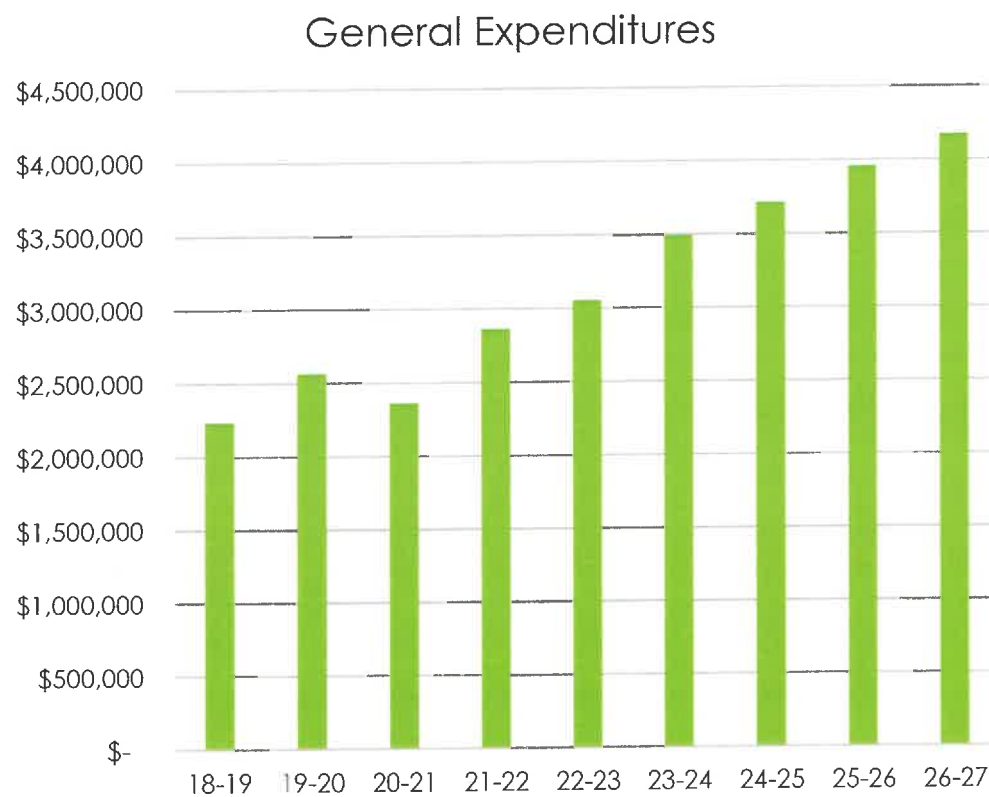
## GENERAL EXPENDITURES

- 
- Public Safety = \$2,026,923
  - Cultural & Recreational = \$1,052,297
  - Public Works = \$0
  - General Government = \$754,840
  - Community Development = \$341,150
  - Health and Social Services = \$0

Total = \$4,175,210

# General Expenditures Comparison

Fiscal Year	General Expenditures	Percentage Change
18-19	\$ 2,234,075	
19-20	\$ 2,565,933	15%
20-21	\$ 2,362,433	-8%
21-22	\$ 2,864,290	21%
22-23	\$ 3,056,206	7%
23-24	\$ 3,493,951	14%
24-25	\$ 3,716,690	6%
25-26	\$ 3,958,501	7%
26-27	\$ 4,175,210	5%



