

CITY FOCUS

WINTER 2006

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THE CITY OF
DUBUQUE



City Council Vision, Goals and Priorities

At its annual goal-setting sessions in September, the Dubuque City Council developed a 2020 vision, five-year goals and 18-month priorities, along with a management agenda.

A **Dubuque 2020 Vision Statement** was reaffirmed:

*Dubuque is a city of history, beauty, opportunities and excitement:
Masterpiece on the Mississippi.*

The vision statement was approved to include:

"The City of Dubuque is a growing city with a strong, balanced economy and connections to the world.

The Dubuque community takes pride in our history and heritage and has actively preserved our picturesque river and community.

Dubuque citizens have choices of quality livable neighborhoods and fun things to do, and are engaged in the community.

Dubuque city government is financially sound and providing services with citizens getting value for their tax dollars."

Five-Year Goals

1. Improved Connectivity: Transportation and Communications
2. Diverse, Strong Dubuque Economy
3. Planned and Managed Growth
4. Partnering for a Better Dubuque
5. Riverfront Development

2005-2007 Policy Agenda

Top Priorities

- Southwest Arterial
- Intermodal Transit Facility in the Port of Dubuque
- Downtown Master Plan Implementation
- Bee Branch Stormwater Improvement Project
- Erosion Control Policy

High Priorities

- Municipal Communication Utility Referendum
- Airport Master Plan Implementation
- Police Department Staffing and Deployment
- Neighborhood Crime Reduction Strategy
- Library Renovation

2005-2007 Management Agenda

1. Federal Building Direction on City Purchase
2. Water Pollution Control Plant: Upgrade Plan
3. Infrastructure Upgrade Strategy and Action
4. Annexation Study Update
5. Zoning and Subdivision Ordinance Update
6. Petroleum Plume Remediation
7. Regional Community Safety Training Center
8. City Leases: Update
9. After School Programs Development

Major Projects

1. Casket Company Completion and Tot Lot
2. Shot Tower Renovation Plan and Project
3. Storm/Sewer Projects
4. Gateway Landscaping Projects
5. A.Y. McDonald Park Project
6. Pyatigorsk Park Project
7. Bergfeld Recreation Area
8. Comiskey Park Improvement Project
9. Pet Park

City Manager's Message

This issue of City Focus, and all future winter issues of this publication, will focus on the City Budget. The fall and spring issues will focus on a different special issue each year and an annual report will continue to be published every summer.

The Fiscal Year (FY) 2007 budget process includes new leaders and one leader in a new role, including:

- Mayor Roy D. Buol
- At-Large Council Member Ric W. Jones
- 1st Ward Council Member Kevin J. Lynch
- 2nd Ward Council Member Karla A. Braig

I welcome them as they continue public service in their new roles.

This budget process also involves veteran council members including:

- At-Large Council Member Ann E. Michalski
- 3rd Ward Council Member Joyce E. Connors
- 4th Ward Council Member Patricia A. Cline

The Fiscal Year 2007 budget is about growth. The things the City needs to do if we want to continue growing, which of course it must do to provide economic opportunity for Dubuque families, and the things that need to be done to preserve and enhance the quality of life for the citizens of today, based on improvements that need to be done in reaction to growth that has happened in the past.

The best examples of future growth initiatives include budgeting for the extension of utilities in annexation areas and the construction of IA 32/Southwest Arterial. The best examples of projects that need to be done in reaction to historical growth are the expansion of the park system and the Bee Branch Creek Restoration Project.

To provide greater opportunity for economic expansion, while maintaining and enhancing the quality of life, a community must be willing to invest resources. Those resources include human capital, like time and talent, and financial capital. These investments involve emergency services; preventive services; safe drinking water; treated sewage; properly disposed of waste; engineered, maintained and plowed streets; planned growth; safe housing; respect for the rights of people; safe construction practices; sound financial practices; proper record keeping; respect for the law; state-of-the-art communication systems; appropriate use of technology; communicating with and providing information to the public; modern and accessible parks and recreation opportunities; entertainment; education through access to books and the internet; economic expansion and

job creation; transportation; and sound management practices emphasizing accountability, problem solving, employee and citizen input and forming partnerships. These are all the role of the City of Dubuque and others. To achieve the expectations of Dubuque citizens will not be easy and will continue to require a concerted effort by all those involved.

Budget preparation and administration is a shared responsibility between the City Council, City Manager, Finance Department, department managers, division managers, and supervisors. The recommended FY 2007 budget submitted to the City Council for consideration was built on the City Council's vision, goals, and priorities (see page 2) and was prepared with the intent of minimizing the cost to the taxpayer.

