



Masterpiece on the Mississippi



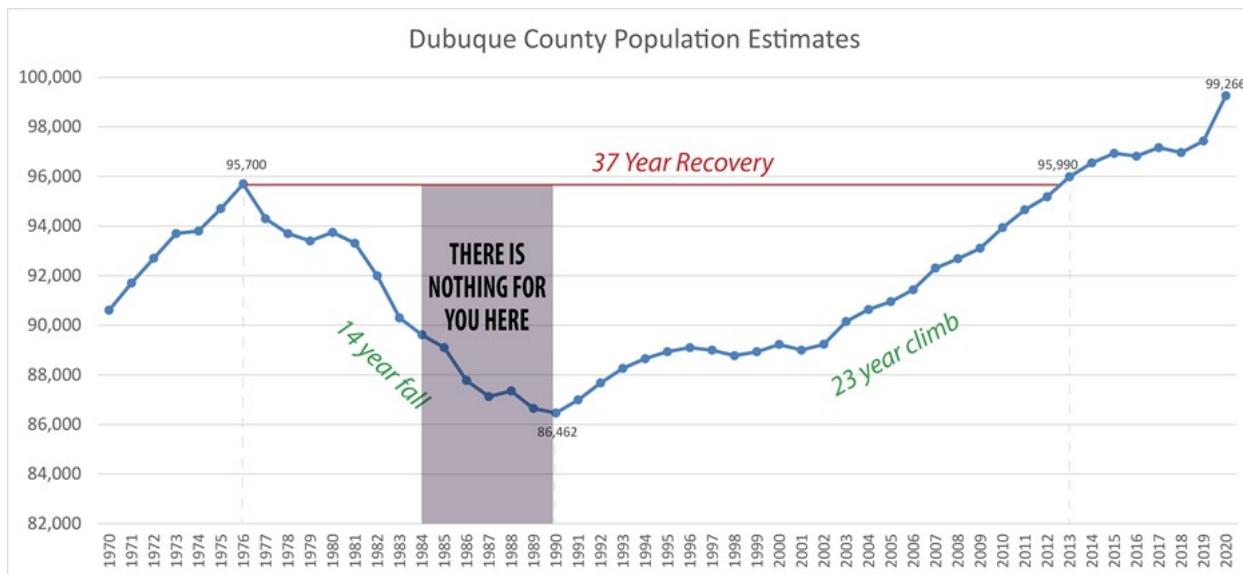
TO: The Honorable Mayor and City Council Members
FROM: Michael C. Van Milligen, City Manager
SUBJECT: Fiscal Year 2023 Recommended Budget
DATE: February 18, 2022

It is my goal that the Fiscal Year (FY) 2023 budget recommendation will reflect the City Vision and Mission Statements as established by the Mayor and City Council and be responsive to the goals and priorities established by the Mayor and City Council in their August 2021 annual goal setting session. To enable staff to finalize the recommended budget, the City Council first set the maximum property tax levy for FY2023 on February 16, 2022.

As our community, nation, and the world continue to deal with the many implications of the ongoing COVID-19 pandemic, the City is responding to a myriad of other issues that impact City operations as well as Dubuque residents and stakeholders.

In March 2020 when the world shut down, the City of Dubuque's employees rose to the occasion and met the moment. We are so fortunate that the people who have chosen to come to work for the City of Dubuque understand that empathy is the glue that holds together a civil society.

As you can see in this chart, the City has climbed out of a decade's long hole achieving growth that few other communities in Iowa have experienced. To maintain this momentum, there must be continued investment.



COVID19-Related Cost Increases

Supply chain issues and rising prices for fuel, vehicles, equipment, construction materials, electronics, and more are impacting the operating expenses of many City departments. Like the private sector, the City is also facing significant challenges in filling staff vacancies and new positions as Iowa's workforce crisis continues to manifest itself through record low unemployment and significant employee turnover. (Dubuque County's unemployment reached almost 13% in April 2020 during the COVID shutdown and was just 3.1% in December 2021.) It's also important to note that our workforce is smaller. In November, Dubuque County's civilian labor force totaled 54,500, compared to 56,800 in November 2019. Clearly, it is an extremely competitive market for employees in all fields and levels. That is being reflected in increased wages for employees in businesses across the city. From November 2020 to November 2021, the average hourly wage in Dubuque increased from \$27.52 to \$28.07.

From January 20210 to January 2020, Dubuque homes had an average increase in valuation of 17.3%, or 1.5% per year. During that same time frame, the average increase in valuation of industrial properties increased 4.8% (0.43% per year) and commercial/multi-residential properties increased 25.1 % (2.3 % per year).

With this budget recommendation the next few years in Dubuque is going to see a significant investment in the following:

1. Community Safety
2. Roads and Infrastructure
3. Economic Development
4. Improved Customer Service
5. High Quality of Life in an Equitable Community
6. Identifying and Funding Important Initiatives to Support Employees

This is evident in what is occurring in calendar year 2022 and what is being further proposed in the FY 2023 budget recommendation and the accompanying 5-year Capital Improvement Program.

This will be accomplished while furthering the over arching goal of "Creating an Equitable Community (and organization) of Choice."

Community Safety

In the area of public safety, the City will add seven Firefighter positions, in addition to the two that have been added over the last few years, allowing for a third ambulance to be staffed seven days a week 24 hours a day, improving ambulance response times across the community. The additional positions will also decrease the demand for Firefighters to work overtime and give them a better chance to take vacation time, better supporting their mental and physical health. I am also recommending the implementation of an employee wellness program in the Fire Department. This further enhances a Fire Department that as an Insurance Services Office Class II Fire Department is ranked in the top 3% of the over 48,000 Fire departments in the United States. The Dubuque Fire Department is one of less than 300 Fire Departments internationally to receive accreditation by the Commission on Fire Accreditation International. It is no wonder that when asked to rate all of Dubuque's public services for 2020-2021, local CEOs, business owners, and top managers rated Dubuque's fire service #1 and its ambulance service #2. Using a scale with 1 being low and 7 high, the fire service scored an average of 6.36 and ambulance 6.19.

I am further recommending that some of the part-time hours in the 911 Emergency Communications Center be replaced with the hours of another full-time position and that the city contract to maintain and review the quality assurance on calls.

From a policy perspective, the City will invest hundreds of thousands of dollars to arm our Police Officers with tasers, a way to keep our Police Officers safe while minimizing the use of force needed to subdue a criminal and reducing the chance of serious injury to an aggressive suspect. The City will also continue the aggressive deployment of security cameras, which is being made easier as ImOn Communications has committed to deploying fiber optic cable across the entire Dubuque community over the next 3 years. The City will also invest well over \$600,000 to significantly enhance our technological capabilities to integrate both the Police Department's body camera and car camera systems to enhance the value of these important tools. The City is also committed to aggressively filling the many vacancies in the Police Department caused by the hiring freeze during the economic crisis caused by the pandemic.

Last year, the City created a new department, the Office of Shared Prosperity and Neighborhood Support, with three full-time and one part-time position and hired Anderson Sainci as the new Director. This year I am proposing the creation of a restructured division in the Leisure Services Department that will be led by Heather Satterly, the current AmeriCorps Director. This new division will be titled, Community Partnerships and Diversion, and consists of the two new full-time positions created in FY2022 focused on diversions from criminal court and identifying community service opportunities to avoid a criminal record. This division will continue to have responsibilities for AmeriCorps.

Roads and Infrastructure

Following the opening of the Southwest Arterial in 2020, the opening of the new Highway 20 interchange at Swiss Valley Road in 2021, the reconstruction of Chavenelle Road, the reconstruction of North Cascade Road, and the resurfacing of over 10 miles of streets by Public Works crews in 2021, the City will be further pursuing street improvements.

In 2022 the Northwest Arterial from John F. Kennedy Road to Highway 20 will be resurfaced, with multiple intersection improvements, at a cost of over \$8 million. The Iowa Department of Transportation is beginning to study the eventual full reconstruction of the intersection of Highway 20 and the Northwest Arterial, including the closing of the southern leg of the intersection, to greatly improve traffic flow.

Dubuque County will be reconstructing sections of John Deere Road with major intersection improvements.

Implementation of the East-West Corridor Study will continue with three new roundabouts constructed in the latter part of the 5 year Capital Improvement Program.

The City will be submitting a \$35 million federal infrastructure grant application to build a railroad overpass at 14th Street and a reconstruction of Elm Street and 16th Street with multiple intersection improvements all in the complete streets format.

The Public Works Department will again have the resources available to resurface 10 miles of city streets, instead of the usual 5 miles.

The City will be improving the Mississippi River bank in the South Port of Dubuque to better protect the sanitary sewer force main from river traffic accidents.

The City will spend tens of millions of dollars to improve the Catfish Creek Sanitary Sewer Shed, replacing and upsizing much of the 70-year old sanitary sewer system and adding a major sanitary sewer lift station. This will allow the City to further eliminate polluting sanitary sewer overflows and be prepared for future growth to the West. The goal is to be eligible for tens of millions of dollars in federal infrastructure dollars to support this project.

The City will also be spending tens of millions of dollars to significantly upgrade and extend the City water distribution system, creating greater redundancy and reliability and preparing for development in the Southwest Arterial corridor. This potentially will also be supported by federal infrastructure dollars.

Economic Development

The City will be investing in the downtown, the Central Avenue corridor, improved Schmitt Island access, and the west end industrial parks. The new Crossroads Industrial Park will include finishing a development plan and then implementing phase one of that plan to make about 30 acres ready for development. Much of the infrastructure investment described herein also relates to economic development.

Improved Customer Service

The enhancements I described related to the Police Department, the Fire Department, the Office Of Shared Prosperity, and the new Community Partnerships and Diversion division (including a new Secretary position) in Leisure Services are examples of service enhancements. However, another significant customer service enhancement is the move to automated collection of refuse carts. This will not only increase customer convenience but it will improve the appearance of neighborhoods. The City refuse collection employees are currently required to handle people's trash, exposing them to fleas, bedbugs, viruses, and germs. They are also required to exit and enter the vehicle almost 700 times each day, over 3,000 times a week, and over 170,000 times a year. This is even in the winter, risking slipping on the ice and snow and constantly battering their feet, ankles, knees, hips and back. The last time this was considered there was discussion of the need for a pilot program and that has been completed and these carts work in Dubuque as they do across the Midwest and beyond. Using American Rescue Plan funds this implementation will not add to the cost of the refuse collection service.

High Quality of Life in an Equitable Community

While there are numerous park and trail projects in this budget, the City will be furthering equity by providing a paid holiday for City employees in celebration of Juneteenth.

Identifying and Funding Important Initiatives to Support Employees

I have already described many of these important efforts. I am also recommending the addition of numerous new City positions in the organization to advance important initiatives and meet existing needs. The City Council has already approved through amendment two new positions in the Human Resources Department and a Project Manager position in Leisure Services. The FY2023 budget will recommend a new Assistant Fixed Base Operator position at the Dubuque Regional Airport, a new Secretary position in the City Clerk's Office, a full-time Climate Action Plan Coordinator in the Sustainability Office, the Teen Resiliency Corp, a Grant Analyst to support the Director of Strategic Partnerships, a full-time Utility Locator position in Engineering, additional Medical Director hours in the Fire Department, an additional Help Desk position and User Technology Specialist position in Information Services, changing from part-time to full-time a position at the Library working with the Maker Space, and an additional part-time Secretary in the Public Works Department. In addition, I am recommending funding the Fire Employee Health and Wellness Program. A third new position in the Information Services Department is a Chief Security Officer to help with cyber security issues.

Opportunities for Grants and Forgivable Loans

The Biden administration has successfully passed a large infrastructure bill, the Infrastructure Investment and Jobs Act and is also showing success at increasing funding to individual federal departments and grant programs. Also, the Biden administration has sent billions of dollars to the states for Governors to fund programs, some of which will lead to local government grant opportunities. This is creating a short window of time where communities across the country will be able to compete for grants and forgivable loans to fix age old problems and to create new growth opportunities. The challenge will be to get these projects ready to compete for these grants and to identify a source for matching dollars to be eligible for the grants. For instance, the Iowa Finance Authority now offers low interest State Revolving Funds (SRF) loans at very low interest rates. With the new programs, up to 50% of those loans will be forgivable. However, if the City is not willing to provide the 50% match, the City will be passing up the chance to complete major clean water projects at half price.

CITY PROPERTY TAX RATE

You will recall that in the current year (FY22 beginning July 1, 2021) City budget that was adopted by the Mayor and City Council in March 2021, there was a property tax rate reduction of 2.5%, which resulted in no increase in city property taxes for residential property, and a city property tax decrease for commercial property, industrial property, and multi-residential property. The change from FY2021 to FY2022 was as follows:

Property Type	Average Property Tax Cost Change from FY2021	% Property Tax Cost Change from FY2021
Residential	No Change	No Change
Commercial	\$99.73 less	3.15% decrease
Industrial	\$138.06 less	2.94% decrease
Multi-Residential	\$144.99 less	7.64% decrease
FY 2021 Property Tax Rate	FY 2022 Property Tax Rate	% Change
\$ 10.14	\$ 9.89	2.5% Decrease

Dubuque compares very favorably with the ten other cities in the State of Iowa with a population greater than 50,000 with having the lowest property tax rate.

