FISCAL YEAR 2019
BUDGET
RECOMMENDATION
Feb. 5, 2018
# PROPERTY TAX RATE

**Property Tax Rate Decrease of 2.71% Impact:**

<table>
<thead>
<tr>
<th></th>
<th>% Change</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Rate</td>
<td>-2.71%</td>
<td>-$0.29</td>
</tr>
<tr>
<td>Average Residential Payment</td>
<td>+2.00%</td>
<td>+$15.11</td>
</tr>
<tr>
<td>Average Commercial Payment</td>
<td>-3.84%</td>
<td>-$126.04</td>
</tr>
<tr>
<td>Average Industrial Property</td>
<td>-3.46%</td>
<td>-$170.38</td>
</tr>
<tr>
<td>Average Multi-Residential Property</td>
<td>-7.13%</td>
<td>-$143.71</td>
</tr>
</tbody>
</table>
DUBUQUE VISION 2032

Dubuque 2032 is a sustainable and resilient city and an inclusive and equitable community. Dubuque 2032 has preserved our Masterpiece on the Mississippi, has a strong diverse economy and expanding connectivity. Our residents experience healthy living and active lifestyles; have choices of quality, livable neighborhoods; have an abundance of fun things to do; and are engaged in the community.
MISSION STATEMENT

Dubuque city government is progressive and financially sound with residents receiving value for their tax dollars and achieving goals through partnerships. Dubuque city government’s mission is to deliver excellent municipal services that support urban living; contribute to an equitable, sustainable city; plan for the community’s future; and facilitate access to critical human services.
CITY OF DUBUQUE GOALS 2022

• Robust Local Economy: Diverse Businesses and Jobs with Economic Prosperity
• Vibrant Community: Healthy and Safe
• Livable Neighborhoods and Housing: Great Place to Live
• Financially Responsible, High-Performance City Organization: Sustainable, Equitable, and Effective Service Delivery
CITY OF DUBUQUE GOALS 2022

- Sustainable Environment: Preserving and Enhancing Natural Resources
- Partnership for a Better Dubuque: Building Our Community that is Viable, Livable, and Equitable
- Diverse Arts, Culture, Parks, and Recreation Experiences and Activities
- Connected Community: Equitable Transportation, Technology Infrastructure, and Mobility
POLICY AGENDA: 2017-2019

Top Priorities

• Central Avenue Revitalization: Streetscape and Business Development
• Citywide Flower Planting Program
• Communitywide Solar Strategy
• Comprehensive Plan: Adoption
• East-West Corridor Study Implementation
• Master Plan for Chaplain Schmitt Island
• South Port Redevelopment Master Plan
• Splash Pad
High Priorities

- Crime Prevention Program Expansion
- Dilapidated Buildings/Structures
- Five Flags Center Study
- Inclusive Dubuque
- Kerper Boulevard Revitalization Report
- Multicultural Family Center: Colts Building Direction and Funding
- River Cruise Docking Facilities
- Roosevelt Road Water Tower
Top Priorities

- CHANGE Program: Implementation
- Citywide Traffic Signal Synchronization
- Comiskey Park Expansion and Renovation
- Crescent Community Health Center: Development Agreement
- Greater Dubuque Development Corporation Downtown Transformation
- Residential Housing Upgrade/Flood Protection Program
- Westside Water System: Implementation
MANAGEMENT AGENDA: 2017-2019

High Priorities

- Affirmatively Furthering Fair Housing Plan: Development
- Cartegraph Partnership: High-Performance Government
- City Performance Measures/Open Data Catalog/Data-Driven Governance
- International City/County Management Association (ICMA) Fellowship International Exchange
- Leisure Services Department Assessment
- Parking Ramp Maintenance: Direction/Funding
- Teen/Young Professionals/Seniors: Jackson Park Pilot Program
- Water & Resource Recovery Center Nutrient Trading
COMPREHENSIVE PLAN

12 months of community outreach
Over 6,000 participants
12,500 ideas shared
COMPREHENSIVE PLAN

Of greatest note is its role in informing City Council goal setting, which creates the annual budget priorities and land use decisions; the plan is not a substitute for the annual City Council goal setting process.