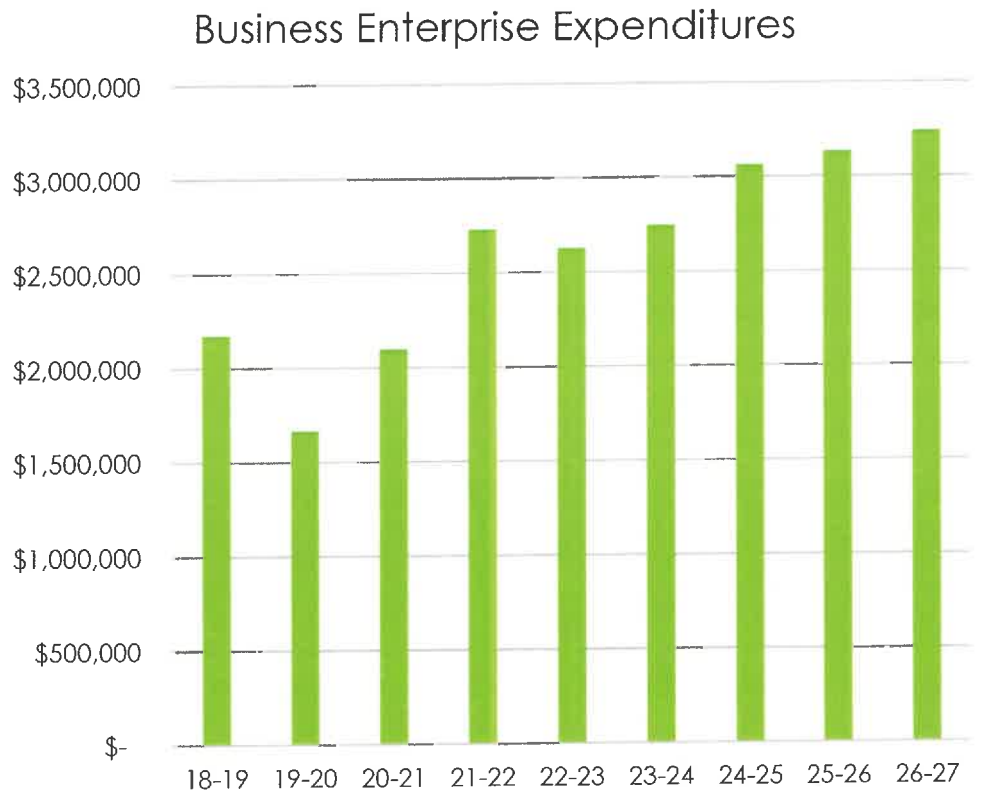
## BUSINESS/ENTERPRISE EXPENDITURES

- Wastewater = \$804,415
- Water = \$824,303
- Garbage = \$732,168
- Storm Water = \$100,000
- The LBC = \$672,468
- Debt Service = \$108,340

Total = \$3,241,694


# Business Enterprise Expenditures Comparison

Fiscal Year	Business Enterprise Expenditures	Percentage Change
18-19	\$ 2,173,371	
19-20	\$ 1,667,463	-23%
20-21	\$ 2,098,526	26%
21-22	\$ 2,731,413	30%
22-23	\$ 2,628,639	-4%
23-24	\$ 2,748,295	5%
24-25	\$ 3,066,060	12%
25-26	\$ 3,135,110	2%
26-27	\$ 3,241,694	3%





OTHER LISTED  
EXPENDITURES  
(INCLUDING TRANSFERS)

- 
- Special Revenues = \$830,030
  - Capital Projects = \$4,390,000
  - Debt Service = \$1,952,370
  - TIF Special Revenues = \$1,470,048
  - Proprietary = \$3,653,682
  - General Fund Transfers = \$262,480

Total = \$11,088,562

## FUNDING SOURCES


- Capital Projects = \$5,088,015
- General = \$4,320,318
- Special Revenue = \$1,645,244
- Debt Service = \$1,932,370
- Permanent Fund = \$1,000
- TIF (Econ. Dev) = \$1,404,060
- Proprietary = \$3,455,115

Grand Total = \$17,846,122

## FY 27 CAPITAL PROJECTS

- Rachel Street Improvements – \$300,000
- Park and trail renovations at various sites - \$375,000
- Davis Park Concessions/Lighting - \$163,143 (carry over from FY 21) – Lighting project is complete, concessions remains (\$200,000 - \$250,000)
- 5<sup>th</sup> Ave water main - \$150,000 – On hold
- WW Treatment Plant – Phase II - \$4,800,000 – slated for 2026-2027
- Wayfinding Signage - \$150,000
- Sewer televising and corrective measures - \$200,000 –televising and cleaning complete – nearly complete
- MVFD Radio Replacement Project - \$370,000
- Hwy 1 Reconstruction project with IaDOT - \$2,000,000 – Expected start in FY 2
- 10<sup>th</sup> from Summit to 1<sup>st</sup> Street is the next infrastructure project – \$1,200,000
- Vehicle replacement (PW and Police) - \$125,000