FY2022 City Property Tax Rate Comparison

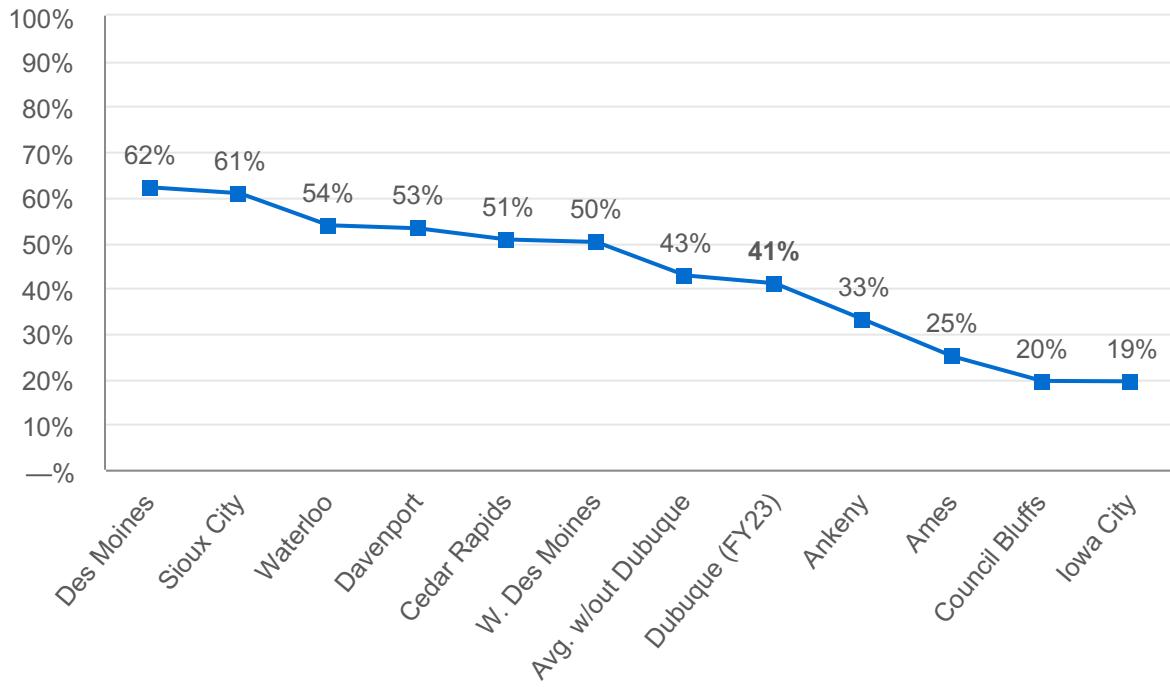


- Highest-ranked city (Waterloo, \$19.24) is **94.56% higher than Dubuque**
- Average of other 10 cities (\$14.95) is **51.21% higher than Dubuque**

The above numbers relate to the current fiscal year, FY22. Now I will be moving to describe how my recommendation will affect FY23 and beyond.

Dubuque would compare very favorably with these other cities when looking at debt in that with using only 41% of the statutory debt limit if the FY23 Capital Improvement Program budget recommendation is adopted, **Dubuque would rank 5th lowest of the eleven cities and below the 43% average of the other cities.**

Percentage of Legal Debt Limit Utilized



In addition, the Mayor and City Council have been good stewards of City funds and built up healthy general fund reserves. The City maintains a general fund reserve, or working balance, to allow for unforeseen expenses that may occur. The goal is to have at least a 20% general fund reserve.

	FY2023	FY2024	FY2025	FY2026	FY2027
City's Spendable General Fund Cash Reserve Fund Balance	\$17,743,471	\$17,743,471	\$17,743,471	\$17,743,471	\$17,743,471
% of Projected Revenue	22.34%	21.90%	21.47%	21.05%	20.63%

As previous analysis has shown, the City of Dubuque is also one of the most efficiently run cities in the comparison group of the eleven cities with a population of greater than 50,000.

The Fiscal Year 2023 budget recommendation is that the property tax rate be further reduced from the current \$9.8890 per thousand dollars assessed value to \$9.7169, a 1.74% **decrease in the property tax rate**.

2036 VISION STATEMENT

Dubuque 2036 is a sustainable and resilient city and an inclusive and equitable community where ALL are welcome. Dubuque 2036 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, affordable, livable neighborhoods; have an abundance of diverse, fun things to do; and are successfully and actively engaged in the community.

CITY 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 2026

- ♦**Robust Local Economy:** Diverse Businesses and Jobs with Economic Prosperity
- ♦**Sustainable Environment:** Preserving and Enhancing Natural Resources
- ♦**Vibrant Community:** Healthy and Safe
- ♦**Partnership for a Better Dubuque:** Building Our Community that is Viable, Livable, and Equitable
- ♦**Livable Neighborhoods and Housing:** Great Place to Live
- ♦**Diverse Arts, Culture, Parks, and Recreation Experiences and Activities**
- ♦**Financially Responsible, High-Performance City Organization:** Sustainable, Equitable, and Effective Service Delivery
- ♦**Connected Community:** Equitable Transportation, Technology Infrastructure, and Mobility

POLICY AGENDA items are issues that need direction or a policy decision by the City Council, or need a major funding decision by the City Council, or issues that need City Council leadership in the community or with other governmental bodies. The policy agenda is divided into top priorities and high priorities.

2021-2023 POLICY AGENDA

TOP PRIORITIES (in alphabetical order)

- **Chaplain Schmitt Island Master Plan: Implementation & Phasing:** Implementation & Phasing: As part of a commitment to create fun a variety of fun things to do for all, the City is part of a team lead by the Dubuque Racing Association who will implement the Chaplain Schmitt Island Master Plan. The Plan identifies a strategy to redevelop the island, beginning with the development of a Veterans Memorial and including developing/redeveloping recreational amenities, business development, self-sufficiency of Q Casino, and redevelopment of the 16th St Corridor onto the island. This work will be done while focusing on the environmental integrity of the island with the US Army Corps of Engineers and the Iowa Department of Natural Resources. Funding support is included in the FY23 CIP for Chaplain Schmitt Island landscaping, trail development and access, and entrance signage. The renegotiated lease between the City and the DRA

includes creating a funding stream for the Schmitt Island Master Plan Implementation committee which receives one third of the annual DRA distribution.

- **City Information & Network Security:** A robust strategy to ensure the security of City data and networks was identified as a priority for 2021-23. Key components of this priority include determining a future plan for a data center and other back up needs, staffing, developing a response to ransomware attacks, cyber-insurance, and protection of key financial and accounting systems. The Information Services department has submitted capital and operating budget requests to address this priority. Funding to complete a network security risk assessment, begin work on a data center, and purchase ransomware defense are included in the recommended CIP. Three staff positions are included in recommended improvement packages for the department, including a Chief Security Officer.
- **Equitable Poverty Prevention & Reduction Plan Implementation:** In 2021, the City Council prioritized the creation of an Equitable Poverty Reduction & Prevention Plan. The Plan was delivered to Council by Public Works LLC, and lays out an implementation strategy to reduce poverty, especially in communities of color. In 2022, the Office of Shared Prosperity & Neighborhood Support was formed to coordinate the implementation of the plan. In FY23, the Division of Community Impact will be created in the Leisure Services department to continue the City's implementation responsibilities. This division will include two new positions recommended for funding in FY22, the Community Diversion & Prevention Coordinator and Community Service & Outreach Coordinator, as well as an Administrative Assistant recommended for FY23 funding.
- **Federal Infrastructure Program Preparation:** The Biden administration has passed the unprecedented Infrastructure & Investment Jobs Act, which will create numerous opportunities to leverage federal and state funding to complete important projects in Dubuque. Those investments will lead with the priorities of environment and equity. Numerous recommendations in this budget include funding for us to plan for and design infrastructure, invest in grant writing services to assist staff to responding to the many opportunities available, and identify local match required in order to compete for grants. Among others, the operating budget includes funding for a Grant Analyst in the City Managers Office and funding for grant application services in Transportation Services and Economic Development. The City will also have a contract with a firm in Washington D.C. that specializes in identifying grant opportunities and then pursuing those grants.
- **Five Flags Center Direction:** Providing direction regarding the future of Five Flags is a priority of the City Council. Regardless of ultimate decision, capital investments are needed in the current budget to be able to maintain the existing building. Recommended operating improvement packages include RFID ticket scanners and security cameras. Additional improvements are recommended in the CIP should the referendum fail.
- **Historic Building Rehabilitation/Preservation:** Investment in our historic buildings, particularly historic housing stock, requires both public and private investments. It also

requires the alignment of policies and funding program requirements. Recommended CIP's include Greater Downtown Housing Creation Grant Program, Central Ave Housing Forgivable Loans, Neighborhood Reinvestment Partnership, Homeowner Rehabilitation Program, Rental Dwelling Rehabilitation Program, Windows Replacement Program, Historic Preservation Revolving Loan Fund, and Historic Preservation Technical Assistance Program.

- **Sewer System Infrastructure Upgrade (including Catfish Creek Sanitary Sewer System):** Critical infrastructure improvements are required to provide sewer system service to existing Dubuque residents and businesses as well as provide the infrastructure necessary for expansion. Recommended CIP's that will further this goal include the Old Mill Road Lift Station & Force Main, Granger Creek Lift Station Improvements, and Catfish Creek Sewershed Interceptor Sewer Improvements.

HIGH PRIORITIES (in alphabetical order)

- **Bee Branch Watershed Project: Next Steps:** Next steps in this 20+ year project include the following: additional green alley construction, North End storm sewer improvements, construction of a stormwater pumping station, and vision and development of the Blum site. Recommended funding includes Bee Branch Creek Gate & Pump Replacement, Flood Control Maintenance Facility, Green Alley Water Main Improvements, Permeable Pavement Bee Branch Railroad Sponsorship; Bee Branch Interceptor Sewer Connection, and Blum Site Utilization & City Service Delivery Study.
- **Childcare Initiative:** Research supports that high-quality childcare improves children's school readiness and supports a strong workforce. Funding for staff to continue to participate in work with partners to solve childcare gaps is include in operating budgets.
- **Community Broadband Expansion:** Significant work is underway via public-private partnerships to increase availability, access, and affordability of broadband, using an equity lens to ensure that all residents have access to the service that is critical for connecting to school, work, doctors, and more from home. Investments in the FY23 budget include an Engineering CIP for Broadband Acceleration & Universal Access, Fiber Optic Conduit - Misc, Fiber Infrastructure Management System, Citywide Fiber Cable Backbone Master Plan Implementation, INET Fiber Replacement Build Out, and Grandview Street Light Replacement. ImOn is in the process of doing a fiber build out to every home and business in Dubuque.
- **Complete Streets Concept Implementation: 16th St/Elm St/14th St Railroad Overpass Project:** The City of Dubuque's Complete Streets policy is reviewed and incorporated into new construction and existing infrastructure improvements. Recommended CIP funding for 14th St Overpass Design would prepare us to seek competitive grants for the completion of this project and is a critical next step.
- **Comprehensive Parks Master Plan:** Hiring a consultant to complete a comprehensive will assess existing park infrastructure and provide guidance on how to meet the demand for future recreational needs, including spaces and equipment for special

interest. A Comprehensive Parks Master Plan CIP is recommended for funding in the FY23 CIP.

- **Imagine Dubuque Implementation:** The City Council has adopted *Imagine Dubuque 2037: A Call to Action*, to guide their future investment decisions. Multiple recommended CIPs and improvement packages help to advance the vision identified through resident input in the plan. In addition to these construction investments, the Trail Planning, Connecting Downtown Destination, and South Port Redevelopment Concept Plan CIPs advance next steps necessary for the redevelopment of these areas and infrastructures.
- **West End Fire Station:** As the Dubuque community expands to the west and south after the completion of the Southwest Arterial, it's anticipated that an additional fire station will be needed to protect residents and businesses. The Fire Station Expansion/Relocation CIP begins preparation for this project, while the recommendation to hire seven additional firefighters in FY23 will prepare to staff that station, along with the two positions that have been added over the last few years.

Creating an Equitable Community of Choice



Creating an Equitable Community of Choice

A High-Performance Organization (and Community) that is Data-Driven and Outcome-Focused built on the four pillars of:

Resiliency

Sustainability

Equity

Compassion

Through

Planning,
Partnerships,
& People

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CMO24-111618

Public Safety

The goal of the City's approach to public safety is to make Dubuque the safest community possible with the understanding that community safety is not just about injury prevention and crime prevention; it is about increasing well-being and building a vibrant, engaged, and equitable community. Working to ensure residents experience an increased sense of well-being, a sustainable quality of life, a reduction in the numbers and cost of injuries, the preservation of income and assets, and improved perceptions of safety is a top priority for Dubuque city government.

The Dubuque Police Department recently completed its compilation report of crimes for calendar year 2021. "Confirmed Shots Fired" is one of the many metrics tracked by the police department annually. In 2021, there were 21 instances of confirmed shots fired in Dubuque, an increase of 4 over 2020's total of 17 and down significantly from 2015's total of 33.

When comparing Dubuque's "Part 1" crime totals for 2021 to 2015, Dubuque has had a 33.7% reduction in overall crime. The police department's annual crime report is shared with the FBI and includes "Part 1 Crimes" in two categories: Crimes Against Persons and Crimes Against Property.

The total number of Crimes Against Persons in Dubuque decreased 15.4% from 2020 to 2021 to 226, including five murders, 955 sexual assaults, 22 robberies, and 104 aggravated assaults. While it is impossible to prevent some crimes from occurring, it is important to know that the Dubuque Police Department excels in solving crimes. In 2021, the Dubuque Police resolved almost 85% of all Crimes Against Persons committed in the city. The national average for 2019 (the most current on record via FBI data) was just 45.4%. The total number of Crimes Against Property in 2021 declined by one crime from 2020 to a total of 1,244, including 240 burglaries, 96 burglaries to motor vehicle, 823 thefts, and 85 thefts of motor vehicles.