As stated in the plan, “It is hoped that you will heed this call to action. It is your responsibility to develop the action steps, create the strategies for success, be inclusive in your efforts, and make your community sustainable and resilient. These are your ideas and you have the responsibility to participate and move them forward.”
COMPREHENSIVE PLAN

It will take significant time, effort, and in many cases funding, to achieve the vision outlined in this Imagine Dubuque Comprehensive Plan. It is the community's responsibility to develop the action steps, create the strategies for success, be inclusive in their efforts, and make the community sustainable and resilient.
As the City approaches implementation of the plan, it needs to be remembered that this is a community plan and the city should not take the lead on items best implemented by others. The City does need to identify ways to encourage and support others and to partner where appropriate to make the plan a reality.
It is an important thing to remember is that this is a 20-year plan and all the public and private resources to implement the plan components will not be available all at one time.
GOAL OF FISCAL YEAR 2019
RECOMMENDED BUDGET:
MAINTAIN MOMENTUM
FY2016 BUDGET ACTIONS

- 11 Full-Time Positions Eliminated
- Select Hiring Freeze
- No Pay Raise for Non-Bargaining Unit Employees
- FY2016-2020 CIP Budget Modifications
- 10% Funding Reduction in Grants and Purchase of Service Agreements
- Training & Travel Budget Freeze
- Utility Franchise Fee Increase
- Rental Property Owner Fee Increases for Rental Licensing Inspection Program
- Enterprise Fund Fee Increases
PROPERTY TAXES

FY2019 Recommended City Tax Rate = $10.5972 per thousand

2.71% decrease from FY2018
PROPERTY TAXES

2.71% reduction in property tax rate =

• +2.0% property tax cost increase (+$15.11) for the average Dubuque homeowner

• property tax cost decrease for
  - commercial (-3.84%, -$126.04),
  - industrial (-3.46%, -$170.38) and
  - multi-residential (-7.13%, -$143.71)
PROPERTY TAXES

- Ames
- Dubuque (FY19)
- Ankeny
- West Des Moines
- Cedar Rapids
- Avg. w/o Dubuque
- Sioux City
- Iowa City
- Davenport
- Waterloo
- Des Moines
- Council Bluffs

Property tax values in dollars:

- Ames: $10.38
- Dubuque: $10.60
- Ankeny: $12.29
- West Des Moines: $12.78
- Cedar Rapids: $15.22
- Avg. w/o Dubuque: $15.29
- Sioux City: $15.77
- Iowa City: $16.33
- Davenport: $16.78
- Waterloo: $17.60
- Des Moines: $17.86
- Council Bluffs: $17.91
PROPERTY TAXES

Dubuque is the SECOND LOWEST in the state for property tax rate of the 11 largest cities.

The highest (Council Bluffs) is 69% higher than Dubuque and the average is 44% higher than Dubuque.
## PROPERTY TAXES PER CAPITA

<table>
<thead>
<tr>
<th>City</th>
<th>Property Taxes Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Des Moines</td>
<td>$1,080.48</td>
</tr>
<tr>
<td>Iowa City</td>
<td>$880.57</td>
</tr>
<tr>
<td>Cedar Rapids</td>
<td>$803.92</td>
</tr>
<tr>
<td>Council Bluffs</td>
<td>$783.10</td>
</tr>
<tr>
<td>Avg. w/o Dubuque</td>
<td>$734.17</td>
</tr>
<tr>
<td>Davenport</td>
<td>$728.35</td>
</tr>
<tr>
<td>Ankeny</td>
<td>$785.97</td>
</tr>
<tr>
<td>Des Moines</td>
<td>$657.24</td>
</tr>
<tr>
<td>Waterloo</td>
<td>$583.82</td>
</tr>
<tr>
<td>Sioux City</td>
<td>$524.31</td>
</tr>
<tr>
<td>Ames</td>
<td>$513.91</td>
</tr>
<tr>
<td>Dubuque</td>
<td>$459.08</td>
</tr>
</tbody>
</table>
PROPERTY TAXES PER CAPITA

Dubuque is the **LOWEST** in the state for property taxes per capita.

The highest (West Des Moines) is 135% higher than Dubuque and the average is 60% higher than Dubuque.
• Elimination of 19.23 FTE positions
• Addition of 13.24 FTE positions

Net change in FY2019 = -5.99 FTE for savings of $514,939
POSITION ELIMINATIONS, NEW POSITIONS, & UNFROZEN POSITIONS

Follows elimination of 29.36 FTE positions FY2018-FY2017-FY2016

From FY2016-FY2019 the City will have a net change of -9.59 FTE positions
FY2019 Budget Recommendation includes end of hiring freeze

- 9.6 FTE positions reinstated following evaluation of each position
- FY2019 Cost = $212,099
- FY2020 Cost = $690,644
# City Staffing Level Comparison

