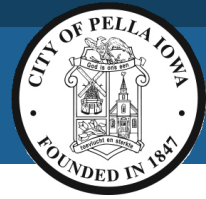
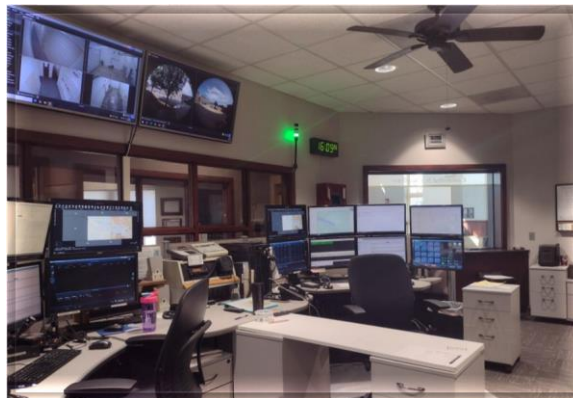


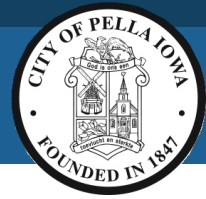
# Partnerships *Marion County and the City of Pella*



- Historically, Marion County and the City of Pella have partnered successfully for the benefit of our citizens
- These partnerships include housing, public safety, and the redistribution of local option revenues



# Housing Partnership *Prairie Ridge*



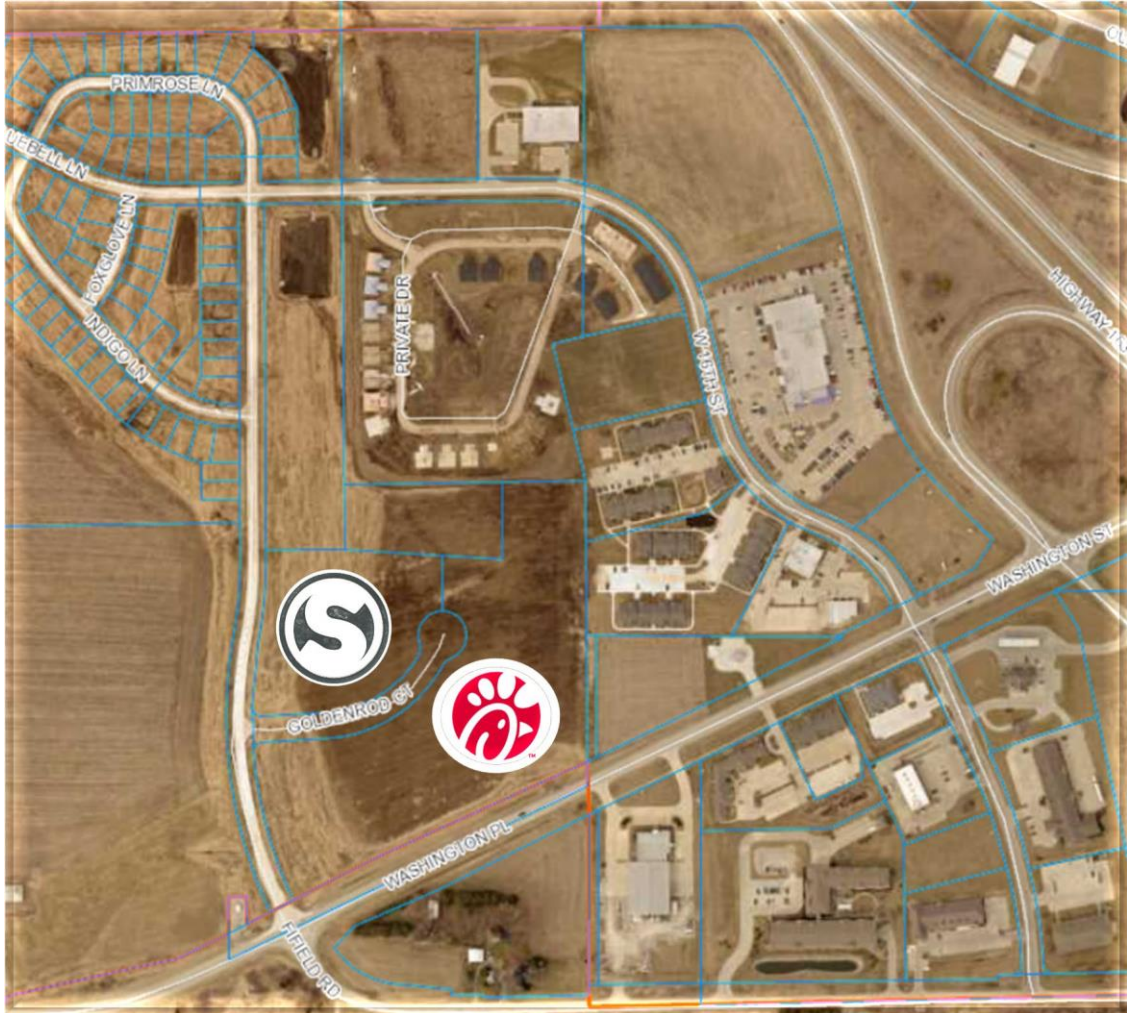
Approved housing applications	57
Building permits	55
Residential valuations	\$16,513,121