"Part I" Crimes for Calendar Years 2013-2021

Compiled by the Dubuque Police Department

Performance Measures	CY13	CY14*	CY15	CY16	CY17	CY18	CY19	CY20	CY21	Avg.	CY20 to CY21 % Change	CY21 Clearance Rate	CY19 Nat'l Clearance Rate
Crimes Against Persons	208	220	265	243	203	190	190	267	226	224	-15.4	84.75%	45.50%
Murder	0	0	5	1	2	1	0	1	5	2	500.0	80%	
Sexual Assault	38	61	80	98	90	75	91	105	95	81	-11.6	88%	
Robbery	32	20	27	26	16	29	14	26	22	24	-8.4	77%	
Aggravated Assault	138	139	153	118	95	85	85	135	104	117	-23.0	94%	
Crimes Against Property	1,791	1,662	1,953	1,875	1,667	1,543	1,319	1,245	1,244	1,589	0.0	89.90%	17.20%
Burglary	431	416	548	420	331	299	205	219	240	345	9.6	83.75%	
Burglary to Motor Vehicle	231	168	106	144	157	145	88	148	96	143	-35.2	90%	
Theft	1,103	1,035	1,245	1,235	1,116	1,036	945	808	823	1,038	0.0	89.70%	
Theft of Motor Vehicle	26	43	54	76	63	63	81	70	85	62	21.4	96%	
Total	1,999	1,882	2,218	2,118	1,870	1,733	1,509	1,512	1,470	1,812	-0.1		

*switch to new public safety software

Traffic/Security Camera System

Traffic/Security Camera System in 2021, the City has installed 30 new cameras, along with 10.6 miles of conduit (over 6 miles more than 2020) and many miles of fiber that will allow for future camera installation. In addition to the new cameras, another 53 cameras were replaced because of newer technology or camera failure. These newer cameras have a higher resolution and Wide Dynamic Range feature which allows them to see better in all light

conditions. Today, there are 710 Traffic/Security cameras recorded through the Traffic Operations Center in City Hall. The remaining 597 cameras are recorded at various servers throughout the City. The recommended budget has funding for additional cameras in the amount of \$552,562 from FY 2023 through FY 2027. Additional funding is also allocated to the network of fiber optics that supports the camera system; INET Fiber Replacement, Traffic Signal Fiber Optics, Broadband Acceleration & Universal Access, Fiber Infrastructure Management System, Citywide Fiber Cable Backbone Master Plan, Fiber Optic Documentation & Maintenance, and Fiber Optic Conduit Miscellaneous (\$3,817,000).

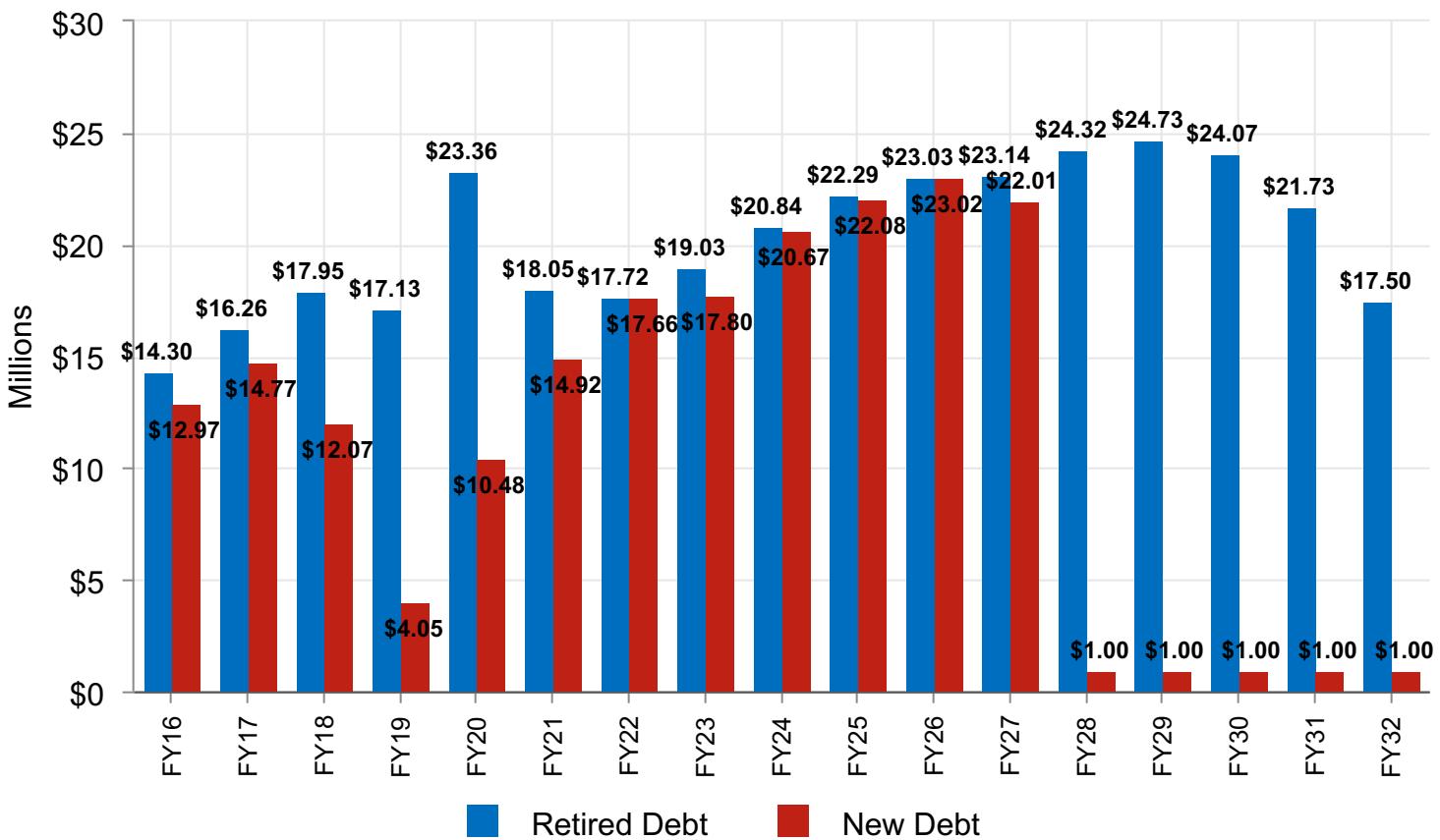
Fiscal Year 2023 Budget Recommendation

The goal of the Fiscal Year 2023 budget recommendation is to maintain the momentum of our community. The budget has been built around the vision, mission, goals, priorities and direction provided by the Mayor and City Council at the August 2021 goal setting session, with input from the community. A series of six public hearings will be held by the Mayor and City Council before adopting a final budget on March 29, 2022. The Fiscal Year 2023 budget year begins on July 1, 2022.

While in August 2015 the Mayor and City Council directed staff to start reducing the amount of City debt, previous investments are still paying dividends. With the current City strategy of more pay as you go investments and the acceptance that some debt will be issued each year, with a goal to retire more debt each year than is issued, the City will continue to be able to leverage past investment and create new opportunities to improve quality of life for residents, create jobs and maintain infrastructure.

In Fiscal year 2023 City staff has been able to meet that goal of retiring more debt than is being issued in every year for the seventh consecutive year.

Retired Debt Versus New Debt (In Millions)



While accomplishing the Mayor and City Council priorities, the goal is to minimize the costs for the residents and businesses.

Property Taxes

The Fiscal Year 2023 recommended City property tax rate of \$9.72 per thousand is a 1.74% decrease from Fiscal Year 2022, which follows a 2.51% decrease from Fiscal Year 2021, and a 1.81% decrease from Fiscal Year 2020.

The average homeowner would see an increase in their property tax payment for the City portion of their property tax bill, a 2.96% (\$22.74) increase. The average commercial property would see a 3.43% (\$105.40) decrease, the average industrial property a 2.88% (\$131.28) decrease, and the average multi-residential property a 7.20% (\$126.11) decrease.

Fiscal Year 2023 follows Fiscal Year 2022 where the average homeowner saw no change in their property tax payment for the city portion of their property tax bill. The average commercial property saw a 3.15% (\$99.73) decrease, the average industrial property saw a 2.94% (\$138.06) decrease, and the average multi-residential property saw a 7.64% (\$144.99) decrease.

Senate File 619 was signed into law by Governor Reynolds on June 16, 2021. The Bill provides that beginning with the FY 2023 payment, the General Fund standing appropriation for commercial and industrial property tax replacement for cities and counties will be phased out in four or seven years, depending on how the tax base of the city or county grew relative to

the rest of the state since FY 2014. Cities and counties where the tax base grew at a faster rate than the statewide average from FY 2014 through FY 2021 will have the backfill phased out over a four-year period from FY 2023 to FY 2026, while those that grew at a rate less than the statewide average will have the backfill phased out over a seven-year period from FY 2023 to FY 2029. The City of Dubuque's tax base grew at a rate less than the statewide average and will have a backfill phase out over a seven year period from FY 2023 to FY 2029. **Beginning in FY 2023, the backfill will be eliminated over a seven year period.**

The following chart shows the impact on the average homeowner with the commercial and industrial backfill phased out over seven-years beginning in Fiscal Year 2023 and with the backfill remaining at 100%:

Reduced Backfill				100% Backfill		
Fiscal Year	City Tax	% Change	\$ Change	City Tax	% Change	\$ Change
2023	\$791.82	2.96 %	\$22.74	\$788.38	2.51 %	\$19.30
2024	\$832.14	5.09 %	\$40.32	\$825.34	4.69 %	\$36.96
2025	\$863.95	3.82 %	\$31.81	\$853.94	3.47 %	\$28.60
2026	\$885.39	2.48 %	\$21.44	\$872.32	2.15 %	\$18.38
2027	\$908.71	2.63 %	\$23.32	\$892.69	2.34 %	\$20.37

Fiscal Year 2023 City Property Tax Rate Comparison for Eleven Largest Iowa Cities

Rank	City	Tax Rate
11	Waterloo (FY22)	\$19.2400
10	Council Bluffs (FY22)	\$18.2600
9	Des Moines (FY22)	\$17.5600
8	Davenport (FY23)	\$16.7800
7	Cedar Rapids (FY23)	\$16.0262
6	Iowa City (FY23)	\$15.7331
5	Sioux City (FY23)	\$15.4385
4	West Des Moines (FY23)	\$11.7740
3	Ankeny (FY23)	\$9.9500
2	Ames (FY23)	\$9.8300
1	Dubuque (FY23)	\$9.7169
	AVERAGE w/o Dubuque	\$15.06

*Includes the transit tax levy adopted by the Des Moines Area Regional Transit Authority for comparability.

Dubuque has the LOWEST property tax rate as compared to the eleven largest cities in the state. The highest rate (Waterloo (FY22)) is 98.01% higher than Dubuque's rate, and the average is 54.98% higher than Dubuque.

**Fiscal Year 2023 Property Taxes per Capita
Comparison for Eleven Largest Iowa Cities**

Rank	City	Taxes Per Capita
11	West Des Moines	\$1,153.62
10	Council Bluffs	\$966.86
9	Iowa City	\$919.78
8	Cedar Rapids	\$909.99
7	Davenport	\$856.56
6	Des Moines	\$829.17
5	Waterloo	\$780.23
4	Ankeny	\$707.58
3	Sioux City	\$682.25
2	Dubuque	\$514.83
1	Ames	\$511.57
	AVERAGE w/o Dubuque	\$831.76

Dubuque has the SECOND LOWEST taxes per capita as compared to the eleven largest cities in the state. The highest (West Des Moines) is 125.51% higher than Dubuque's taxes per capita, and the average is 62.59% higher than Dubuque.

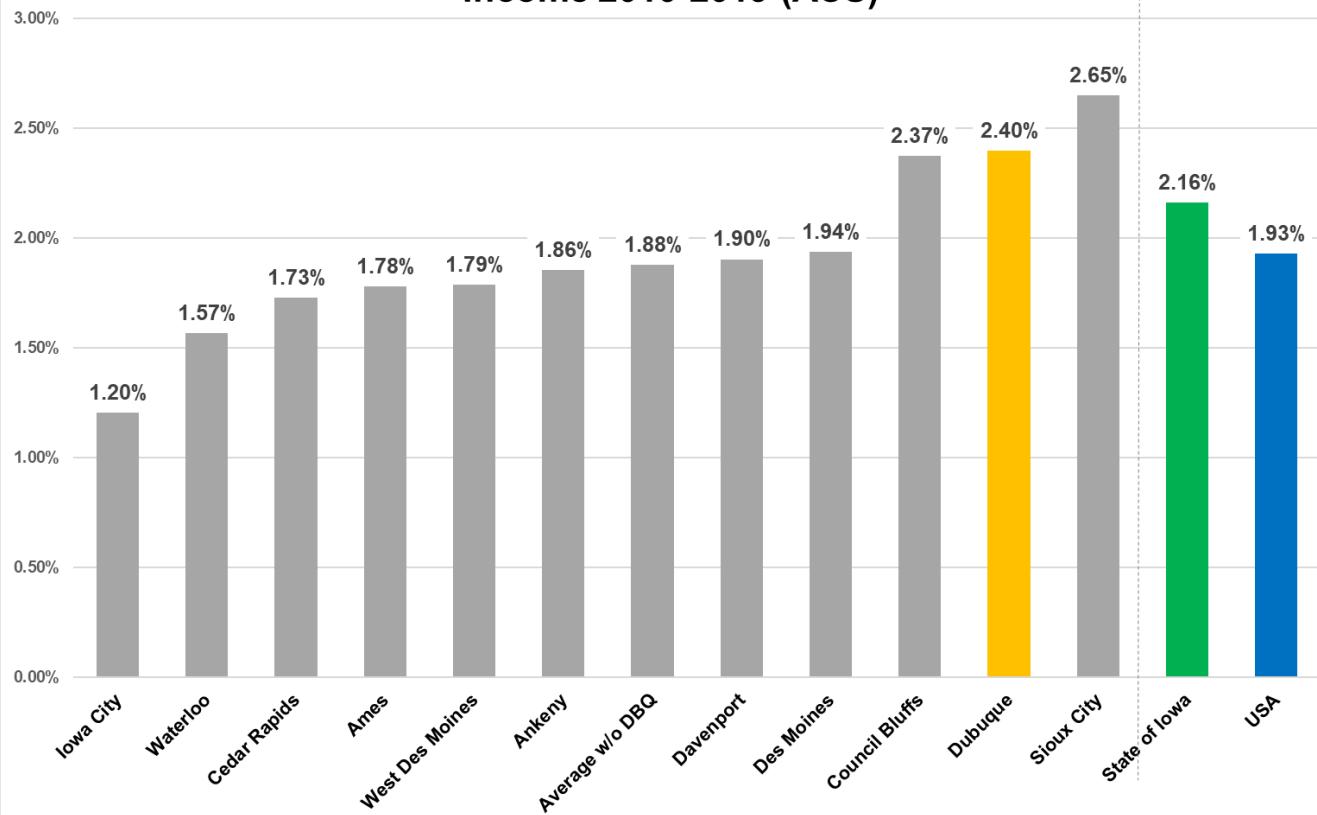
The projected Fiscal Year 2023 property tax asking of \$26,205,437 is unchanged from Fiscal Year 2022. The total Fiscal Year 2023 budget recommendation (\$221,266,161) is 15.81% more than the current budget year (Fiscal Year 2022). The Fiscal Year 2023 operating budget recommendation is \$152,003,749 and the Fiscal Year 2023 Capital Improvement Program budget recommendation is \$69,262,412.