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th># of FTEs</th>
<th># of FTEs Adjusted for Services Offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cedar Rapids</td>
<td>128,901</td>
<td>1,451.43</td>
<td>1,449.43</td>
</tr>
<tr>
<td>Davenport</td>
<td>102,715</td>
<td>967.46</td>
<td>1,027.52</td>
</tr>
<tr>
<td>Sioux City</td>
<td>82,372</td>
<td>788.77</td>
<td>795.37</td>
</tr>
<tr>
<td>West Des Moines</td>
<td>62,539</td>
<td>513.00</td>
<td>716.57</td>
</tr>
<tr>
<td>Dubuque</td>
<td>58,421</td>
<td>703.97</td>
<td>703.97</td>
</tr>
<tr>
<td>Council Bluffs</td>
<td>61,864</td>
<td>499.00</td>
<td>689.28</td>
</tr>
<tr>
<td>Waterloo</td>
<td>68,358</td>
<td>557.17</td>
<td>687.80</td>
</tr>
<tr>
<td>Iowa City</td>
<td>75,522</td>
<td>598.48</td>
<td>649.42</td>
</tr>
<tr>
<td>Ames</td>
<td>62,514</td>
<td>572.00</td>
<td>594.76</td>
</tr>
</tbody>
</table>

Avg. Population: 78,114
Avg. FTEs w/o Dubuque: 826.27
Dubuque Compared to Avg: -122.30
Dubuque Compared to Highest: -745.46
City will issue $2,932,000 in new debt and retire $17,162,687 in debt in FY2019
CITY DEBT

• City will issue $8,188,000 in new debt in the recommended 5-year CIP, mostly for fire truck and pumper replacements, sanitary sewer improvements, and renovation of the former Colts Building.

• City will access $34,742,470 of previously issued state revolving fund loans as related capital improvement projects progress.

• City will retire $88,604,745 of existing debt over the next five years (FY2019-FY2023)
## CITY DEBT

### Next 5-Year Net Debt Reduction:

$45,674,275

<table>
<thead>
<tr>
<th>Project</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Debt</td>
<td>$2,932,000</td>
<td>$2,138,000</td>
<td>$1,416,000</td>
<td>$470,000</td>
<td>$1,232,000</td>
<td>$8,188,000</td>
</tr>
<tr>
<td>Previously Issued SRF Draw Downs</td>
<td>$9,095,543</td>
<td>$8,255,637</td>
<td>$12,212,668</td>
<td>$4,148,622</td>
<td>$1,030,000</td>
<td>$34,42,470</td>
</tr>
<tr>
<td>Retired Debt</td>
<td>$17,162,687</td>
<td>$17,787,317</td>
<td>$18,470,987</td>
<td>$17,028,712</td>
<td>$18,155,042</td>
<td>$88,604,745</td>
</tr>
<tr>
<td>Net Debt Reduction</td>
<td>$5,135,144</td>
<td>$7,393,680</td>
<td>$4,842,319</td>
<td>$12,410,090</td>
<td>$15,893,042</td>
<td>$45,674,275</td>
</tr>
</tbody>
</table>
Projected Outstanding General Obligation Debt on June 30, 2019:

$124,894,475

(56.38% of statutory debt limit)

- Available debt capacity = $96,618,281
- FY2016: Dubuque was at 86.13% of statutory debt limit
- FY2019 = 29.75% decrease in use of statutory debt limit

Outstanding Revenue Bonds Debt on June 30, 2019 = $144,088,397
CITY DEBT: RETIRED vs. NEW

- Retired Debt
- New Debt

FY 17: $16.4, $5.2
FY 18: $17.4, $10.0
FY 19: $17.2, $11.5
FY 20: $17.8, $14.1
FY 21: $18.5, $4.2
FY 22: $17.0, $1.2
FY 23: $18.2, $1.2
FY 24: $18.9, $2.0
FY 25: $19.2, $2.0
FY 26: $19.4, $1.0
FY 27: $19.3, $1.0
FY 28: $19.6, $1.0
## CITY DEBT: FY2017 DEBT LIMIT COMPARISON

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Legal Debt Limit (5%)</th>
<th>Statutory Debt Outstanding</th>
<th>% of Legal Debt Limit Utilized</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Des Moines</td>
<td>$542,887,856</td>
<td>$386,535,000</td>
<td>71.20%</td>
</tr>
<tr>
<td>10</td>
<td>Davenport</td>
<td>$323,975,818</td>
<td>$220,310,280</td>
<td>68.00%</td>
</tr>
<tr>
<td>9</td>
<td>Sioux City</td>
<td>$212,162,397</td>
<td>$132,145,000</td>
<td>62.28%</td>
</tr>
<tr>
<td>8</td>
<td>Dubuque (FY19)</td>
<td>$221,512,756</td>
<td>$124,894,475</td>
<td>56.38%</td>
</tr>
<tr>
<td>7</td>
<td>Ankeny</td>
<td>$231,095,971</td>
<td>$129,162,000</td>
<td>55.89%</td>
</tr>
<tr>
<td>6</td>
<td>Waterloo</td>
<td>$189,916,898</td>
<td>$106,013,702</td>
<td>55.82%</td>
</tr>
<tr>
<td>5</td>
<td>Cedar Rapids</td>
<td>$498,689,692</td>
<td>$276,385,000</td>
<td>55.42%</td>
</tr>
<tr>
<td></td>
<td>Dubuque (FY23)</td>
<td>$239,772,530</td>
<td>$88,792,943</td>
<td>37.03%</td>
</tr>
<tr>
<td>4</td>
<td>Ames</td>
<td>$202,799,687</td>
<td>$68,230,000</td>
<td>33.64%</td>
</tr>
<tr>
<td>3</td>
<td>West Des Moines</td>
<td>$348,080,444</td>
<td>$114,130,000</td>
<td>32.79%</td>
</tr>
<tr>
<td>2</td>
<td>Iowa City</td>
<td>$267,511,393</td>
<td>$66,845,000</td>
<td>24.99%</td>
</tr>
<tr>
<td>1</td>
<td>Council Bluffs</td>
<td>$232,945,409</td>
<td>$48,723,175</td>
<td>20.92%</td>
</tr>
<tr>
<td></td>
<td>Dubuque (FY28)</td>
<td>$264,728,248</td>
<td>$50,283,589</td>
<td>18.99%</td>
</tr>
</tbody>
</table>
CITY DEBT