The budget document submitted to the City Council by City staff is only a recommendation. It is the City Council that adopts the official budget of the City. In a very real sense, budget preparation and administration begins and ends with the City Council. Their responsibilities in the budget process are to:

- Establish City goals and major performance objectives.
- Approve guidelines for preparing the annual operating budget.
- Determine what services and the level of services to be provided and how they will be financed.
- Establish rules for the conduct of the City's fiscal operations.
- Monitor progress toward achievement of objectives.
- Require independent audit of fiscal records and transactions.

It is important to realize the importance of the public's role in the budget process. Dubuque residents are the City's customers and there are several opportunities throughout the year for public input in the budget process. The first is in November when I hold a public input meeting to review issues and priorities for the CIP budget and the operating budget. Another is the series of seven budget hearings held in February every spring. A complete schedule of this year's hearings is provided on page 8. I encourage all interested residents to attend these meetings to hear budget presentations from City department and division managers to the City Council. These presentations cover past year accomplishments, new initiatives, and highlight budget changes, including descriptions of improvement package requests and major CIPs.

—City Manager Michael C. Van Milligen

Proposed FY 2007 Budgeted Rates and Fees

The following information highlights the rates and fees proposed in the FY 2007 City budget which was presented to the City Council at their January 17 meeting. The City Council will review the recommended budget and consider it for adoption at their March 2 meeting.

Property Tax Rate

A decrease in the revenue projections from the Dubuque Racing Association of \$14,089,543 over the next five years, and an increase in sales tax that did not meet aggressive projections have meant less operational and capital resources in Fiscal Year 2007 than was anticipated when the projections were done last year. This has meant that the property tax impact on the average homeowner was not able to be decreased as much as hoped for and additional borrowing was required in the stormwater utility, contributing to a recommended increase in that fee.

The property tax is recommended to have a decrease in property taxes for the average homeowner of \$18.83 (3.73%). This is a decrease from the cost to the average homeowner in Fiscal Year 2006 of \$504.62, down to \$485.79. If this is adopted by the City Council through the budget process, it will be the sixth decrease of the property tax impact on the average homeowner in the last twelve years. However, it will not meet the Budget Policy Guideline established by the City Council in December 2005 of a 5.44% decrease.

The City of Dubuque property tax rate for the City portion of the property tax bill reached a high of \$14.58 per thousand dollars of assessed valuation in Fiscal Year 1987. The Dubuque Greyhound Park and Casino, the Local Option Sales Tax and operating efficiencies brought the property tax rate down to \$12.61 by Fiscal Year 1994. The recommendation for the Fiscal Year 2007 property tax rate is \$9.9803 per thousand, a slight increase from the Fiscal Year 2006 property tax rate of \$9.6991. This will mean that the Fiscal Year 1987 property tax rate of \$14.58 is 46.1% higher than the Fiscal Year 2007 recommended property tax rate of \$9.9803.

FY 06 Tax Rate Comparison for Nine Largest Iowa Cities

9	Waterloo	\$19.16
8	Council Bluffs	\$18.39
7	Sioux City	\$17.97
6	Iowa City	\$17.86
5	Des Moines	\$16.52
4	Davenport	\$15.24
3	Cedar Rapids	\$13.99
2	Ames	\$10.17
1	Dubuque	\$9.98 (FY 07)

Average without Dubuque \$16.16

Dubuque is the lowest in the state for property tax rate. The highest ranked city (Waterloo) is 92% higher than Dubuque's rate, and the average is 62% higher than Dubuque.

The City of Dubuque gets two major sources of revenue from gaming. The annual distribution from the Dubuque Racing Association is dedicated 100% to the Capital Improvement Program. The taxes and lease payments from the Dubuque Racing Association and Peninsula Gaming are split between the Capital Improvement Program budget and the Operating Budget for property tax relief. In Fiscal Year 2006 this split was 62.72% to the Operating Budget and 37.28% to the CIP. In Fiscal Year 2007 the recommended division is 70% to the Operating Budget and 30% to the CIP. This exceeds the operating guideline adopted in December 2005, which was 62.72% to the Operating Budget.

Stormwater Rate

The reduction of the estimate of available resources from the Dubuque Racing Association has had the most impact on the Drainage Basin Master Plan funding, with a reduction of \$3,621,000 in DRA resources available over the next five years.

The implementation of the Bee Branch Creek Restoration Project is the key to saving over 1,100 homes from flooding during severe rainstorms that seem to come all too frequently. Quickening the pace on the part of the project from the 16th Street Detention Basin through the damming effect of the railroad tracks will allow for a quicker redevelopment of the former Dubuque Pack site and more timely flood relief for North End residents.