After the local option sales tax was passed by referendum in 1988 with 50% of revenue going to property tax relief, the average property tax classification over that 30 years has seen the following results:

	Prior to Sales Tax FY 1988	FY 2023	\$ Difference	% Difference
Property Tax Rate	\$ 14.5819	\$ 9.7169	-\$4.87	-33.40%
Average Residential Payment	\$ 512.38	\$ 791.82	+\$279.44	+54.54%
Average Commercial Payment	\$ 2,490.61	\$2,964.17	+\$473.56	+19.01%
Average Industrial Property	\$ 6,975.00	\$4,424.83	-\$2,550.17	-36.56%
Average Multi-Residential Property (FY17)	\$ 2,472.99	\$1,625.55	-\$847.44	-34.27%

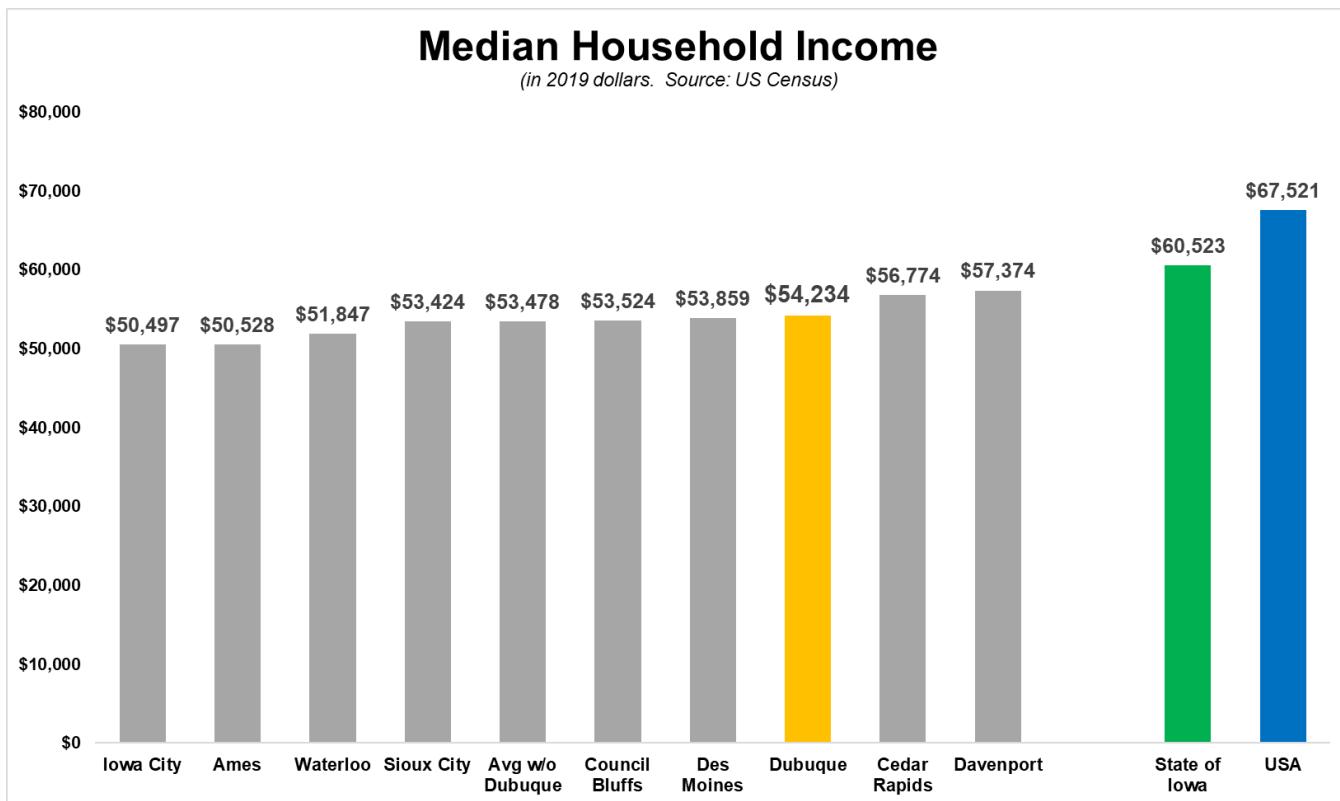
Prior to the pandemic, Dubuque residents saw a steady increase in their median household income over the last 10 years (2.4% annual average), exceeding the national growth rate (1.93% annual average), the growth rate of the State of Iowa (2.16%), and the average growth rate of the other large cities in the State of Iowa (1.88%).

10-Year Average Annual Growth Rate: Median Household Income 2010-2019 (ACS)

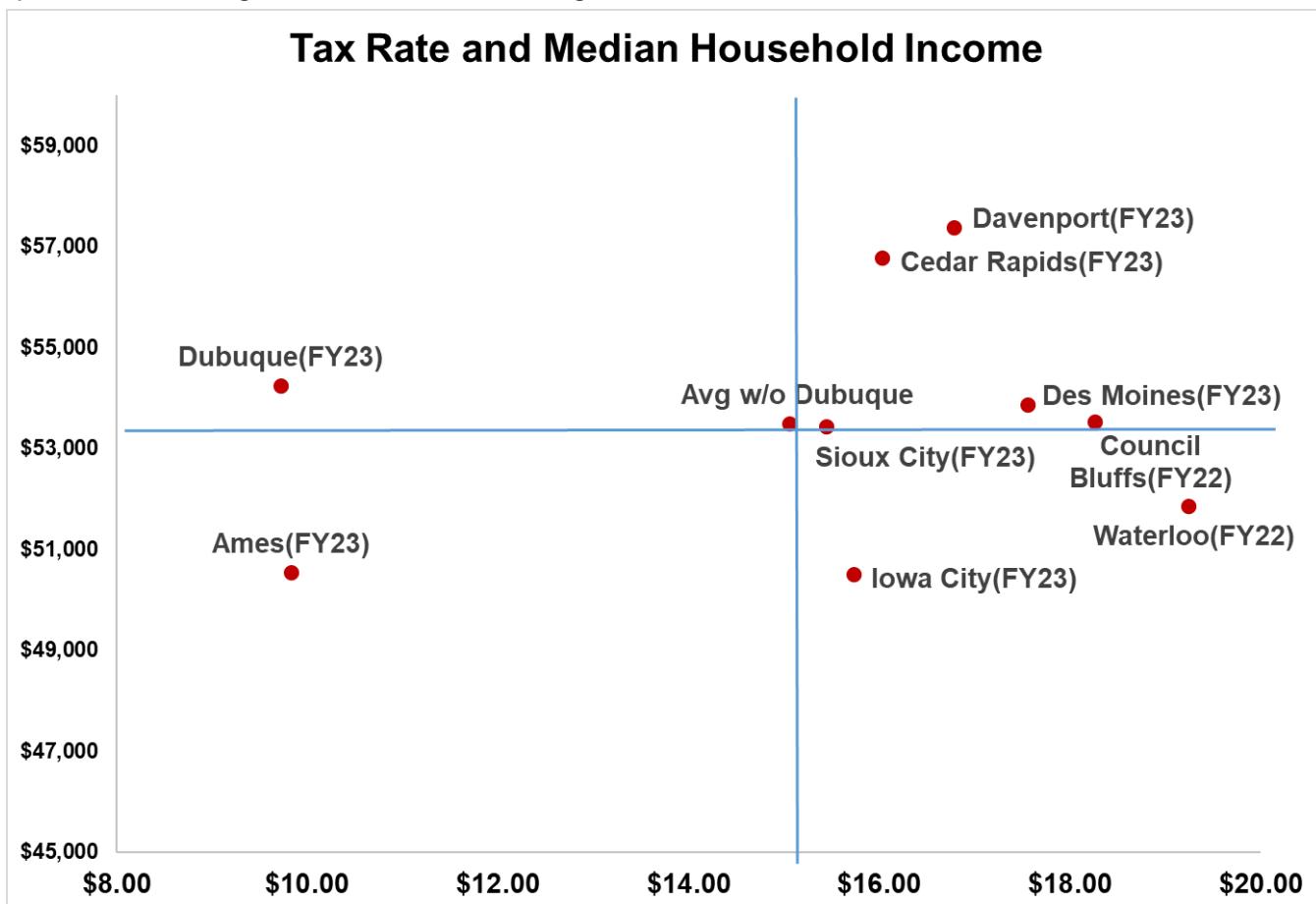


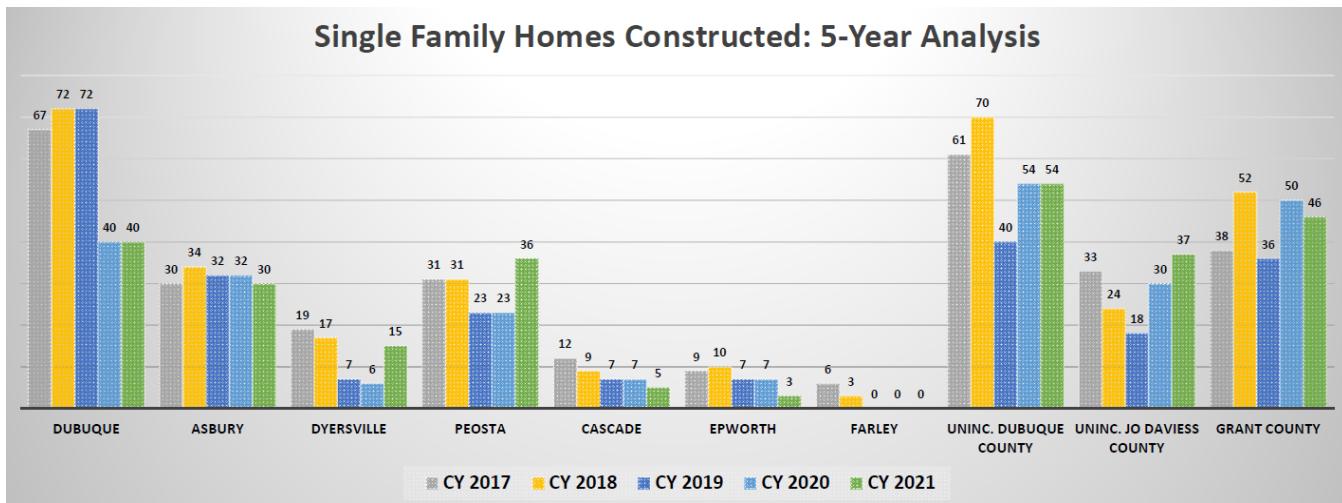
From 2010 to 2019, Dubuque had the 2nd-highest median household income annual growth rate of the 11 largest cities in Iowa. Dubuque's growth rate is 28% higher than the average of the other 10 cities and 99% higher than the lowest, Iowa City.

A comparison of median household incomes among Iowa's largest cities (excluding suburbs Ankey and West Des Moines) shows that Dubuque's median household income of \$54,234 is 7.4 higher than the lowest city (Iowa City) 1.4% higher than the average of the other cities. It is 11.6% lower than the Iowa average and 24.5% below the national average.



The graph below shows Dubuque's placement in the upper left quadrant, the preferred quadrant showing a lower tax rate and higher median household income.