Total Debt (In Millions)

FY19 Recommended

FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22 FY 23 FY 24 FY 25 FY 26 FY 27 FY 28

$295.6 $295.5 $281.3 $273.8 $269.0 $266.2 $254.2 $239.0 $222.7 $206.4 $189.8 $171.9 $154.0 $135.8

Millions

FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22 FY 23 FY 24 FY 25 FY 26 FY 27 FY 28

$310 $300 $290 $280 $270 $260 $250 $240 $230 $220 $210 $200 $190 $180 $170

Total Debt (In Millions)
**GENERAL FUND RESERVE**

City will add to operating reserve until 20% is maintained consistently. 
Projected to reach 20% in FY2020, two years ahead of schedule.

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contribution</strong></td>
<td>$600,000</td>
<td>$1,050,000</td>
<td>$1,050,000</td>
<td>$1,050,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>General Fund Reserve</strong></td>
<td>$14,254,184</td>
<td>$12,914,253</td>
<td>$13,964,253</td>
<td>$14,964,253</td>
<td>$15,064,253</td>
<td>$15,164,253</td>
<td>$15,264,253</td>
</tr>
<tr>
<td><strong>% of Projected Revenue (Moody’s)</strong></td>
<td>19.75%</td>
<td>18.03%</td>
<td>19.53%</td>
<td>20.84%</td>
<td>20.92%</td>
<td>21.40%</td>
<td>21.48%</td>
</tr>
</tbody>
</table>
STRATEGIC FUNDING

State Revolving Fund (SRF) Loans for Water and Sanitary Sewer Projects:
- Annual interest rate = 1.75%
- Annual servicing fee = 0.25%

Clean Water State Revolving Fund (CWSRF) Program & Water Resource Restoration Sponsored Projects:
- Funding source for water quality improvement projects
- Financing costs reduced by cost of sponsored project improvements = “2 for 1”
Figure 1. Loan repayment comparison between a standard CWSRF loan and a CWSRF loan with a sponsorship project.
Green Alleys Example

$9.4 million of interest paid on Water & Resource Recovery Center (WRRC) was used to reconstruct over 70 “Green Alleys” in the Bee Branch Watershed

Principal for WRRC Upgrade increased from $64,885,000 to $74,145,579 and interest rate plus servicing fee decreased from 3.25% to 2% to add to Green Alley Sponsorship Project

- True interest cost = 1.96%
- Gross borrowing savings = $11.4 million
Upper Bee Branch Creek Restoration Example

Green Project Loan from CWSRF Program:
$29,541,000 loan includes 20% principal forgiveness provision
$5,908,200 of loan forgiven upon completion

True interest cost for total funds received was not the 2.00% borrowing rate (1.75% interest and 0.25% administrative fee), but 0.07% after reflecting the receipt of interest free funds (forgiven portion).
FY2019 Rate Recommendations:

- Sanitary Sewer: 3% increase
- Water: 3% increase
- Solid Waste Collection: 2.3% increase
- Stormwater: 6.75% increase*

*Recommendation does not change amount previously approved by City Council
UTILITY RATE COMPARISONS

Water Rates

- Council Bluffs: $28.16
- Cedar Rapids: $28.20
- Ames: $29.02
- Dubuque: $29.28
- Average w/o Dubuque: $29.95
- Iowa City: $30.24
- Des Moines: $30.74
- West Des Moines: $33.34
Water Rate Comparison

- Highest-ranked city (West Des Moines, $33.34) is 14% higher than Dubuque’s rate