- Original projections had 34 single family homes completed by December 31, 2023
- Over the next 15 years, Prairie Ridge is projected to generate \$1.5 million in low- and moderate-income (LMI) funds which can be used for LMI housing anywhere in Marion County



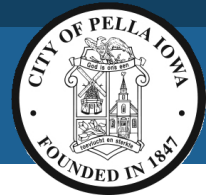


# Housing Partnership *Prairie Ridge*

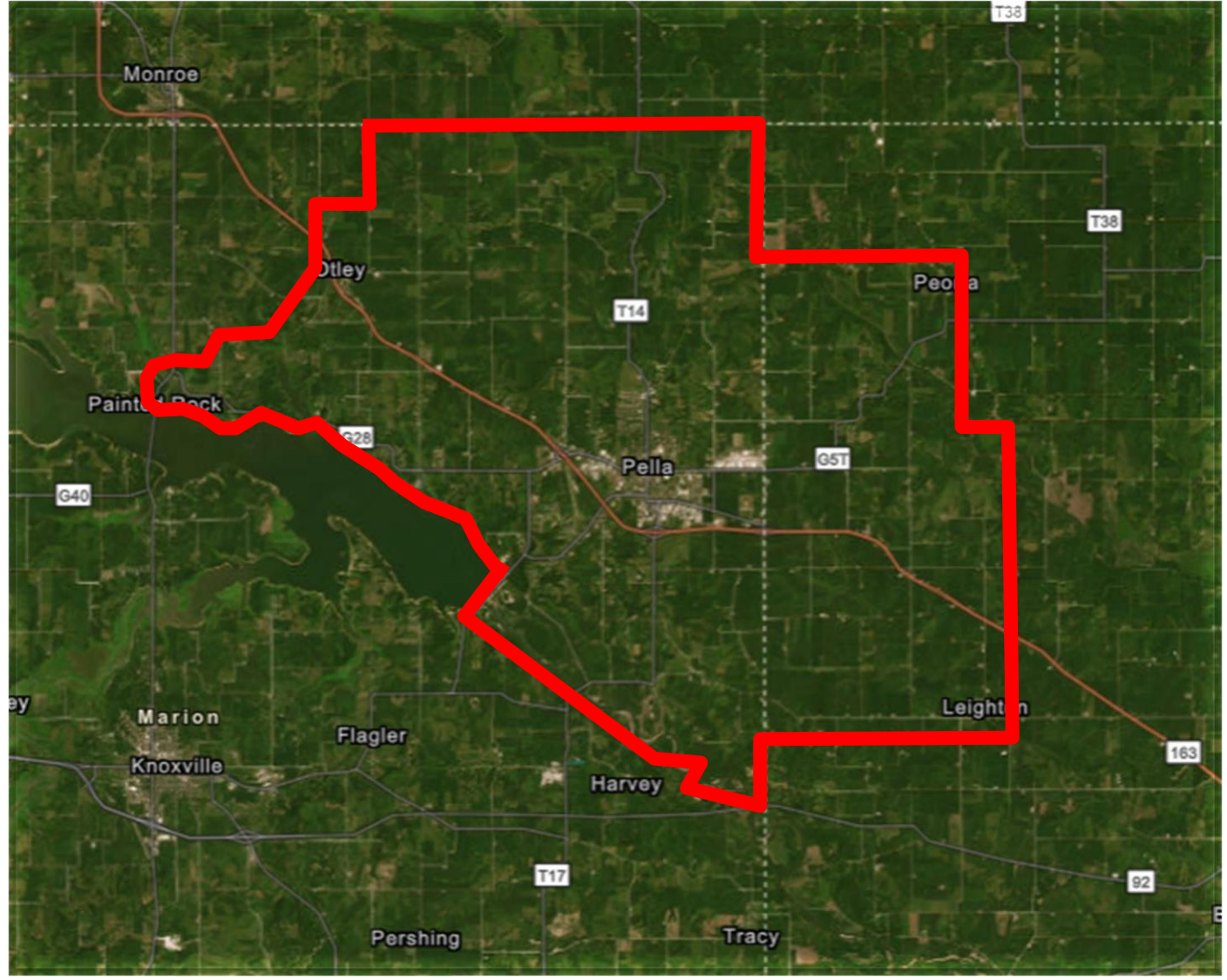




# Public Safety Partnership *Ambulance & Dispatch*



- Pella provides ambulance and dispatch services for a significant portion of Marion and Mahaska Counties
- The combined subsidy for both of these operations is approximately \$1.5 million



# Local Option *Redistribution Agreement History*



- Pella has had a redistribution agreement with Marion County since 2007
- The current agreement expires on December 31, 2023
- The reason for the agreement was to address concerns with the state distribution formula which is based on population and assessed valuation between 1984 and 1986
- Under this agreement, Marion County redistributes:
  - 8% of county wide LOSST to Pella (approx. \$440,000 per year)
  - 4% of county wide LOSST to Knoxville
- When the agreement was negotiated in 2011, Pella generated 54% of LOSST in Marion county and Knoxville generated 40%
- The redistribution amounts were based on the generation of the LOSST

# Local Option *Redistribution Agreement History*



## FY 2009 LOCAL OPTION TAX COMPARISON OF TAXES GENERATED VERSUS RECEIVED

	Local Option Revenue Generated*	Local Option Taxes Received Under State Formula	Marion County Redistribution 12%*	Adjusted Local Option Receipts	Adjusted Subsidy (Contribution)	Percentage of Local Option Taxes Received vs Generated
Marion County	91,548	1,316,439	(400,941)	915,498	(400,941)	1000.02%
Knoxville	1,307,402	726,260	133,647	859,907	133,647	65.77%
Pella	1,830,296	940,842	267,294	1,208,136	267,294	66.01%
Other	111,929	357,634	-	357,634	-	
<b>Totals</b>	<b>3,341,175</b>	<b>3,341,175</b>	-	<b>3,341,175</b>	-	