Fiscal Year 2023 Recommended Personnel Changes

The Fiscal Year 2023 budget increases the full-time equivalents by 29.00 FTE, decreases part-time equivalents by 6.37 FTE, and increases seasonal equivalents by 0.42 FTE, **resulting in a net increase of 23.05 full-time equivalents.**

The following chart summarizes the personnel changes recommended in Fiscal Year 2023:

Department	Position	Type	FY 2023 Cost (Savings) Includes Benefits	FTE
Airport	Assistant FBO Supervisor	Full-Time	\$ 76,893	1.00
Airport	Line Service Worker	Part-Time	\$ (13,415)	-0.39
AmeriCorps	Community Diversion and Prevention Coordinator	Full-Time	\$ 92,051	1.00
AmeriCorps	Secretary	Full-Time	\$ 60,753	1.00
AmeriCorps	AmeriCorps Coordinator	Part-Time	\$ 6,774	0.12
City Clerk	Secretary	Full-Time	\$ 60,375	1.00
City Manager	Climate Action Coordinator	Full-Time	\$ 81,609	1.00
City Manager	Grant Analyst	Part-Time	\$ 72,999	1.00
City Manager	Data Analyst	Full-Time	\$ (76,340)	-1.00
City Manager	Secretary	Part-Time	\$ (32,207)	-0.66
Conference Center	Leisure Services Manager	Full-Time	\$ 27,484	0.15
Emergency Communications	Public Safety Dispatcher	Full-Time	\$ 76,902	1.00
Emergency Communications	Public Safety Dispatcher	Part-Time	\$ 44,960	-0.75
Engineering	Utility Locator	Full-Time	\$ 73,617	1.00
Engineering	Utility Locator	Part-Time	\$ (35,463)	-0.73
Engineering	Business Administration Intern	Seasonal	\$ 17,639	0.50
Engineering	OSHA Intern	Seasonal	\$ 9,107	0.25
Engineering	Broadband Intern	Seasonal	\$ 9,107	0.25
Finance	Finance Intern	Seasonal	\$ 8,417	0.25
Fire	Firefighter	Full-Time	\$ 414,740	4.00
Fire	Firefighter	Full-Time	\$ 275,055	3.00
Housing	Grant Program Manager	Full-Time	\$ 96,403	1.00
Housing	Family Self-Sufficiency Coordinator	Full-Time	\$ (67,431)	-1.00
Housing	Confidential Account Clerk	Full-Time	\$ 62,054	1.00

Department	Position	Type	FY 2023 Cost (Savings) Includes Benefits	FTE
Human Resources	Employee Relations Manager	Full-Time	\$ 91,715	1.00
Human Resources	HR Benefits and Payroll Specialist	Full-Time	\$ 66,015	1.00
Human Resources	Scanning Clerk - Temporary	Seasonal	\$ (21,142)	-0.50
Information Services	Help Desk Technical Support	Full-Time	\$ 67,431	1.00
Information Services	User Technology Specialist	Full-Time	\$ 73,617	1.00
Information Services	Chief Security Officer	Full-Time	\$ 113,456	1.00
Library	Maker Space Assistant	Full-Time	\$ 81,778	1.00
Library	Library Assistant	Part-Time	\$ (54,962)	-1.00
Library	Marketing Coordinator	Part-Time		-0.50
Office of Equity and Human Rights	Community Engagement Coordinator	Full-Time	\$ (98,504)	-1.00
Office of Shared Prosperity	Community Engagement Coordinator	Full-Time	\$ 98,504	1.00
Office of Shared Prosperity	Data Analyst	Full-Time	\$ 76,340	1.00
Office of Shared Prosperity	Secretary	Part-Time	\$ 32,207	0.66
Parks	Leisure Services Manager	Full-Time	\$ (27,484)	-0.15
Parks	Project Manager	Full-Time	\$ 119,949	1.00
Police	Police Patrol Officer	Full-Time		1.00
Police	Community Diversion and Prevention Coordinator	Full-Time	\$ (92,051)	-1.00
Police	Community Resource Officer	Seasonal		2.19
Public Works	Yard Waste and Snow & Ice Control	Full-Time	\$ 74,703	1.00
Public Works	Laborer	Seasonal	\$ (51,323)	-1.77
Public Works	Secretary	Part-Time	\$ 30,811	0.67
Public Works	Landfill Equipment Operator	Full-Time	\$ 73,201	1.00
Public Works	Landfill Equipment Operator	Seasonal	\$ (28,916)	-0.75
Transportation	Bus Operator	Full-Time	\$ 253,295	4.00
Transportation	Bus Operator	Part-Time	\$ (218,855)	-4.44
Transportation	Cashier	Part-Time	\$ 210,608	0.65
	FY 2023 Total		\$ 2,212,476	23.05

Since 1981, the City has minimized the number of positions added. The recommended Fiscal Year 2023 staffing changes means the City increased its full-time workforce by 5.65% since 1981. This was achieved in spite of all the new services that have been added in that time period including staff-intense activities like recycling and combined county-wide public safety dispatching. Also, the number of sworn Police Officer positions has increased by 37 over that time period.

Debt

The City will issue \$105,580,538 in new debt in the Recommended 5-year CIP, mostly for fire truck and pumper replacements, fire station expansion, road improvements, sanitary sewer improvements, additional downtown parking, and maintenance of Five Flags.

Project	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Build-out of 2nd floor Old Engine House (18th & Central)	\$ 193,000	\$ —	\$ —	\$ —	\$ —	\$ 193,000
Fire Station Expansion/Relocation	\$ —	\$ —	\$ —	\$ 887,890	\$ 3,449,550	\$ 4,337,440
Ladder Truck & Pumper Replacement/Expansion	\$ —	\$ —	\$ —	\$ 510,000	\$ —	\$ 510,000
Ambulance Replacement/Expansion	\$ 244,810	\$ —	\$ —	\$ —	\$ —	\$ 244,810
HVAC Replacement at Fire Headquarters 11 West 9th Street.	\$ 175,748	\$ 365,697	\$ —	\$ —	\$ —	\$ 541,445
Mystique Community Ice Center Settling Remediation and Building Improvements	\$ 6,300,000	\$ —	\$ —	\$ —	\$ —	\$ 6,300,000
Five Flags GDTIF	\$ 600,000	\$ 1,709,322	\$ 2,500,000	\$ —	\$ —	\$ 4,809,322
Parking Ramp Major Maintenance Repairs	\$ 245,000	\$ —	\$ —	\$ —	\$ —	\$ 245,000
New Downtown Parking Ramp - GO Debt	\$ 2,348,822	\$ 9,078,000	\$ 6,000,000	\$ —	\$ —	\$ 17,426,822
Smart Parking System - GO Debt	\$ 40,696	\$ —	\$ 15,366	\$ 173,000	\$ —	\$ 229,062
14th Overpass Design - GO Debt	\$ —	\$ 627,000	\$ —	\$ —	\$ —	\$ 627,000
Solid Waste Collection Vehicles - GO Debt	\$ —	\$ 55,000	\$ 214,269	\$ 106,000	\$ —	\$ 375,269
Sanitary Sewer Projects	\$ 5,051,897	\$ 8,839,852	\$13,346,822	\$17,047,271	\$ —	\$ 44,285,842
Stormwater Projects	\$ 2,600,000					\$ 2,600,000
Water Projects	\$ —	\$ —	\$ —	\$ 4,297,047	\$18,558,479	\$ 22,855,526
Total New Debt	\$17,799,973	\$20,674,871	\$22,076,457	\$23,021,208	\$22,008,029	\$105,580,538

The City will retire \$108,329,563 of existing debt over the next five-years (FY23-FY27).

The following chart shows the net reduction of debt from Fiscal Year 2023 - Fiscal Year 2027:

Project	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
New Debt	\$17,799,973	\$20,674,871	\$22,076,457	\$23,021,208	\$22,008,029	\$105,580,538
Retired Debt	\$-19,032,789	\$-20,843,281	\$-22,292,530	\$-23,025,346	\$-23,135,617	\$-108,329,563
Net Debt Reduction	\$-1,232,816	\$-168,410	\$-216,073	\$-4,138	\$-1,127,588	\$-2,749,025

There was a 7.32% increase in assessed value effective January 1, 2021, which is the assessment the Fiscal Year 2023 statutory debt limit is based on. The statutory debt limit effective June 30, 2023 is \$259,297,290. **The City will be at 41.06% of statutory debt limit by June 30, 2023.** In FY 17 the City was at 86.13% of statutory debt limit, so **41.06% in Fiscal Year 2023 is a 45.07% decrease in use of the statutory debt limit.**

The ten year history of the City's use of the statutory debt limit is as follows:

FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22
84.31%	83.87%	89.89%	86.13%	69.45%	63.41%	56.32%	50.22%	46.53%	43.63%

The five year projection of the City's use of the statutory debt limit from Fiscal Year 2023–2027 including all planned debt issuances subject to the statutory limit and assuming a 2% growth in the City's assessed valuation beginning in Fiscal Year 2023 is as follows:

FY 23	FY 24	FY 25	FY 26	FY 27
41.06%	40.98%	39.43%	35.19%	31.98%

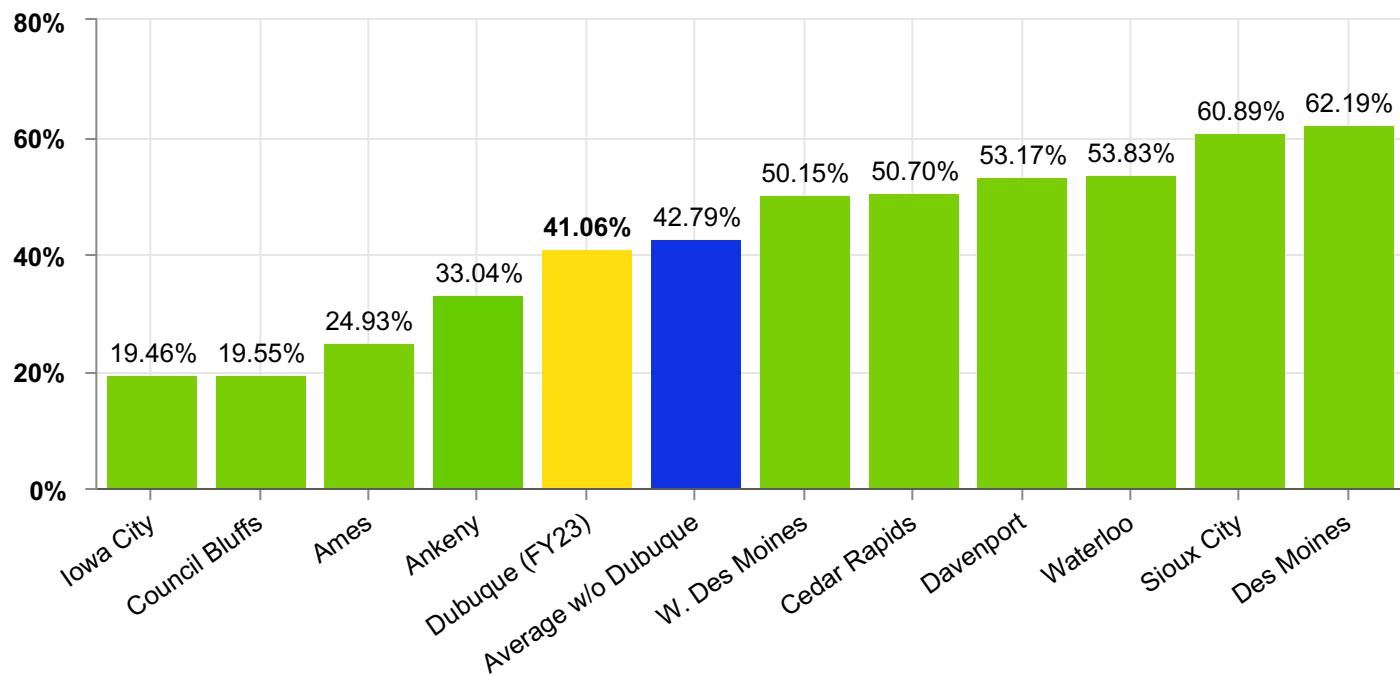
The following chart shows Dubuque's relative position pertaining to use of the statutory debt limit for Fiscal Year 2023 compared to the other cities in Iowa for Fiscal Year 2021 with a population over 50,000:

Fiscal Year 2021 Legal Debt Limit Comparison for Eleven Largest Iowa Cities

Rank	City	Legal Debt Limit (5%)	Statutory Debt Outstanding	Percentage of Legal Debt Limit Utilized
11	Des Moines	\$ 647,212,313	\$ 402,520,000	62.19 %
10	Sioux City	\$ 265,639,656	\$ 161,734,999	60.89 %
9	Waterloo	\$ 203,066,548	\$ 109,313,513	53.83 %
8	Davenport	\$ 383,418,646	\$ 203,845,000	53.17 %
7	Cedar Rapids	\$ 609,295,697	\$ 308,940,000	50.70 %
6	W. Des Moines	\$ 450,309,928	\$ 225,845,000	50.15 %
5	Dubuque (FY23)	\$ 259,297,290	\$ 106,455,755	41.06 %
4	Ankeny	\$ 337,864,308	\$ 111,645,000	33.04 %
3	Ames	\$ 251,339,811	\$ 62,654,999	24.93 %
2	Council Bluffs	\$ 274,870,338	\$ 53,728,829	19.55 %
1	Iowa City	\$ 342,894,916	\$ 66,740,000	19.46 %
Average w/o Dubuque				42.79 %

Dubuque ranks as the fifth lowest of the use of statutory debt limit of the 11 cities in Iowa with a population over 50,000 and Dubuque is below the average of the other Cities.