Total = \$9,833,143

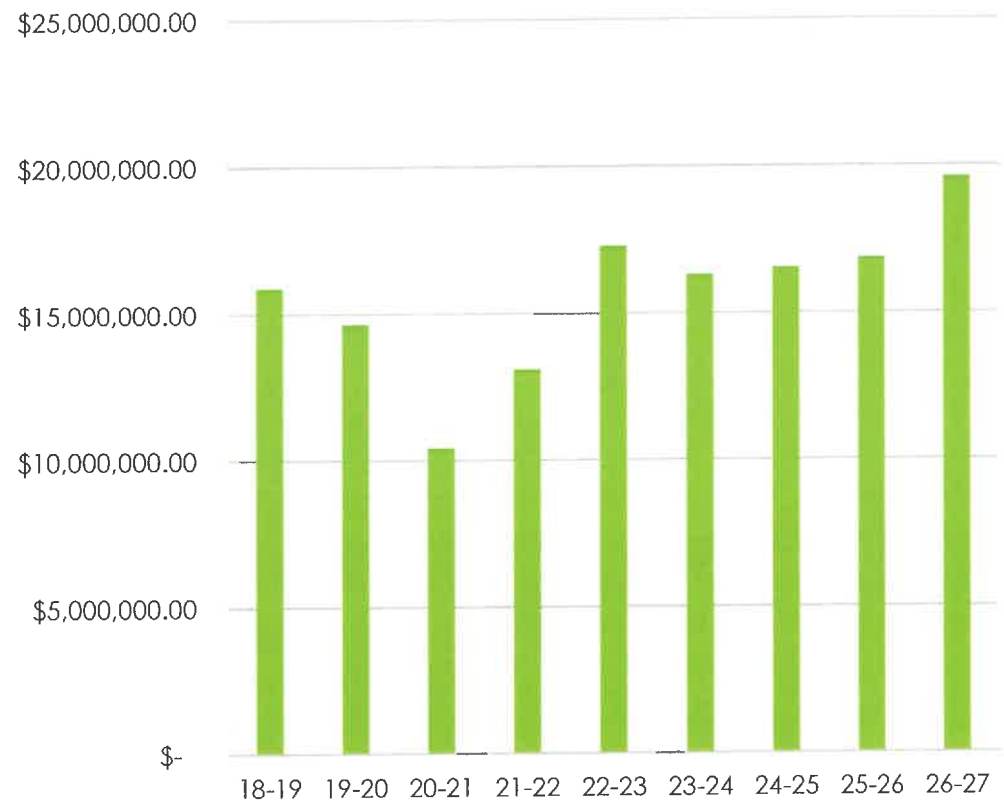


FY 2026-2027  
TOTAL: \$19,606,032

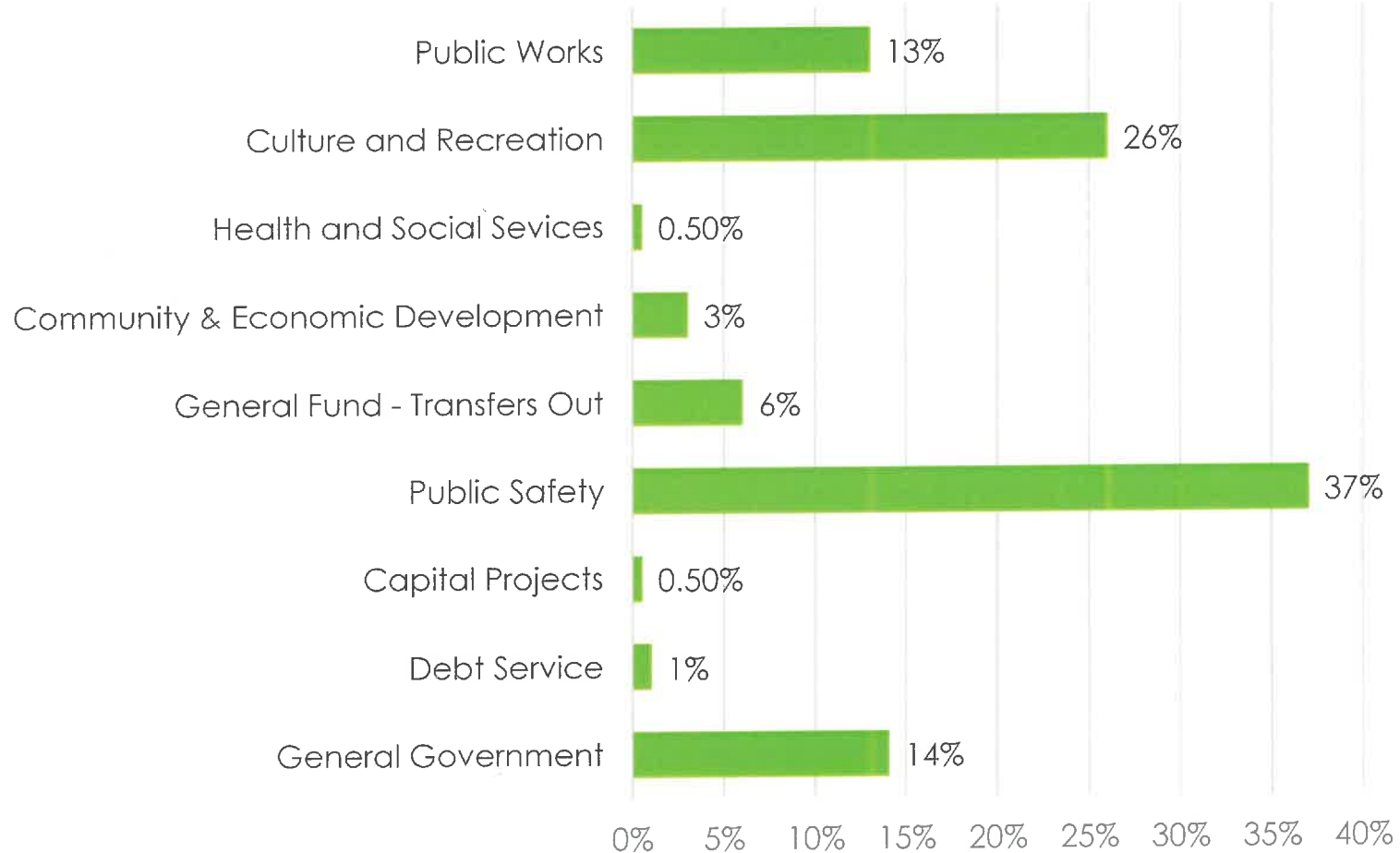
*FY 2026-2027 expenditures will show an increase of approximately \$2,745,023. In addition to carryover projects from FY 26, the budget reflects the Hwy 1 laDOT reconstruction project and 10<sup>th</sup> Street SW Improvements. Overall, the CIP projects push the FY 27 budget up by 4.0%. The Hwy 1 project will require a \$2 million borrowing that is not currently reflected in the submitted revenues*