- Average ($29.95) is 2.28% higher than Dubuque
Sanitary Sewer Rates

Council Bluffs: $22.88
Waterloo: $25.75
Cedar Rapids: $27.27
Sioux City: $31.88
Ames: $33.61
Iowa City: $36.17
Avg. w/o Dubuque: $37.00
West Des Moines: $39.90
Dubuque: $40.43
Davenport: $43.88
Des Moines: $48.02
Ankeny: $61.66
Sanitary Sewer Rate Comparison

- Highest-ranked city (Ankeny) is 53% higher than Dubuque’s rate

- Average ($29.95) is 8.5% lower than Dubuque
UTILITY RATE COMPARISONS

Solid Waste Collection Rates

<table>
<thead>
<tr>
<th>City</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Des Moines</td>
<td>$10.55</td>
</tr>
<tr>
<td>Des Moines</td>
<td>$11.00</td>
</tr>
<tr>
<td>Waterloo</td>
<td>$12.00</td>
</tr>
<tr>
<td>Davenport</td>
<td>$12.27</td>
</tr>
<tr>
<td>Dubuque</td>
<td>$15.37</td>
</tr>
<tr>
<td>Avg. w/o Dubuque</td>
<td>$16.13</td>
</tr>
<tr>
<td>Ankeny</td>
<td>$16.25</td>
</tr>
<tr>
<td>Sioux City</td>
<td>$16.30</td>
</tr>
<tr>
<td>Iowa City</td>
<td>$17.10</td>
</tr>
<tr>
<td>Council Bluffs</td>
<td>$18.00</td>
</tr>
<tr>
<td>Cedar Rapids</td>
<td>$21.55</td>
</tr>
<tr>
<td>Ames</td>
<td>$26.25</td>
</tr>
</tbody>
</table>
Solid Waste Collection Rate Comparisons

- Highest-ranked city (Ames, $26.25) is 71% higher than Dubuque’s rate

- Average ($16.13) is 5% higher than Dubuque
UTILITY RATE COMPARISONS

Stormwater Utility Rates

- Davenport: $2.64
- Waterloo: $2.75
- Sioux City: $2.80
- Iowa City: $4.72
- West Des Moines: $4.85
- Ames: $4.95
- Average w/o Dubuque: $5.22
- Ankeny: $5.50
- Cedar Rapids: $6.12
- Dubuque: $7.76
- Des Moines: $12.67
Bee Branch Watershed Flood Mitigation Project

- $219 million, 20-year project (City has received $160 million for the project including over $52 million in federal & state funds)
- Protect 1,373 properties from stormwater flooding
- Prevent an estimated $582 million in damages over project’s 100-year design life

**ROI = $6 for each $1 spent**

- Highest-ranked city (Des Moines) is 63% higher than Dubuque’s rate
- Average is 33% lower than Dubuque
IMPROVEMENT PACKAGES

• 105 of 131 requested are recommended
• $132,653 recurring from general fund
• $515,141 non-recurring from general fund
• $122,755 from non-property tax support
TIF SUBAREAS RETIRED

$750,000 in new general fund tax revenue
## STATE-FUNDED BACKFILL

**FY2019 State Backfill for Property Tax = $1,032,698**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>State Backfill Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>-$206,540</td>
</tr>
<tr>
<td>2021</td>
<td>-$206,540</td>
</tr>
<tr>
<td>2022</td>
<td>-$206,540</td>
</tr>
<tr>
<td>2023</td>
<td>-$206,540</td>
</tr>
<tr>
<td>2024</td>
<td>-$206,540</td>
</tr>
</tbody>
</table>

State-Funded Backfill on Commercial & Industrial Property Tax phased out over 5 years = $1,032,700 loss
Gas and Electric Utility Valuation decreased from $80,710,443 in FY 2018 to $76,350,084 in FY 2019.

Revenue Loss = $47,494
• Local option sales tax revenues beginning to stagnate
• FY2019 Sales Tax receipts projected to decrease 2.3% under FY2018

Revenue Loss = $207,932
Major Issues Impacting Local Option Sales Tax Revenue Decline:

- Increased internet/online purchases

- In March 2016 the State of Iowa amended the sales and use tax exemption for items used by manufacturers to specifically exempt qualifying “replacement parts” and “supplies.”
FY2019 budget projections are based on six months of actual experience and, in that period, gross gaming revenues are down 1%

$159,046 decrease from FY2018 budget and $405,767 decrease from FY2017 budget
MULTI-RESIDENTIAL PROPERTY TAX CLASSIFICATION

• Annual loss in tax revenue of $564,914 in FY2019 and $1,241,216 from multi-residential property when fully implemented in FY2024 will not be backfilled by the State.