Percent of Legal Debt Limit Utilized

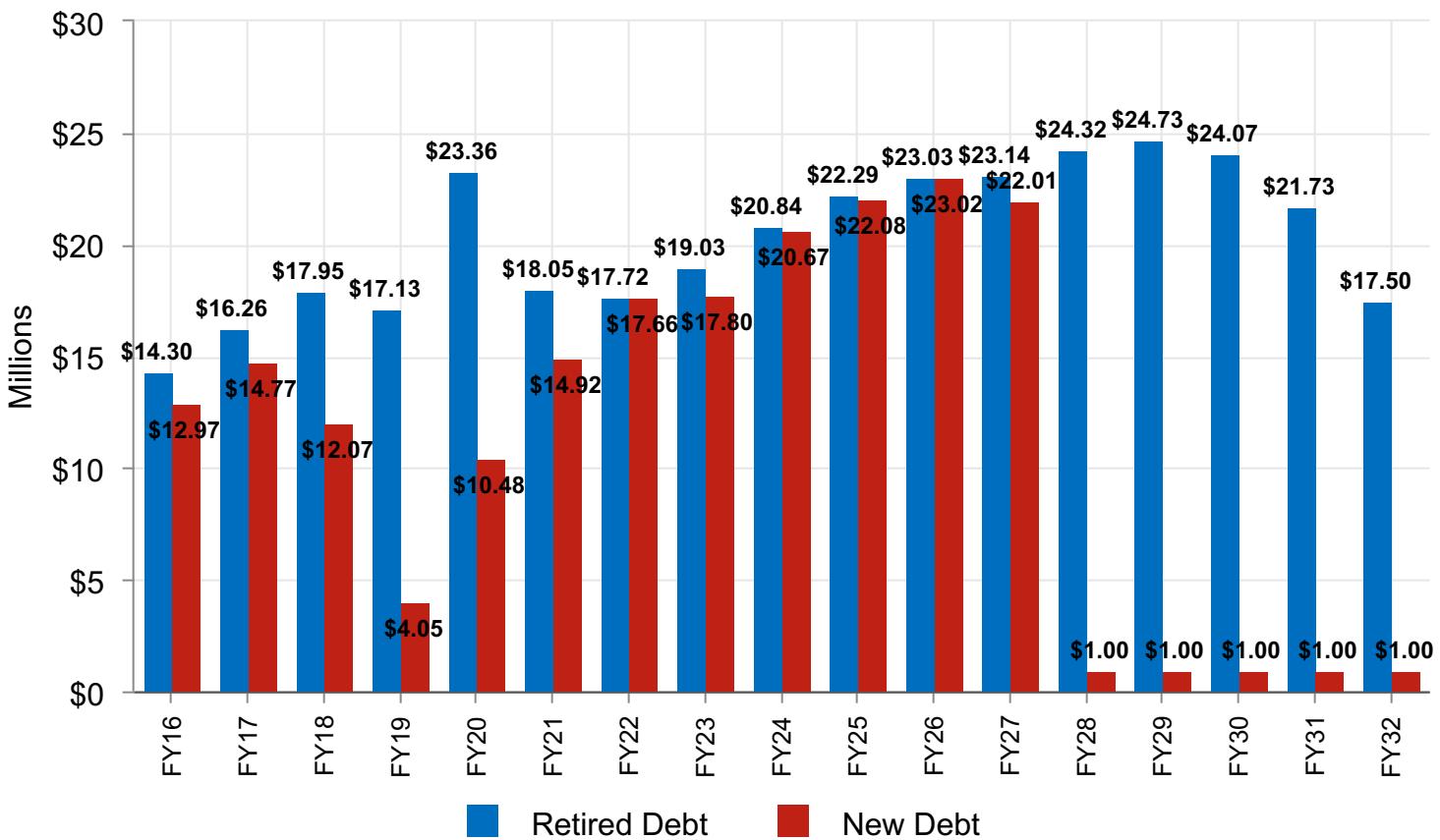


The total City indebtedness as of June 30, 2023, is projected to be 251,505,826 (41.06% of statutory debt limit). The total City indebtedness as of June 30, 2015, was \$295,561,181 (69.45% of statutory debt limit). **The City is projected to have \$44,055,355 less in debt as of June 30, 2023.**

The combination of reduced debt and increased utility rates partially reflects the movement to a more "pay as you go" strategy, which could lead to larger tax and fee increases than with the use of debt.

The following chart shows the amount of retired debt as compared to new debt. The new debt includes new debt issuances as well as draw downs on existing state revolving fund loans:

Retired Debt Versus New Debt (In Millions)

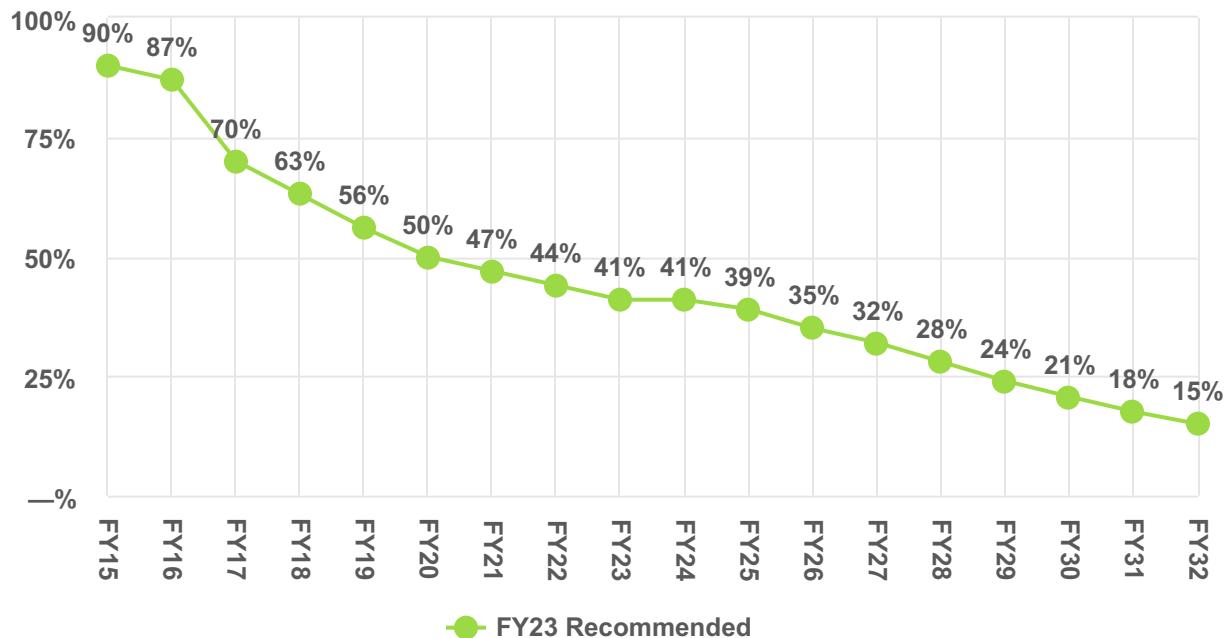


*In Fiscal Year 2020, the City had \$5,908,200 forgiven of the Bee Branch Upper Bee Branch Loan on June 30, 2020 which increased principal payments reflected.

Statutory Debt and Total Debt

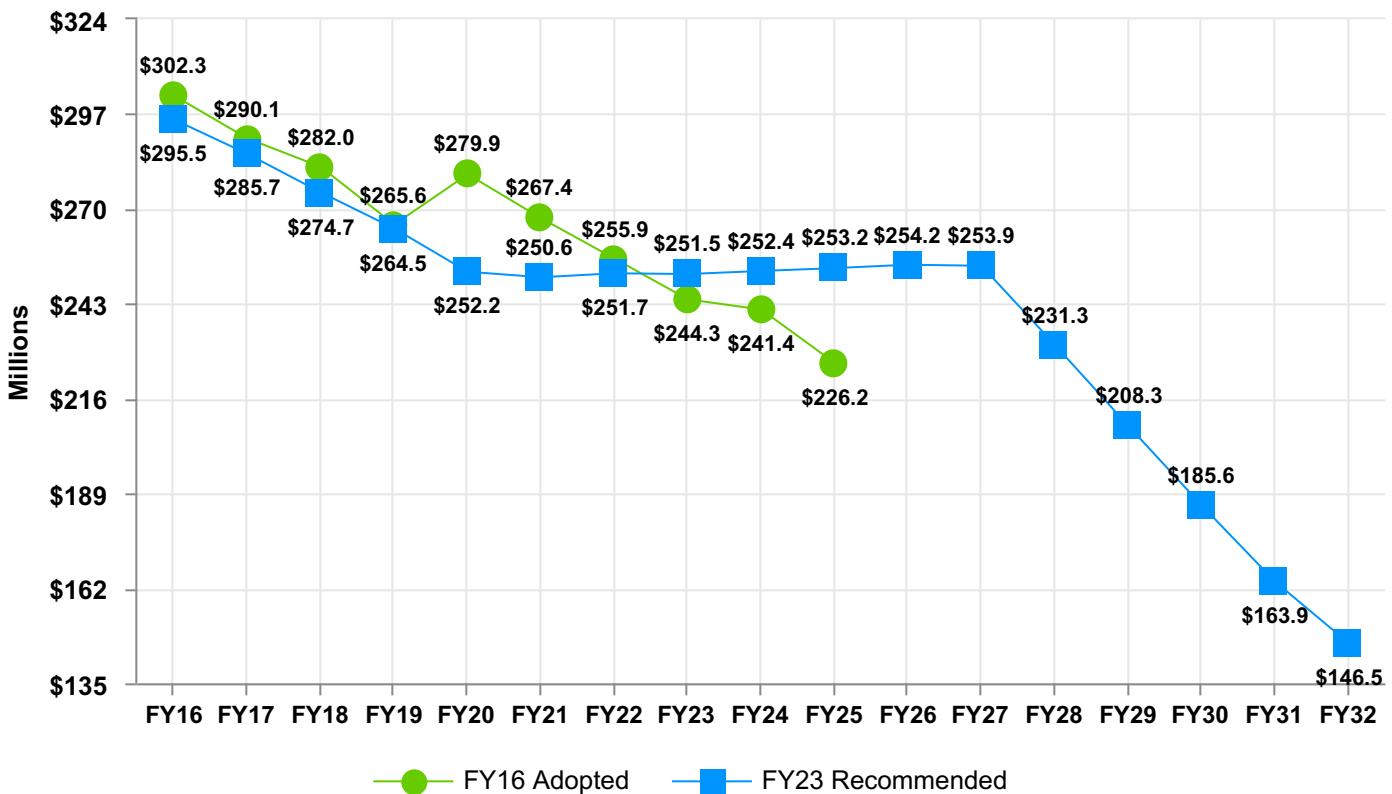
In August 2015, the Mayor and City Council adopted a debt reduction strategy which targeted retiring more debt each year than was issued by the City. The recommended FY 2023 budget will achieve that target throughout the 5-year CIP and also substantially beat overall debt reduction targets over the next five and ten-year periods. **You can see that the Mayor and City Council have significantly impacted the City's use of the statutory debt limit established by the State of Iowa. In Fiscal Year 2015, the City of Dubuque used 90% of the statutory debt limit. In this budget recommendation, the Mayor and City Council are currently reviewing for Fiscal Year 2023, the use of the statutory debt limit would be 41%, and by the end of the recommended 5-Year Capital Improvement Program (CIP) budget in Fiscal Year 2027, the City of Dubuque would be at 32% of the statutory debt limit. Projections out 10 years to Fiscal Year 2032 show the City of Dubuque at 15% of the statutory debt limit.** This is an improvement on the debt reduction plan adopted in August 2015, that first began implementation in Fiscal Year 2016.

Statutory Debt Limit Used (as of June 30th)



By the end of the Recommended 5-Year Capital Improvement Program (CIP) budget the total amount of debt for the City of Dubuque would be \$253.86 million (32% of the statutory debt limit) and the projection is to be at \$146.46 million (18% of statutory debt limit) within 10 years.

Total Debt (In Millions)



General Fund Reserves

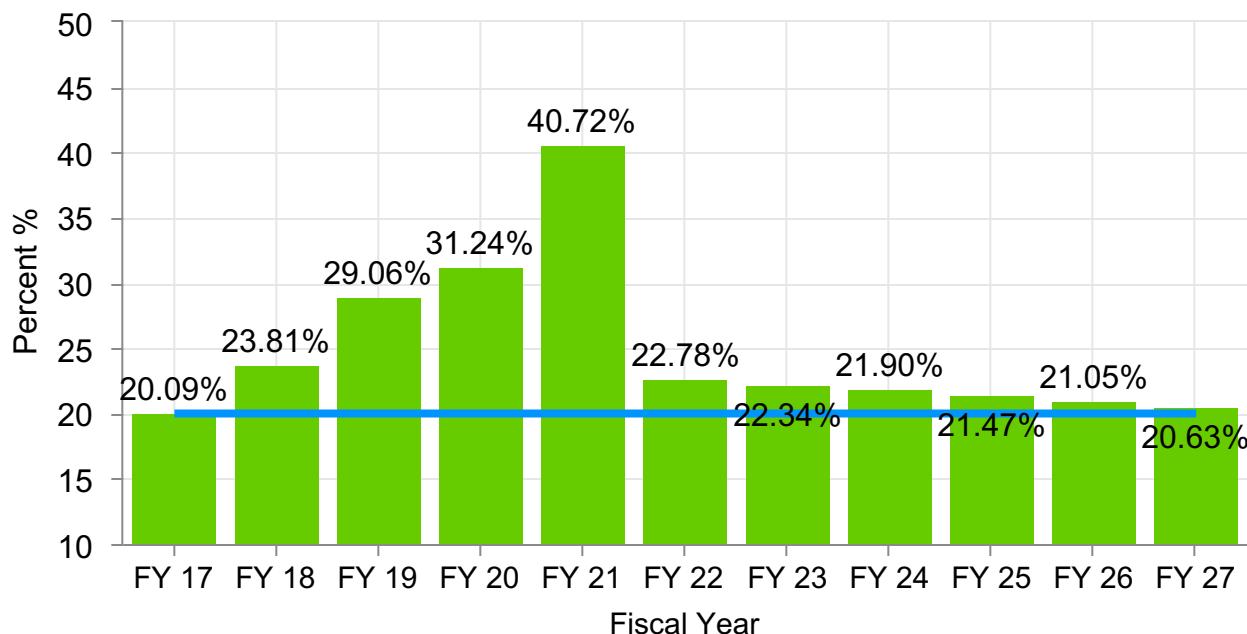
The City maintains a general fund reserve, or working balance, to allow for unforeseen expenses that may occur. Moody's Investor Service recommends a 20% General Fund Operating Reserve for "AA" rated cities. In May 2021, Moody's Investor Services upgraded the City's Water Enterprise's outstanding revenue bonds from A1 to A2 and affirmed the Aa3 credit rating on general obligation bonds. Notable credit factors include a sizable tax base, a wealth and income profile that is slightly below similarly rated peers, and increased financial position that will decline in fiscal years 2021 and 2022 and somewhat elevated debt and pension liabilities. In October 2016, Moody's Investors Service upgraded the rating on \$18 million in City of Dubuque bonds issued to support the Bee Branch Watershed Flood Mitigation Project from A3 to A2.

These credit ratings are affirmation of the sound fiscal management of the mayor and city council, put Dubuque in a strong position to capitalize on favorable financial markets, borrow at low interest rate when necessary, and make critical investments in the community.

Fiscal Year	Fund Reserve (As percent of General Fund revenues)	Reason for change from previous Fiscal Year
FY 2016	17.52%	Increase due to capital projects not expended before the end of the FY and increase in general fund revenue
FY 2017	20.09%	Increase due to capital projects not expended before the end of the FY and additional contributions to general fund reserve
FY 2018	23.81%	Increase due to capital projects not expended before the end of the FY and additional contributions to general fund reserve
FY 2019	29.06%	Increase due to capital projects not expended before the end of the FY and additional contributions to general fund reserve
FY 2020	31.24%	Increase due to freezing vacant positions and most capital projects due to the pandemic.
FY 2021	40.72%	Increase due to American Rescue Plan Act funds received (\$13.2 million), frozen positions and capital projects through Feb 2021.