# Fiscal Year Comparisons

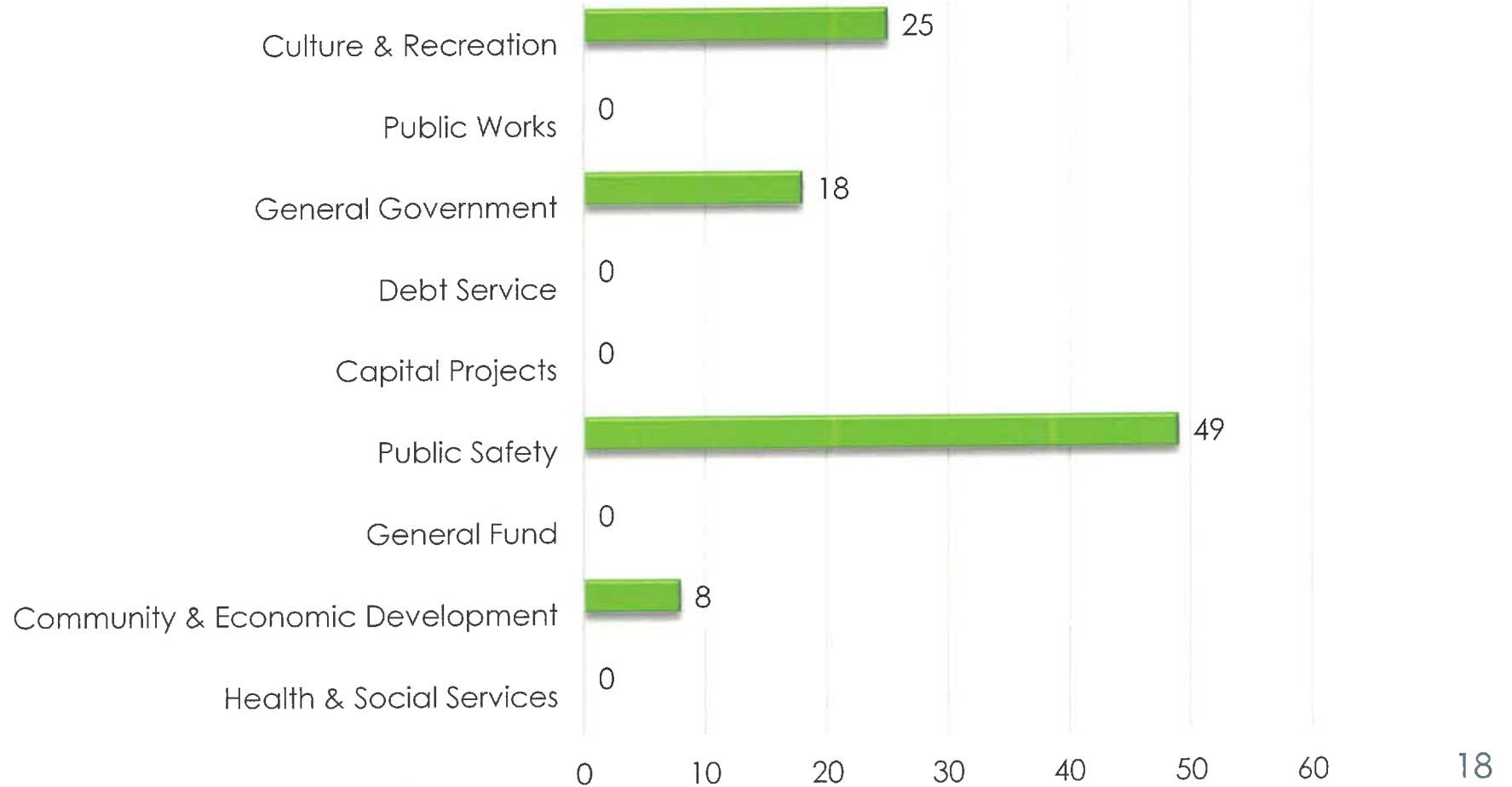
Fiscal Year	Total Budget	Percentage Change
18-19	\$ 15,875,390	
19-20	\$ 14,644,600	-8%
20-21	\$ 10,422,960	-29%
21-22	\$ 13,103,653	26%
22-23	\$ 17,285,888	32%
23-24	\$ 16,310,078	-6%
24-25	\$ 16,537,715	1%
25-26	\$ 16,861,009	2%
26-27	\$ 19,606,032	16%