\* - Based on FY 2008 Taxable Sales Report

\* - Marion County Redistribution - 8% to Pella; 4% to Knoxville

# Local Option *Redistribution Agreement Proposal*



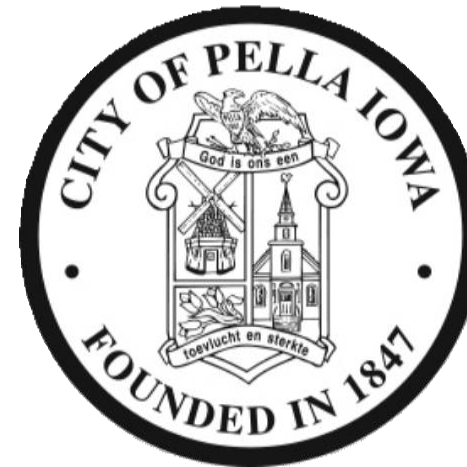
- The City of Pella is proposing a new redistribution agreement
- Listed below are the key terms:
  - 20-year agreement from January 1, 2024, to December 31, 2043
  - Parties can cancel the agreement if the State of Iowa changes the distribution formula for the LOSST
  - Redistribution to Pella is proposed as follows:
    - Years 1 and 2: 8%
    - Years 3 and 4: 10%
    - Years 5 through 20: 12%



# Local Option *Redistribution Agreement Justification*



- Based on the generation of LOSST revenues in 2022, Pella generates 64% of LOSST in Marion County and Knoxville generates 28%
- To receive 60% of the LOSST Pella generates, our percentage needs to be 12%, as shown on the following slides:





# Local Option *Redistribution Agreement Justification*



## FINANCIAL IMPACT OF PELLA DISCONTINUING LOCAL OPTION TAX BASED ON ESTIMATED RECEIPTS

	Local Option Receipts With Pella	Local Option Receipts without Pella	Inc (Dec)	% Inc (Dec)
Marion County	2,051,309	1,010,560	(1,040,749)	-50.74%
Knoxville	1,044,187	528,093	(516,094)	-49.43%
Pella	1,435,222	-	(1,435,222)	-100.00%
Others	501,481	254,320	(247,161)	-49.29%
<b>Totals</b>	<b>5,032,199</b>	<b>1,792,973</b>	<b>(3,239,226)</b>	<b>-64.37%</b>

# Local Option *Redistribution Agreement Justification*



## FINANCIAL IMPACT OF REDISTRIBUTION AGREEMENT BASED ON ESTIMATED RECEIPTS

	<b>Current Receipts Under State Formula</b>	<b>Local Option Receipts Under Current 12% Redistribution</b>	<b>Local Option Receipts Under Proposed 16% Redistribution**</b>	<b>Net Financial Impact</b>
Marion County	2,051,309	1,447,445	1,246,157	(201,288)
Knoxville	1,044,187	1,245,475	1,245,475	-
Pella	1,435,222	1,837,798	2,039,086	201,288
Others	501,481	501,481	501,481	
<b>Totals</b>	<b>5,032,199</b>	<b>5,032,199</b>	<b>5,032,199</b>	<b>-</b>

\* - Current Marion County Redistribution - 8% to Pella; 4% to Knoxville

\*\* - Proposed Marion County Redistribution - 12% to Pella; 4% to Knoxville

# Local Option *Redistribution Agreement Justification*



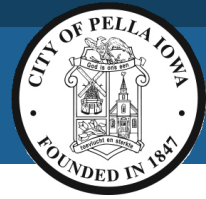
## FY 23 ESTIMATED LOCAL OPTION TAX COMPARISON OF TAXES GENERATED VERSUS RECEIVED

	Local Option Revenue Generated*	Local Option Taxes Received Under State Formula	Proposed Marion County Redistribution 16%*	Adjusted Local Option Receipts	Percentage of Local Option Taxes Received vs Generated
Marion County	166,063	2,051,309	(805,152)	1,246,157	750.41%
Knoxville	1,417,067	1,044,187	201,288	1,245,475	87.89%
Pella	3,239,226	1,435,222	603,864	2,039,086	62.95%
Others	209,842	501,481	-	501,481	
<b>Totals</b>	<b>5,032,198</b>	<b>5,032,199</b>	<b>-</b>	<b>5,032,199</b>	

\* - Marion County Redistribution - 12% to Pella; 4% to Knoxville



# Partnerships *Marion County and the City of Pella*



- The City of Pella would like to thank the Marion County Board of Supervisors for their past contributions to successful partnerships
- We also look forward to working with Marion County in the future for the advancement of our community



*Thank You!*