In May 2021, the City sold \$29.5 million in tax-exempt general obligation bonds and \$12.5 million in taxable general obligation bonds, receiving a 1.36% rate on the non-taxable bonds and 1.62% rate on the taxable bonds. In July 2021, the City sold \$3.7 million in water revenue refunding bonds, receiving a 1.04% rate. Of the \$45.7 million in bond revenues, nearly \$41 million was used to refund previously issued debt. **The favorable interest rates secured through strong credit ratings will save the City nearly \$5 million in interest over the life of the current debt that is being refinanced.**

Fund Reserve as a Percent of General Fund Revenue



The City of Dubuque has historically adopted a general fund reserve policy as part of the Fiscal and Budget Policy Guidelines which is adopted each year as part of the budget process.

During Fiscal Year 2013, the City adopted a formal Fund Reserve Policy which states the City may continue to add to the General Fund minimum balance of 10% when additional funds are available until 20% of Net General Fund Operating Cost is reached.

After all planned expenditures in FY 2022, the City of Dubuque will have a general fund reserve of 32.47% of general fund expenses as computed by the methodology adopted in the City's general fund reserve policy on a cash basis or 22.78% percent of general fund revenues as computed by the accrual basis methodology used by Moody's Investors Service. The general fund reserve cash balance is projected to be \$22,367,646 on June 30, 2022 as compared to the general fund reserve balance on an accrual basis of \$17,743,471 as computed by Moody's Investors Service. The general fund reserve balance on an accrual basis exceeds 22% in FY 2022, which is the margin of error used to ensure the City always has a general fund reserve of at least 20% as computed by Moody's Investors Service.

In Fiscal Year 2017, the City had projected reaching this consistent and sustainable 20% reserve level in Fiscal Year 2022. **In fact, the City met the 20% reserve requirement in FY 2017, five years ahead of schedule and has sustained a greater than 20% reserve.**

	FY2023	FY2024	FY2025	FY2026	FY2027
City's Spendable General Fund Cash Reserve Fund Balance	\$17,743,471	\$17,743,471	\$17,743,471	\$17,743,471	\$17,743,471
% of Projected Revenue	22.34%	21.90%	21.47%	21.05%	20.63%

State Revolving Fund Sponsorship Projects and Green Project Loans

The City uses State Revolving Fund (SRF) loans for water and sanitary sewer projects whenever possible because of the **very low annual interest rate of 1.75% with an annual servicing fee of 0.25%**.

In 2009, legislation was passed in Iowa that allows water utilities that issue debt through the Clean Water State Revolving Fund Program to sponsor and help finance other water quality improvement (CWSRF) projects within or outside its service limits. This new funding mechanism, called Water Resource Restoration Sponsored Projects, will provide cities, counties, local watershed organizations, watershed management authorities, county conservation boards, and soil and water conservation districts a funding source to construct improvements throughout a watershed that keep sediment, nutrients, chemicals and other pollutants out of streams and lakes.

Repayment of a standard Clean Water SRF (CWSRF) loan includes the repayment of the original loan amount, the principal, and the cost to finance the loan, interest, and fees. On a CWSRF loan with a sponsored project, the financing costs are reduced by the amount of the cost of the sponsored project improvements. Figure 1 shows a comparison between a standard CWSRF loan and a CWSRF loan with a sponsorship project. As shown, the total cost to the utility (the total of loan repayments) remains unchanged as the cost of funding for the sponsorship project is offset by a reduction in loan financing costs. In essence, two water quality projects are completed for the price of one.

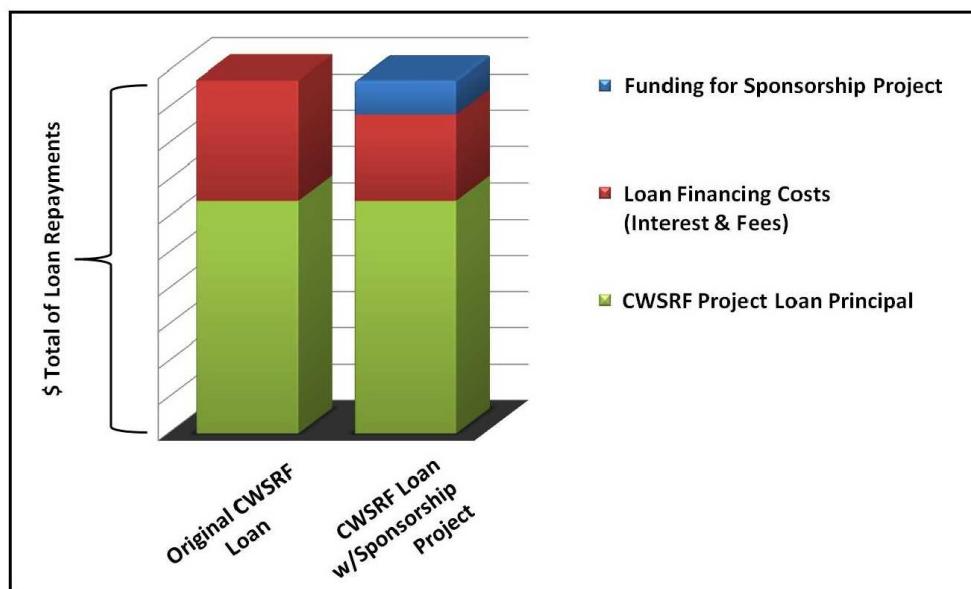


Figure 1. Loan repayment comparison between a standard CWSRF loan and a CWSRF loan with a sponsorship project.

After three years of the State of Iowa being unsuccessful in completing one of these modified loans, the City of Dubuque had the first successful application for the state when, in April 2013, the City was awarded \$9.4 million of the interest paid on the Water and Resource Recovery Center to be used to reconstruct over 70 Green Alleys in the Bee Branch Watershed. The principal for the Water & Resource Recovery Center Upgrade was increased from \$64,885,000 to \$75,145,579 and the interest rate plus annual servicing fee was decreased from 3.25% to 2.00% to add the Green Alley sponsorship project. This

reduction allowed for increased proceeds **and resulted in a true interest cost of 1.96% and gross borrowing savings of \$11.4 million.**

The Federal Fiscal Years 2010, 2011, and 2012 State Revolving Fund capitalization grants included requirements for certain percentages of the funds to be allocated for green projects. Each green infrastructure project receives a portion of loan forgiveness not to exceed 30%. In June 2015, the City of Dubuque Upper Bee Branch Creek Restoration Project (Upper Bee Branch Project) qualified for a Green Project Loan from the CWSRF Program in the amount of \$29,541,000. The loan includes a principal forgiveness provision. The amount of the loan to be forgiven is 20% of the total loan disbursements made under the loan agreement. **The amount of the loan that was forgiven in June 2020 was \$5,908,200. The actual true interest cost for total funds received was not the 2.00% borrowing rate (1.75% interest and 0.25% administrative fee), but just 0.07% after reflecting the receipt of interest free funds (forgiven portion).**

Then, in August 2017, the City was awarded \$1.4 million in funding for improvements with the Catfish Creek Watershed through the State of Iowa Water Resource Restoration Sponsored Project program as part of the City State Revolving Fund loan for the Upper Bee Branch Creek Restoration Project. The funding for the \$1.4 million in improvements will come from the interest payments on the City's Upper Bee Branch SRF loan. The Upper Bee Branch Creek SRF loan principal was increased to \$30,941,000 and **the interest rate plus the annual servicing fee was reduced from 2.00% to 1.43%. On a gross basis, the borrowing costs for the new loan were \$1.38 million less than the original loan.**

In May 2018, the City was awarded \$1.0 million in funding for pervious green alley improvements with the Bee Branch Creek and Catfish Creek Watersheds through the State of Iowa Water Resource Restoration Sponsored Project program as part of the City State Revolving Fund loan for the Upper Bee Branch Creek Railroad Culverts Project. The funding for the \$1.0 million in improvements will come from the interest payments on the City's Upper Bee Branch Railroad Culvert SRF loan. The Upper Bee Branch Creek Railroad Culvert SRF loan principal was increased to \$17,387,000 and **the interest rate plus the annual servicing fee was reduced from 2.00% to 1.43%. On a gross basis, the borrowing costs for the new loan were \$1.05 million less than the original loan.**

In February 2019, the City was awarded \$276,300 in funding for Eagle Point Park Environmental Restoration through the State of Iowa Water Resource Restoration Sponsored Project program as part of the City State Revolving Fund loan for the Kerper Boulevard Sanitary Sewer Project. The funding for the \$276,300 in improvements will come from the interest payments on the City's Kerper Boulevard Sanitary Sewer SRF loan. The Iowa Finance Authority now requires that sponsorship projects are included in the initial loan amount so that the repayment schedule does not have to be adjusted. **On a gross basis, the borrowing costs for the new loan were \$278,000 less than if there was not a sponsorship project included.**

City Utilities

The water rate increase recommendation is 5.00%, the sanitary sewer rate increase recommendation is 9.00%, and the solid waste collection recommendation is no increase.

The following are the utility rate comparisons for other cities in the State of Iowa:

RATES AND COMPARISONS

Water Rate Comparison for Largest Iowa Cities with Water Softening

Rank	City	Water Rate (6,000 Gallons/ residence avg.)
7	West Des Moines (FY23)	\$41.67
6	Des Moines (FY23)	\$37.76
5	Cedar Rapids (FY23)	\$37.07
4	Iowa City (FY23)	\$35.01
3	Ames (FY23)	\$34.42
2	Dubuque (FY23)	\$33.18
1	Council Bluffs (FY23)	\$29.67
	Average w/o Dubuque	\$35.93

Dubuque's water is some of the best in the world with the SECOND LOWEST rate! The highest rate (West Des Moines (FY23)) is 25.59% higher than Dubuque's rate, and the average is 8.30% higher than Dubuque.

Sanitary Sewer Rate Comparison for Eleven Largest Iowa Cities

Rank	City	Sanitary Sewer Rate (Based on 6,000 Gallons/month)
11	Davenport (FY23)	\$66.75
10	Ankeny (FY22)	\$57.79
9	Des Moines (FY23)	\$53.22
8	Dubuque (FY23)	\$47.42
7	West Des Moines (FY22)	\$41.68
6	Sioux City (FY22)	\$40.02
5	Iowa City (FY22)	\$36.08
4	Ames (FY22)	\$35.26
3	Cedar Rapids (FY22)	\$32.51
2	Council Bluffs (FY23)	\$31.94
1	Waterloo (FY22)	\$31.64
	Average w/o Dubuque	\$42.69

Dubuque has the EIGHTH LOWEST rate. The highest rate (Ankeny (FY22)) is 40.76% higher than Dubuque's rate, and the average is 9.98% lower than Dubuque.

Solid Waste Collection Rate Comparison for Eleven Largest Iowa Cities

Rank	City	Solid Waste Monthly Rate
11	Cedar Rapids (FY22)	\$22.53
10	Council Bluffs (FY22)	\$20.00
9	Ames (FY22)	\$16.50
8	Sioux City (FY22)	\$15.55
7	Dubuque (FY23)	\$15.38
6	Des Moines (FY22)	\$14.56
5	Waterloo (FY22)	\$14.00
4	Davenport (FY22)	\$13.81
3	West Des Moines (FY22)	\$12.56
2	Ankeny (FY22)	\$12.45
1	Iowa City (FY22)	\$12.00
	Average w/o Dubuque	\$15.40

Dubuque has the SEVENTH LOWEST rate. The highest rate (Cedar Rapids (FY22)) is 46.49% higher than Dubuque's rate, and the average is 0.10% higher than Dubuque.

Stormwater Rate Comparison for the Largest Iowa Cities with Stormwater Fees

Rank	City	Stormwater Rate
10	Des Moines (FY23)	\$15.49
9	Dubuque (FY23)	\$9.00
8	Cedar Rapids (FY23)	\$7.62
7	West Des Moines (FY23)	\$6.90
6	Ankeny (FY23)	\$6.50
5	Ames (FY23)	\$5.20
4	Iowa City (FY23)	\$5.00
3	Waterloo (FY23)	\$4.75
2	Davenport (FY23)	\$3.06
1	Sioux City (FY23)	\$2.80
	Average w/o Dubuque	\$6.37

Dubuque has the second highest rate. The highest rate (Des Moines (FY23)) is 72.11% higher than Dubuque's rate, and the average is 29.23% lower than Dubuque.

Improvement Packages

There were 159 improvement level decision packages requested in Fiscal Year 2023, of which 128 are being recommended for funding. This budget recommendation funds \$2,106,011 for annually recurring and \$907,872 for non-recurring improvement packages in the General Fund. FY2022 General Fund operating budget savings and increased revenue over projections are being used to fund the non-recurring improvement packages in the General Fund. the non-recurring improvement packages recommended. The remaining improvement packages recommended for funding from non-property tax support total \$1,658,228.

