



**CONTACT:**  
Jennifer Larson, Budget Director  
563-589-4110  
[jl Larson@cityofdubuque.org](mailto:jl Larson@cityofdubuque.org)

# NEWS RELEASE

**Feb. 3, 2017 – FOR IMMEDIATE RELEASE**

## Recommended City Budget Includes Property Tax Reduction

DUBUQUE, Iowa – Dubuque City Manager Michael Van Milligen will present the recommended budget for the 2018 fiscal year (July 1, 2017 – June 30, 2018) to the City Council at their regular meeting on Monday, Feb. 6.

The recommended fiscal year (FY) 2018 property tax rate for the city portion of Dubuque property taxes is \$10.89 per thousand dollars assessed value. This represents a 2.47 percent reduction from the FY2017 rate of \$11.07. Among the four classes of property, the recommended rate translates into no change from FY2017 for residential properties, a 2.47 percent decrease for commercial and industrial properties, and a 6.71 percent decrease for multi-residential properties. If the recommended rate is adopted, the average residential property owner would see no change in the City portion of their property tax while the average commercial property owner would see an \$83 dollar decrease, the average industrial property owner a \$124 decrease, and the average multi-residential property owner a \$145 decrease in the city portion of their property tax bill.

When the recommended FY2018 tax rate is compared to the FY2017 rates of the 11 other Iowa cities with populations over 50,000, Dubuque's rate is the second lowest. The highest rate (Council Bluffs, \$17.75) is over 40 percent higher than Dubuque and the average of the other cities (\$15.31) is 63 percent higher.

The total recommended budget for FY2018 is \$169,635,288, which is an 8.4 percent reduction from the FY2017 total budget. The total recommended budget includes a recommended operating budget of \$129,366,969 and a recommended capital improvement program budget of \$40,268,319.

The recommended budget includes a City staff reduction of 6.85 full-time equivalent (FTE) positions for FY2018. When combined with the 2.75 FTE positions eliminated in the current fiscal year, 9.6 FTE positions will be eliminated in two years. The FY2018 recommended budget also includes the continuation of a hiring freeze affecting 13.6 FTE vacant positions.

Van Milligen's recommended budget continues to reduce the City's outstanding debt, as directed by the City Council in August 2015. In FY2016, the City's debt was at 86 percent (\$295.5 million) of the

statutory debt limit and is currently at 72 percent. By the end of FY2018, it is projected to be reduced to 65 percent (\$281 million), leaving the City with available debt capacity of more than \$74 million. The debt reduction is projected to continue and be reduced to 24 percent of the statutory debt limit by FY2027.

Continued contributions to the City's general fund cash reserve are also included in the recommended budget. Following contributions of \$1 million in FY2016 and \$600,000 in FY2017, an additional \$600,000 contribution is recommended for FY2018. Plans call for the City to continue to make annual contributions until the reserve is consistently 20 percent of the City's general fund operating revenues. The general fund is projected to reach that level (\$9.93 million) in FY2021, one year sooner than originally projected. From FY2016 to FY2022, the general fund cash reserve is projected to increase by \$3.8 million.

Utility rate adjustments in the FY2018 recommended budget include: a three percent increase to the water rate, a three percent increase to the sanitary sewer rate, a 2.3 percent increase to the solid waste collection rate, and a 6.75 percent increase to the stormwater utility rate (as adopted in 2014).

Van Milligen's budget transmittal message is part of the Feb. 6 City Council meeting agenda and is available at [www.cityofdubuque.org/FY2018budget](http://www.cityofdubuque.org/FY2018budget). The complete recommended budget materials will be posted on the City website on Tuesday, Feb. 7, at [www.cityofdubuque.org/FY2018budget](http://www.cityofdubuque.org/FY2018budget) and printed copies will be made available for viewing at the City Clerk's Office in City Hall and available for checkout from the Carnegie-Stout Public Library Reference Desk.

The public is invited to attend and provide input at a series of budget public meetings as City staff from each department and division present FY2018 budget information to the City Council. A final public hearing to adopt the FY2018 will be held on Tuesday, March 7. The meetings are also aired live on Dubuque's CityChannel (Mediacom cable channels 8 and 117.2) and streamed live and archived on the City's website at [www.cityofdubuque.org/media](http://www.cityofdubuque.org/media). All meetings begin at 6:00 p.m. and are held in the City Council Chambers on the second floor of the Historic Federal Building at 350 W. Sixth St.

#### **FY2018 BUDGET PUBLIC MEETING SCHEDULE:**

- **Thursday, Feb. 9:** Information Services, City Attorney, City Manager's Office, City Council, City Clerk, and Cable TV
- **Monday, Feb. 13:** Library, Planning Services, Finance, Human Rights, Airport, and Health Services
- **Thursday, Feb. 16:** Housing and Community Development, Transit, Parking, and Economic Development
- **Wednesday, Feb. 22:** Purchase of Services, Five Flags Civic Center, Grand River Center, Park, and Recreation
- **Thursday, Feb. 23:** Emergency Management, Emergency Communications, Police, Fire, Building Services
- **Monday, Feb. 27:** Water, Water & Resource Recovery Center, Public Works and Engineering
- **Tuesday, March 7:** Public Hearing to adopt the Fiscal Year 2018 budget

For more information, visit [www.cityofdubuque.org/budget](http://www.cityofdubuque.org/budget) or contact Budget Director Jennifer Larson at 563-589-4110 or [jl Larson@cityofdubuque.org](mailto:jl Larson@cityofdubuque.org).

###