• FY2017-FY2024 the City will lose $6,088,737 in total, meaning multi-residential rental property owners will have paid that much less in property taxes.
HEALTH INSURANCE

- City portion of city employee health insurance expense projected to decrease from $1,325/month per contract to $1,192/month per contract
- 10% reduction in FY2019 = General Fund savings of $634,875
- Estimates for FY2019-2022 increased by 6.32%/year

**New Third Party Administrator Savings for FY2018 projected at $897,443 (8.1%) under FY2017**
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Without TPA RFP</th>
<th>With Wellmark</th>
<th>With Wellmark and New Pharmacy Coalition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Actual</td>
<td>$9,622,297</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 Actual</td>
<td>$11,080,429</td>
<td>15.15%</td>
<td></td>
</tr>
<tr>
<td>2018 Projected</td>
<td>$11,780,712</td>
<td>6.32%</td>
<td>$10,182,986</td>
</tr>
<tr>
<td>2019 Projected</td>
<td>$12,525,253</td>
<td>6.32%</td>
<td>$10,499,899</td>
</tr>
</tbody>
</table>

$12,525,253
$10,499,899
$2,025,354 FY2019 Savings Due to New TPA and Pharmacy Coalition
• $13,210 decrease in property tax support for Transit from FY2018 to FY2019 reflects consolidation of Transit and Parking Divisions into Transportation Services Department and co-location at Intermodal Facility in February 2017
• FTE reductions of 1.58 in Transit & 1.20 in Parking
• Additional planned savings of $20,884 in the Transit Fund and $42,632 in the Parking Fund in FY2020
WATER & RESOURCE RECOVERY CENTER

- Staffing transition from 24/7 operations to 7 days a week with on-call status
- 2.50 FTE reduction

FY2019 cost savings = $111,394
Dubuque's four Housing Tax Increment Financing (TIF) Districts will generate an estimated $12.2 million from FY2018–2023. At least 38.1% ($4.9 million) goes to affordable housing needs, mainly through the CHANGE program in partnership with groups like Community Housing Initiative, Dubuque’s True North Corporation, the HEART Program, and private developers.
Winners & Losers: Making Dubuque a Community of Choice
Winners & Losers: Making Dubuque a Community of Choice

The next five years and beyond will see structural changes in the world economy the likes of which have not been seen since the early 1900s when the world faced the industrial revolution.
The changes in technology, communications, energy, and health care will transform the world economy and our daily lives. There will be winners and losers in this process. It is our job to make sure Dubuque is a winner.
Workforce Crisis

“70-80% of jobs will disappear in the next 20 years. There will be a lot of new jobs, but it is not clear if there will be enough new jobs in such a small time.”

Dr. Robert M. Goldman, June 2016
Workforce Crisis

That leads to the biggest challenge facing the United States and Dubuque. There is intense competition for jobs, but most importantly, a workforce with the necessary skills to do those jobs.
50% of all businesses nationally say they cannot find enough skilled workers.

Dallas Federal Reserve Chairman Robert Kaplan
Workforce Crisis

“Contacts continue to indicate that the labor market was tight and reported difficulty filling positions at all levels. A manufacturing firm reported turning down business because it was unable to find qualified workers.”

*Beige Book for Federal Reserve Chicago District*
Locally, a January 26, 2018 article in the Telegraph Herald about Dyersville Die Cast said, “...the company has either turned down or been forced to let go of about $40 million worth of work since 2005 because of an inability to find workers.”
Workforce Crisis

“The Fed revised its full-employment estimate down to 4.6% last year, by far the lowest ever, but with unemployment now well below even that, relatively few people seeking a job are unable to find one.”

*Fortune Magazine*
Workforce Crisis

November 2017: Unemployment rate in Iowa was 3.5% and in Dubuque it was 2.4%

EMSI forecasts that in the next 10 years, without intervention, the Greater Dubuque Area will experience a decline of working age population of approximately 6% and job growth of approximately 8%, resulting in a reduced surplus of available workforce.
“After at least two decades in which more people were entering retirement than into the workforce, the tide is turning. For the next two decades, it will be just the reverse.”

*Market Watch, Jan. 13, 2018*

Automation will make companies more efficient.
Rays of Hope

• There are 552,059 college students (undergraduate, graduate, and continuing education) within a 100-mile radius of Dubuque and 64,000 in just the tri-state area.

• The work ethic and company loyalty reputation for people from this area are legendary and known far and near.
Opportunity Dubuque

Mission: To meet Greater Dubuque’s need for a skilled workforce by training unemployed and underemployed individuals lacking the financial resources to begin or continue their education.
Opportunity Dubuque

Success to Date:

• Opportunity Dubuque has accepted 655 students since 2012 and 527 have graduated or are currently in training.

• 96% of contacted graduates are employed or are continuing their education within 6 months of graduation.