This budget recommendation includes an accelerated rate of increase of the Stormwater Fee and now the fee caps out at \$5.00 in Fiscal Year 2012, instead of \$3.50 in Fiscal Year 2013.

	Previously Approved Stormwater Fee	FY 2007 Recommended Fee
FY07	\$2.00	\$2.25
FY08	\$2.25	\$3.25
FY09	\$2.50	\$4.00
FY10	\$2.75	\$4.25
FY11	\$3.00	\$4.25
FY12	\$3.25	\$5.00
FY 13 & Beyond	\$3.50	\$5.00

FY 06 Stormwater Rate Comparison for Iowa Cities with Stormwater utilities

14	Des Moines	\$6.12
13	Ackley	\$3.08
12	Cedar Rapids	\$3.04
11	Carroll	\$3.00
10	Garner	\$2.63
9	Davenport	\$2.50
9	Dewitt	\$2.50
8	Ames	\$2.25
8	Dubuque	\$2.25 (FY 07)
7	Marshalltown	\$2.16
6	Burlington	\$2.00
6	Iowa City	\$2.00
5	Boone	\$1.95
4	Sioux City	\$1.84
3	Clear Lake	\$1.55
2	Bettendorf	\$1.50
2	Marengo	\$1.50
1	Mason City	\$1.00

Average without Dubuque \$2.39

The highest ranked city (Des Moines) is 172% higher than Dubuque's rate, and the average is 6% higher than Dubuque.

Water Rate

The water fees are recommended to increase by 4%. From Fiscal Year 1983 through Fiscal Year 2007, this is an average of 1.9% annual increase, with six of those years showing no increase.

FY 06 Water Rate Comparison for Largest Iowa Cities with Water Softening

6	Iowa City	\$28.80
5	Ames	\$18.42
4	Council Bluffs	\$17.44
3	Des Moines	\$16.22
2	Dubuque	\$14.40 (FY 07)
1	Cedar Rapids	\$14.11

Average without Dubuque \$19.00

The highest ranked city (Iowa City) is 100% higher than Dubuque's rate, and the average is 35% higher than Dubuque.

Sanitary Sewer Rate

The sewer fees are recommended to increase by 9%. Increased operating costs account for 5% of this increase. Debt payment for capital needs accounts for 3% of this increase. A facility plan will be conducted in Fiscal Year

2007, which will culminate in a major renovation plan that will require long-term debt, so 1% of this increase and future year increases are to provide capacity for that debt. From Fiscal Year 1993 through Fiscal Year 2007, this is an average of 1.8% annual increase in sewer fees with nine of those years showing no increase.

FY 06 Sewer Rate Comparison for Nine Largest Iowa Cities

9	Iowa City	\$31.82
8	Des Moines	\$25.16
7	Waterloo	\$18.95
6	Ames	\$18.45
5	Council Bluffs	\$17.20
4	Sioux City	\$17.11
3	Cedar Rapids	\$16.52
2	Dubuque	\$15.78 (FY 07)
1	Davenport	\$13.76

Average without Dubuque \$19.87

The highest ranked city (Iowa City) is 102% higher than Dubuque's rate, and the average is 26% higher than Dubuque.

Solid Waste (Refuse) Rate

The refuse collection fee is recommended to increase from \$8.70 per month to \$9.46 per month. This is a 8.74% increase. From Fiscal Year 1994 to Fiscal Year 2007, this is an average of 0.5% annual increase, with five of those years showing a decrease and three years having no increase.

FY 06 Refuse Rate Comparison for Nine Largest Iowa Cities

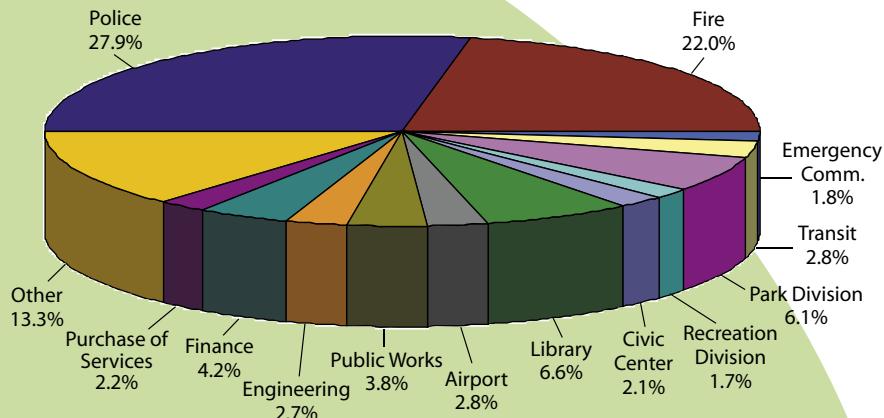
9	Ames	\$21.00
8	Cedar Rapids	\$13.85
7	Sioux City	\$13.13
6	Council Bluffs	\$13.00
5	Iowa City	\$12.60
4	Waterloo	\$12.30
3	Des Moines	\$11.75
2	Davenport	\$10.15
1	Dubuque	\$ 9.46 (FY 07)