# GENERAL FUND EXPENDITURES CITIES WITH POPULATIONS OF 3,000 – 9,999 (FY 2015)



# GENERAL FUND EXPENDITURES CITY OF MT. VERNON



# PROPERTY TAX COMPARABLES

	FY 25 LEVY	FY 25 TOTAL	LEVY STATE RANK (TOTAL LEVY)
➤ Independence – 6,064	\$19.63 (19.54)	\$42.24 (41.95)	65 (67)
➤ Marengo – 2,435	\$16.10 (15.79)	\$40.96 (39.39)	97 (150)
➤ Marion – 41,535	\$14.90 (14.80)	\$40.69 (40.58)	107 (106)
➤ Anamosa – 5,450	\$16.55 (16.64)	\$39.81 (40.32)	139 (118)
➤ Camanche – 4,570	\$13.01 (12.45)	\$39.74 (39.24)	140 (155)
➤ Monticello – 4,040	\$15.22 (15.22)	\$39.38 (38.54)	151 (189)
➤ DeWitt – 5,514	\$14.07 (14.07)	\$38.78 (36.45)	168 (307)
➤ Mount Vernon – 4,527	\$13.50 (13.34)	\$38.53 (38.53)	184 (191)
➤ Manchester – 5,065	\$15.45 (15.55)	\$38.44 (38.55)	190 (188)
➤ Tipton – 3,149	\$15.55 (16.37)	\$37.95 (37.17)	213 (262)
➤ Lisbon – 2,233	\$12.47 (12.43)	\$37.43 (37.37)	247 (249)
➤ West Liberty – 3,858	\$15.88 (13.74)	\$37.33 (35.20)	253 (400)
➤ North Liberty – 20,479	\$11.69 (11.37)	\$37.15 (36.50)	263 (303)
➤ Wilton – 2,924	\$13.94 (13.67)	\$36.43 (35.57)	313 (374)
➤ West Branch – 2,509	\$12.83 (13.19)	\$36.33 (36.27)	322 (323)
➤ Solon – 3,018	\$11.01 (11.21)	\$35.72 (35.56)	370 (375)
➤ Maquoketa – 6,128	\$12.54 (12.75)	\$34.18 (34.49)	485 (446)
➤ Williamsburg – 3,346	\$10.34 (10.84)	\$33.49 (33.91)	530 (487)
➤ Dyersville – 4,477	\$10.26 (10.37)	\$30.43 (30.33)	738 (728)
➤ Eldridge – 6,726	\$8.11 (7.97)	\$27.02 (26.96)	870 (873)

\* Numbers in parentheses represent the previous years dollar amounts

\* For comparison, Keokuk is ranked #1 with a FY 26 Total Levy Rate of \$54.16

## MT. VERNON TAXES IN COMPARISON

- Approximately 275 Cities with a population of 1,000 or more, of which, 159 have a higher City levy
- Mt. Vernon Overall Levy ranks #567 (566 have smaller and 372 have larger City levies) out of 939 (listed) Cities in Iowa
- The Average Levy for all Cities in Iowa is \$12.70 (up \$0.05 cents from the previous year). For Cities with a population of 1,000 or more, the average levy rate is \$14.50
- Mt. Vernon is the 94<sup>th</sup> largest community in Iowa (out of 939)
- Mt. Vernon's consolidated tax rate (all levies, school, county etc.) in FY 26 was 184<sup>th</sup> out of 939

# MT. VERNON GENERAL OBLIGATION DEBT AND CAPACITY

- Statutory debt limit (5% of 100% Valuation) - \$428,796,959 (total value estimate for FY 27) = \$21,439,848 in total debt allowed
- Debt for the 2026-2027 FY - \$12,586,179
- GO debt scheduled for retirement in FY 26 - \$1,475,000
- 20% contingency reserve - \$4,287,970
- Approximate capacity remaining minus the reserve - \$6,040,699 (28.18%)
- Total capacity remaining for FY 27 - \$10,328,669 or 48.18%
- Approximately \$2 million in new debt will be borrowed before the end of the 2027 fiscal year.



QUESTIONS?