• 18 Career Pathway Certificate Programs have been developed to provide job skills and hands-on training through NICC.
Dream Center

Mission: To impact youth, strengthen families, and build community.
Dream Center

2016-2017 Impacts:

• 132 youth participated in the 2016-2017 School year programming and 64 youth remain on a waiting list
• 112 youth participated in the 2017 summer programming
• 88% of participants increased their Math MAP score and 79% of increased their Reading MAP score
• Trained over 50 volunteers who served an average of once per week for the entire school year and 22 volunteers for summer.
• Over 50% of mentors included school teachers, parents, and community neighbors who live and work in the radius of the kids served.
Campaign for Grade-Level Reading

Mission: To ensure that all children read at grade level by the end of third grade.
Campaign for Grade-Level Reading

Key accomplishments include:

• 160 first- and second-graders attended Summer Academy in 2017, and 88% of students maintained or increased reading proficiency.

• New strategies for responding to chronic absence and improved attendance data have led to a measurable decrease in chronic absence at Title I schools, and data is now collected district-wide.
Fountain of Youth Program

Mission: To change mindsets that contribute to generational poverty.
Fountain of Youth Program

Success to Date:

• REAL TALK: 14-week program focused on adults, some of whom are incarcerated, with an emphasis on moving participants into contributing roles within the community and becoming financially and personally responsible citizens. (80 adults served to date, all are employed)

• PIONEERS: Program for young adults focusing on financial literacy, interpersonal skills, building resources, and promoting stability. (40 young adults served)

• Three participants have completed their HSED, one just enrolled in HSED classes, one has obtained a CDL, and three have graduated from vocational programs. One participant has regained custody of their children.
Greater Dubuque 2022 Campaign

- 64,000 jobs, an increase of over 5% from current levels
- $800 million dollars in new residential and commercial construction
- $60,000 median household income ($47,450 in 2015)
- 100,000 population in the Greater Dubuque Area (97,000 in 2017)
Dubuque’s True North

- New pillar added by Greater Dubuque to bring transformative change, in partnership with the Dubuque’s True North Corporation, to Dubuque’s vibrant, historic neighborhoods on the city’s North End
- Collaborative partnership of public and private entities that will continue to bring new energy to the area.

Program goals include:
- removal of slum and blight,
- fostering of single-family home ownership,
- redevelopment of Central Avenue, and
- brownfields redevelopment for new businesses.
Community Perception Survey

• Only 11% disagreed with the statement, “Dubuque is a Safe Place to Live.”
• Only 5% disagreed with the statement, “Dubuque is a Good Place to Live.”
• Only 7% disagreed with the statement, “Dubuque is a Good Place to Work.”
• Only 18% disagreed with the statement, “Dubuque is on the Right Track.”
Community Perception Survey

• 94% feel Safe or Very Safe in “Their Own Neighborhood.”

• From across the city, a disappointing 27% disagreed with the statement, “I Feel Safe in the North End.”

• From across the city, a disappointing 38% disagreed with the statement, “I Feel Safe in the Downtown.”

• Only 10% disagreed with the statement, “Diversity is Beneficial in Our Community.”
Rental Housing Program

• Addition of fifth Rental Housing Inspector
• Enforcement of International Property Maintenance Code
• Development of Three-Tiered Rental Property Inspection Program
Police Department