Average without Dubuque \$13.47

The highest ranked city (Ames) is 122% higher than Dubuque's rate, and the average is 42% higher than Dubuque.

Fiscal Year 2007 = July 1, 2006 to June 30, 2007

Distribution of City Portion of Property Tax



Based on the proposed FY 2007 property tax rate of \$9.9803 per thousand dollars of assessed value, the average Dubuque homeowner will pay \$485.79 for the city portion of their property tax. The chart to the left shows how that \$485.79 would be distributed in FY 2007.

FY 2007 Budget Recommendations

The purpose of the initiatives recommended in the Fiscal Year 2007 budget is to keep the community moving forward in a fiscally responsible manner.

FY 2007 will include the continued implementation of the retail expansion initiative in partnership with the Greater Dubuque Development Corporation and Dubuque Initiatives, and the completion of the expansion of the Dubuque Industrial Center West, where major grading will provide more lots for individual development. Eight businesses occupying 525,000 square feet of space are already located in this 550-acre, City-owned industrial park.

The budget also includes continued emphasis on the City Street Program, with over 11 miles of streets to be resurfaced or reconstructed at a cost of almost \$6 million.

The enhancement of the America's River Partnership will see an over \$8 million expansion of the Mississippi River Museum and Aquarium using City and private resources.

Other Budget Initiatives

Management Team members attending the Faces and Voices Diversity Conference in Dubuque \$6,205

Additional Marketing Funds for the Airport \$10,000

Contribute towards a revenue guarantee to get another hub for the Airport through the existing carrier or an additional carrier \$250,000

Part-time Inspector in the Building Services Department \$42,363

Part-time Custodial Services for Federal Building, including a lead custodian position and a vehicle \$149,600

Increased funding for the Employee Diversity Training Program \$28,350

Part-time Library Assistant in Circulation \$16,124

Library van to provide material return boxes on west side \$12,050

Part-time Landscaping Maintenance Worker \$32,682

Equipment to make the Municipal Services Center the back-up Emergency Operations Center \$3,736

Establish Community-Oriented Policing as a separate unit in the Police Department commanded by a Captain and the upgrade of the Police Officer positions in the unit to Corporals \$38,112

Add one additional Corporal to the Community-Oriented Policing Unit to bring the staffing to five from four \$77,462

Fund the Neighborhood Resource Center at the new Prescott School building in Downtown Dubuque \$26,770

Add Wellness and Fitness Classes at Comiskey Park Community Center, Prescott School Community Center and Neighborhood Resource Centers \$3,060

Part-time secretarial position in City Manager's Office, including equipment and office reconfiguration \$29,366

Improvements to City technology, including a new website that will allow for Internet payments \$259,449

Provide equipment for Municipal Services Center to become an Area Red Cross Shelter \$13,000

Creation of a Bluffs Comprehensive Plan	\$10,000
Relocate Chaplain Schmitt Memorial	\$80,000
Renovate Waller-Cooper Park, the last park that has not been renovated	\$45,000
Carnegie-Stout Public Library Renovation Project	\$1,469,875
New Airport Terminal Project	\$16,610,060
Sanitary Sewers related to annexations	\$3,723,000
Catfish Creek Sanitary Sewer Interceptor Reconstruction	\$1,904,250
Bee Branch Creek Stormwater Restoration Project	\$19,813,329
Iowa Highway 32/Southwest Arterial	\$41,044,857
Mississippi River Main Channel Transient Boat Dock Facility	\$3,500,000
Water Mains related to annexations	\$2,175,000
Federal Building Renovation	\$2,200,205
Intermodal Transportation Facility in Port of Dubuque	\$12,000,000
Design Guidelines for Downtown Master Plan Implementation	\$65,000
Community Health Center	\$250,000
Community Marketing	\$500,000

Budget Issues

The largest operating budget financial issue in this budget deals with the huge increase in costs of \$438,841 related to Transit. The recommended budget includes a combination of service modifications, a fare increase and an increase in the property tax subsidy from \$710,543 in Fiscal Year 2006 to \$923,384 in Fiscal Year 2007, for an increase of \$212,841.