• Additional Command position is recommended

• Would increase authorized strength to 110 sworn positions, an increase of 15 positions since 2008.
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<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># of Crimes Against Persons</td>
<td>186</td>
<td>208</td>
<td>220</td>
<td>265</td>
<td>243</td>
<td>203</td>
<td>221</td>
<td>-16.5%</td>
<td>-8.1%</td>
<td>-23.4%</td>
</tr>
<tr>
<td>Murder</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>100%</td>
<td>0.0%</td>
<td>-60.0%</td>
</tr>
<tr>
<td>Sexual Assault</td>
<td>43</td>
<td>38</td>
<td>61</td>
<td>80</td>
<td>98</td>
<td>90</td>
<td>68</td>
<td>-8.2%</td>
<td>32.4%</td>
<td>-8.2%</td>
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<tr>
<td>Robbery</td>
<td>21</td>
<td>32</td>
<td>20</td>
<td>27</td>
<td>26</td>
<td>16</td>
<td>24</td>
<td>-38.5%</td>
<td>-33.3%</td>
<td>-50.0%</td>
</tr>
<tr>
<td>Aggravated Assault</td>
<td>120</td>
<td>138</td>
<td>139</td>
<td>153</td>
<td>118</td>
<td>95</td>
<td>127</td>
<td>-19.5%</td>
<td>-25.2%</td>
<td>-37.9%</td>
</tr>
<tr>
<td># of Crimes Against Property</td>
<td>1,992</td>
<td>1,791</td>
<td>1,662</td>
<td>1,953</td>
<td>1,875</td>
<td>1,667</td>
<td>1,853</td>
<td>-11.1%</td>
<td>-8.6%</td>
<td>-16.3%</td>
</tr>
<tr>
<td>Burglary</td>
<td>583</td>
<td>431</td>
<td>416</td>
<td>548</td>
<td>420</td>
<td>331</td>
<td>455</td>
<td>-21.2%</td>
<td>-27.3%</td>
<td>-43.2%</td>
</tr>
<tr>
<td>Burglary to Motor Vehicle</td>
<td>298</td>
<td>231</td>
<td>168</td>
<td>106</td>
<td>144</td>
<td>157</td>
<td>184</td>
<td>9.0%</td>
<td>-14.7%</td>
<td>-47.3%</td>
</tr>
<tr>
<td>Theft</td>
<td>1,080</td>
<td>1,103</td>
<td>1,035</td>
<td>1,245</td>
<td>1,235</td>
<td>1,116</td>
<td>1,136</td>
<td>-9.6%</td>
<td>-1.8%</td>
<td>-10.4%</td>
</tr>
<tr>
<td>Theft of Motor Vehicle</td>
<td>31</td>
<td>26</td>
<td>43</td>
<td>54</td>
<td>76</td>
<td>63</td>
<td>49</td>
<td>-17.1%</td>
<td>28.6%</td>
<td>-17.1%</td>
</tr>
<tr>
<td>Total</td>
<td>2,178</td>
<td>1,999</td>
<td>1,882</td>
<td>2,218</td>
<td>2,118</td>
<td>1,870</td>
<td>2,044</td>
<td>-11.7%</td>
<td>-8.5%</td>
<td>-15.7%</td>
</tr>
</tbody>
</table>

2016 Nat’l avg. clearance rule = 45.6%  Dubuque 2017 = 88.8%
Dilapidated Building Identification & Assessment CIP

$123,900 from FY2019-2023

• Conduct a survey examining and assessment of dilapidated, vacant and abandoned structures in the Greater Downtown TIF District.
• Assessment will aid in determining detrimental impact of structures in the community, identify structures suitable for residential, commercial, or mixed-use redevelopment, and rank structures for feasibility, impact, and suitability of rehabilitation to enhance neighborhood and City goals.
• Identify unsafe or illegal activity occurring on property, establish who has legal authority to address health, safety, and maintenance issues at the property, and assess the property's condition.
Assistance for Homeownership CIP

$5,040,981 from FY2019-2023

• Under the umbrella of CHANGE, this initiative provides funding towards the City's strategy of revitalization for the downtown neighborhoods and centers on increasing homeownership.

• Consideration given to increasing the amounts for purchase of rental properties converted to owner occupied.
Dubuque’s True North Neighborhood Reinvestment Partnership CIP

$1,500,000 from FY2019-2023

• Funding to achieve the goal of promoting a broader income mix of downtown homeowners.
• Provides for acquisition activities where Dubuque’s True North Corporation may purchase abandoned, derelict buildings and houses to accomplish the goals.
• Improvements will be made to the properties in order to make them marketable for resale.
• Anticipated that Dubuque’s True North Corporation will acquire, renovate and sell for long-term home ownership 50 residential properties over the next 5-7 years.
## Property Tax Rate Decrease of 2.71% Impact:

<table>
<thead>
<tr>
<th>Property Type</th>
<th>% Change</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Rate</td>
<td>-2.71%</td>
<td>-$0.29</td>
</tr>
<tr>
<td>Average Residential Payment</td>
<td>+2.00%</td>
<td>+$15.11</td>
</tr>
<tr>
<td>Average Commercial Payment</td>
<td>-3.84%</td>
<td>-$126.04</td>
</tr>
<tr>
<td>Average Industrial Property</td>
<td>-3.46%</td>
<td>-$170.38</td>
</tr>
<tr>
<td>Average Multi-Residential Property</td>
<td>-7.13%</td>
<td>-$143.71</td>
</tr>
</tbody>
</table>
FY2019 BUDGET PUBLIC MEETINGS

Wednesday, Feb. 7

Monday, Feb. 12

Thursday, Feb. 22,

Thursday, Feb. 28: Public Hearing to Adopt the FY2019 Budget

Thursday, Feb. 8

Thursday, Feb. 15

Monday, Feb. 26

Meetings start at 6 p.m. and will be broadcast on CityChannel Dubuque
RECOMMENDED BUDGET PREPARATION ASSISTANCE

- Budget Director Jennifer Larson
- Assistant City Manager Cori Burbach
- Senior Budget Analyst Alexis Steger
- Public Information Officer Randy Gehl
- Office Manager Juanita Hilkin
- Secretary Stephanie Valentine
- Communications Assistant Natalie Riniker
FISCAL YEAR 2019
BUDGET RECOMMENDATION
Feb. 5, 2018