Another issue is the remote possibility that the Iowa Supreme Court will agree with the Des Moines District Judge that found the City of Des Moines' Utility Franchise Fee contrary to State law. The Fiscal Year 2007 projection for Utility Franchise Fees in Dubuque is \$1,481,525, all for property tax relief. Should a refund of past collections be ordered, the City has collected \$2,722,669 through 2005. If this 2% Utility Franchise was no longer collected, it would not save the consumer any money, because it would be

automatically replaced by the 1% County Local Option Sales Tax and the 1% Dubuque Community School District Local Option Sales Tax.

Acknowledgements & Achievements

It was another great year for Dubuque, highlighted by the completion of the envision process by the Dubuque Area Chamber of Commerce and the Community Foundation of Greater Dubuque.

Recent recognition received by the City includes:

- The City of Dubuque was selected as the 2005 Employer of the Year by American Legion Post #6.
- Phoenix Award for Port of Dubuque Brownfield Redevelopment from the United States Environmental Protection Agency Region 7.
- Best Development Award for the America's River project from 1,000 Friends of Iowa.

There were 38 new non-residential permits issued in Fiscal Year 2005. This is a large increase over the 27 built in Fiscal Year 2004. The valuation of non-residential permits was \$66.1 million, up from \$40.3 million in Fiscal Year 2004.

Calendar Year 2005 was the fourth consecutive year of record real estate sales, with \$168 million in sales through October 2005.

Three significant agreements were reached in 2005. The Mediacom Franchise, the lease that will lead to the expansion of the Mississippi River Museum and Aquarium and the agreement to allow table games at Dubuque Greyhound Park and Casino.

Approximately 3,000 jobs have been added to the local economy since the beginning of the Greater Dubuque Development Corporation River Valley Initiative. Dubuque ranked second in the State for job growth between July 2002 and July 2005.

This budget is about growth. In 1999, the City of Dubuque had no four-lane connections to an interstate highway system. Now, Dubuque has five four-lane connections to the outside world:

- 1999 – Highway 61 4-laned to Interstate 80 at Davenport
- 2004 – Highway 20 4-laned to Interstate 35 north of Ames
- 2004 – Highway 151 4-laned to Highway 380 in Cedar Rapids
- 2004 – Highway 218 in Waterloo, connecting to Dubuque by four-lane Highway 20, opened four-lane as part of the Avenue of the Saints that connects to Minneapolis/St. Paul
- 2005 – Highway 151 four-laned to Interstate 90-94 at Madison, Wisconsin

FY 2007 Budget Hearings

Budget hearings are open to the public and are also aired live on City Channel 8. All hearings begin at **6:30 p.m.** and are held in the Third Floor Auditorium of the Carnegie-Stout Public Library.

DATE	DAY	TOPIC
February 7	Tuesday	Human Rights Finance Legal Services City Manager City Council City Clerk
February 9	Thursday	Emergency Communications Emergency Management Fire Police Building Services
February 13	Monday	Water Water Pollution Control Public Works Engineering
February 14	Tuesday	Civic Center Division Recreation Division Park Division Information Services Cable TV
February 21	Tuesday	Economic Development Parking Division Transit Division Planning Services Housing/Community Dev.
February 23	Thursday	Airport Library Health Services Purchase of Services
March 2	Thursday	Public Hearing to Adopt FY 2007 Budget

Clip and Send Your Comments to the City Manager's Office, 50 West 13th Street, Dubuque, IA, 52001-4864

Name _____

City _____ ST _____ Zip _____

Comments:

Dubuque City Council

Roy D. Buol, Mayor

Ann E. Michalski, At-large

Ric W. Jones, At-large

Kevin J. Lynch, 1st Ward

Karla A. Braig, 2nd Ward

Joyce E. Connors, 3rd Ward

Patricia A. Cline, 4th Ward

The Dubuque City Council meets at 6:30 p.m. on the first and third Monday of the month in the third-floor auditorium of the Carnegie-Stout Public Library, 360 West 11th Street.

Editorial Information

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and Doug McCallum
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For up-to-date information on events and programs, visit our website: www.cityofdubuque.org

Feedback

The City of Dubuque welcomes your comments and suggestions about your city government or anything appearing in this publication. Inquiries must include your name, address, and telephone number, or an e-mail address so a response can be provided.

E-mail or use the form below and send to:

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