A portion of the recommended recurring improvement packages include new positions:

- Full-time Assistant FBO Supervisor at the Airport to ensure supervisory coverage for the Fixed Base Operations (FBO).
- Full-Time Secretary in AmeriCorps to assist as part of the creation of the new division.
- Full time Secretary in City Clerk's Office to serve as the main point of contact for all public inquiries.
- Full-Time Climate Action Coordinator in the City Manager's Office dedicated to implementing the 50% by 2030 Community Action and Resiliency Plan.
- Full-Time Grant Analyst in the City Manager's Office to address the continued need for grant management.
- Full-Time Public Safety Dispatcher in Emergency Communications to cover forty hours of current part-time hours.
- Full-Time Utility Locator in Engineering to address the growing demand for locating buried City utilities.
- Seasonal Business Administration Intern in Engineering to assist the administrative staff with an ever growing workload.
- Seasonal OSHA Intern in Engineering to update and customize the current department Construction Safety Manual.
- Seasonal Broadband Intern in Engineering to assist Traffic Operations Center staff with populating a database of broadband infrastructure.
- Seasonal Finance Intern to assist with large projects and ongoing work.
- Four Full-Time Firefighters to increase the number of personnel per shift, resulting in the ability to increase minimum staffing to 24 personnel each day, thereby staffing a third full-time ambulance crew.
- Three Full-Time Firefighters to increase the available personnel to cover various leave requirements and help reduce the need for overtime.
- Full-Time Confidential Account Clerk in Housing to help with administrative duties of the department.
- Full-Time Help Desk Technical Support in Information Services to provide assistance for the implementation of e-mail for additional users, help in implementation of MFA for all, help address the need for backlog of service request tickets, aid in monthly on-boarding for technology additional WebQA user and backend support.
- Full-Time User Technology Specialist in Information Services to provide ERP support.
- Full-Time Chief Security Officer in Information Services to help improve cybersecurity, manage the on-going complexity of threats, and manage the network infrastructure (fiber, switches, routers).
- Full-Time maker Space Assistance at the Library to provide full-time coverage for Maker's Space.
- Full-Time Patrol Officer in Police added as part of the 20 officers by 2022.
- Seasonal Community Resource Officers in Police to help continue the success the program has had in both the value to the public and as a recruiting tool for the department.
- Full-Time Sanitation Driver in Public Works added due to the increase in lane miles to plow and employee turnover rate.
- Part-Time Secretary in Public Works added to help with coverage issues during lunch, vacation, and sick leave.
- Full-Time Landfill Equipment Operator in Public Works to support operations in the Agency's Regional Collection Center.

- Four Full-Time Bus Operators in Transportation Services to minimize employee turnover, associated cost, and offer more consistency in schedules for citizens.

State-Funded Backfill on Commercial and Industrial Property Tax

Commercial and Industrial property taxpayers previously were taxed at 100% of assessed value; however, due to property tax reform legislation in Fiscal Year 2013, a 95% rollback factor was applied in Fiscal Year 2015 and a 90% rollback factor will be applied in Fiscal Year 2016 and each year beyond. The State of Iowa committed to backfill the loss in property tax revenue from the rollback and the backfill 100% in Fiscal Year 2015 through Fiscal Year 2017 and then the backfill was capped at the Fiscal Year 2017 level in Fiscal Year 2018 and beyond.

Senate File 619 was signed into law by Governor Reynolds on June 16, 2021. The Bill provides that beginning with the FY 2023 payment, the General Fund standing appropriation for commercial and industrial property tax replacement for cities and counties will be phased out in four or seven years, depending on how the tax base of the city or county grew relative to the rest of the state since FY 2014. Cities and counties where the tax base grew at a faster rate than the statewide average from FY 2014 through FY 2021 will have the backfill phased out over a four-year period from FY 2023 to FY 2026, while those that grew at a rate less than the statewide average will have the backfill phased out over a seven-year period from FY 2023 to FY 2029. The City of Dubuque's tax base grew at a rate less than the statewide average and will have a backfill phase out over a seven year period from FY 2023 to FY 2029. **Beginning in FY 2023, the backfill will be eliminated over a seven year period.**

The projected reduction of State backfill revenue to the general fund is as follows:

Fiscal Year	State Backfill Reduction
2023	\$ 113,840
2024	\$ 113,840
2025	\$ 113,840
2026	\$ 113,840
2027	\$ 113,840
Total	\$ 569,200

Local Option Sales Tax

The Iowa Department of Revenue released the Fiscal Year 2022 Local Option Sales Tax estimated payments in the Fall of 2021. In addition, the City received the annual reconciliation payment for Fiscal Year 2021 in November 2021 in the amount of \$1,610,103. This is the largest reconciliation payment that the City of Dubuque has ever received. The Iowa Department of Revenue has indicated that the reconciliation payment for Dubuque was large because the total LOST receipts for FY21 for Dubuque County exceeded their estimates. This was the case in quite a few Iowa counties in FY21. The law change that was effective July 1, 2019 which required remote sellers that exceed a certain sales revenue to charge Iowa sales tax, including local option sales tax, the same as retailers with a physical presence in Iowa. This law change most likely played a role in the increased LOST receipts in FY20 and FY21. The reconciliation payment is only evidence of receipts exceeding the Iowa Department of

Revenue's estimates. The year-to-year increase in total Local Option Sales Tax receipts would be more illustrative of the actual impact of the online sales tax law changes.

The Iowa Department of Revenue does not have data on actual online sales because those sales are reported by retailers in the same manner as in-person sales. The Iowa Department of Revenue has done some work in try to estimate the impact of collections from online sales, and it is apparent their estimates of the impact from Senate File 2417 in 2018 have been surpassed by actual receipts, but they do not have firm data to support that.

By resolution, 50% of sales tax funds must be used in the General Fund for property tax relief in FY 2023. Sales tax receipts are projected to increase 13.52% (\$1,548,885) over FY 2022 budget and 3.00% over FY 2022 actual of \$5,625,145 based on FY 2022 revised revenue estimate which includes a reconciliation payment from the State of Iowa of \$1,610,103 received in November 2021, increase 3.00% percent to calculate the FY 2023 budget, and then increase at an annual rate of 2.00% percent per year beginning in FY 2024. The following chart shows the past four years of actual sales tax funds and projected FY 2023 for the General Fund:

Sales Tax Funds	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
PY Q4	\$ 366,087	\$ 355,027	\$ 380,549	\$ 419,551	\$ 490,875
Quarter 1	\$ 1,066,816	\$ 1,124,105	\$ 1,252,896	\$ 1,361,526	\$ 1,592,986
Quarter 2	\$ 1,098,596	\$ 1,149,881	\$ 1,274,904	\$ 1,425,968	\$ 1,668,383
Quarter 3	\$ 1,031,606	\$ 971,871	\$ 1,072,643	\$ 1,211,388	\$ 1,417,324
Quarter 4	\$ 700,312	\$ 700,312	\$ 761,097	\$ 950,069	\$ 1,111,581
Reconciliation	\$ 217,699	\$ 219,332	\$ 839,102	\$ 945,466	\$ 222,240
Total	\$ 4,481,116	\$ 4,520,528	\$ 5,581,191	\$ 6,313,968	\$ 6,503,389
% Change	+3.92%	+0.87%	+23.46%	+13.13%	+3.00%

Gaming Revenue

Gaming revenues generated from lease payments from the Dubuque Racing Association (DRA) are estimated to increase \$2,283,319 from \$5,229,358 in FY 2022 to \$7,512,677 in FY 2023 based on an amended lease with the Dubuque Racing Association for the lease of the Q Casino.

On December 14, 2021, an amended lease took effect with the Dubuque Racing Association for lease of the Q Casino. This lease amendment raised the lease payment from 1% of coin-in to 1.5% of coin-in. The amendment increased the amount retained by the DRA for the operating budget reserve from 5% to 10%. The lease amendment eliminates the \$10,000 per month DRA payment to the Depreciation and Improvement Fund for facility maintenance. In addition, In addition, the distribution of net profit is now split three ways between the City, charities, and the Schmitt Island Master Plan Implementation from a two-way split between the City and charities. The amended lease has an expiration date of December 31, 2036.

In calendar year 2021, gross gaming revenues were up 43.0% for the DRA and the Diamond Jo was up 52.1% as compared to calendar year 2020. As compared to calendar year 2019, gross gaming revenues were up 8.3% for the DRA and the Diamond Jo was up 8.4%. In

calendar year 2021, the DRA showed increases in hotel room revenue, food and beverage sales, and other revenue as compared to calendar year 2020

The Iowa Legislature passed Sports Betting Legislation in June 2019. DRA started Retail (On-Site) on August 27, 2019 with Mobile Wagering starting on November 12, 2019. Diamond Jo Casino partnered with Betfair Interactive US LLC (FanDuel Sportsbook) and they started Sports Betting Retail in September 2019 and Mobile Wagering in September 2020. DRA had \$761,860 in Sports Book revenue and \$10,764,497 in Sports Betting handle during 2021. With an amended lease, the City began receiving 0.5% of the handle from Sports Betting in FY 2021.

The current Dubuque market is approximately \$130 million annually in 2021 up from the \$88 million market in 2020 and up from the \$120 million market in 2019. DRA share of the market was 41.2% in 2021 and 41.2% in 2019. The DRA has projected a -5.2% decrease in gross gaming revenue for calendar year 2022. The DRA projects Sports Betting revenue in 2022 of \$943,709. The DRA gaming projections include minimal growth in revenues over the next five years with a growth rate of 1.5% in FY 2023, a growth rate of 1.0% in FY 2024 and beyond.

During 2019, Illinois passed legislation regarding six additional casinos, Sports Betting and increased Video Lottery Terminals (VLT) through the state. The casino license issued for Rockford will be the closest. The Rockford City Council voted on October 7, 2019 to certify the Hard Rock Casino as the city's choice for a new casino. On November 10, 2021, Hard Rock Casino Rockford opened its temporary casino which includes 635 slot machines and Electronic Table Games. The Hard Rock Casino plans construction of a permanent \$310M casino and hotel. Construction will last approximately 18 to 24 months with a projected opening date of late summer 2023.

Ho-Chunk Nation is planning to break ground in the spring of 2022 on the construction of \$405 million casino and hotel resort in Beloit Wisconsin pending final federal approval. Construction will last approximately 18 to 24 months.

Multi-Residential Property Tax Classification

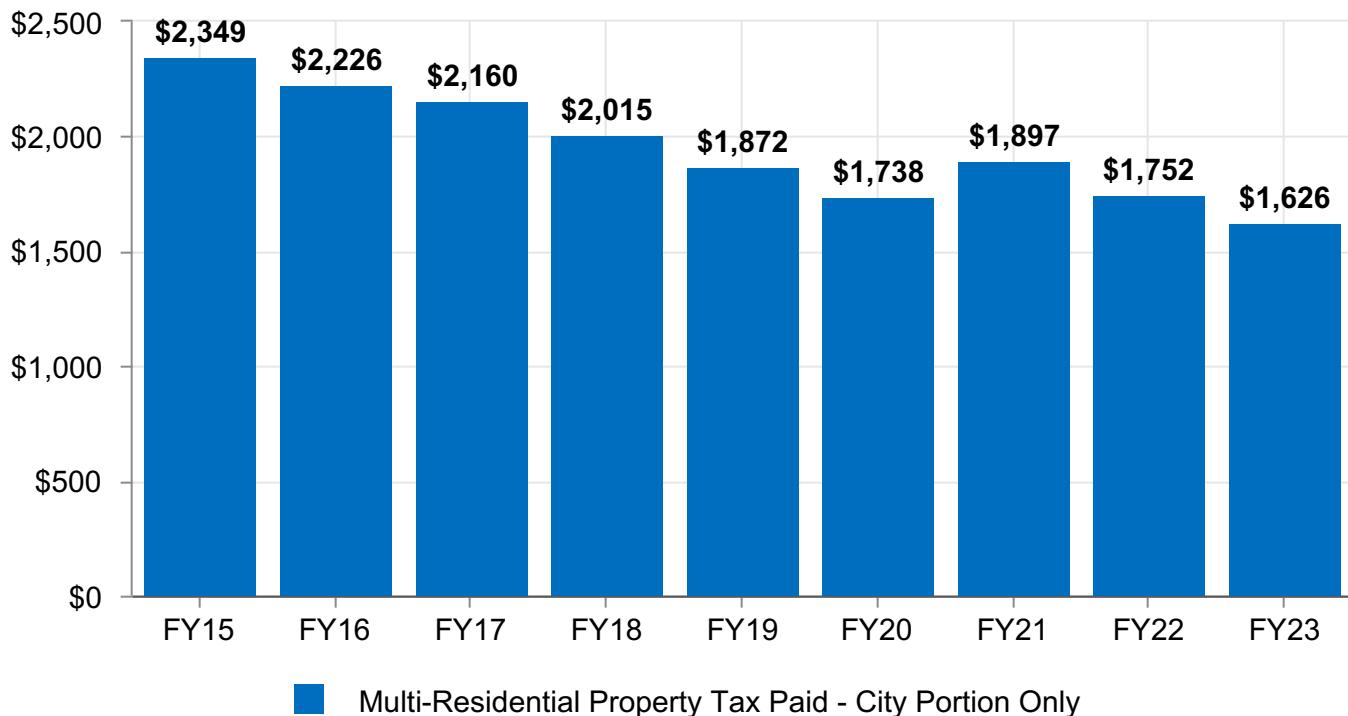
Beginning in Fiscal Year 2017 (July 1, 2016), new State legislation created a new property tax classification for rental properties called multi-residential, which requires a rollback, or assessment limitations order, on multi-residential property which will eventually equal the residential rollback. Multi-residential property includes apartments with three or more units. Rental properties of two units were already classified as residential property. The State of Iowa will not backfill property tax loss from the rollback on multi-residential property. The rollback will occur as follows:

Fiscal Year	Rollback %	Annual Loss of Tax Revenue
FY 2017	86.25%	\$331,239
FY 2018	82.50%	\$472,127
FY 2019	78.75%	\$576,503
FY 2020	75.00%	\$691,640
FY 2021	71.25%	\$952,888
FY 2022	67.50%	\$752,366
FY 2023	63.75%	\$662,821
FY 2024	54.13%	\$1,250,460
Total		\$5,690,044

*54.13% = Current residential rollback

This annual loss in tax revenue of \$752,366 in FY 2022 and \$1,250,460 from multi-residential property when fully implemented in FY 2024 will not be backfilled by the State. From Fiscal Year 2017 through Fiscal Year 2024 the City will lose \$5,690,044 in total, meaning landlords will have paid that much less in property taxes. The state did not require landlords to charge lower rents or to make additional investment in their property.

**Multi-Residential Property Tax
Based on Average Assessed Value \$262,418**

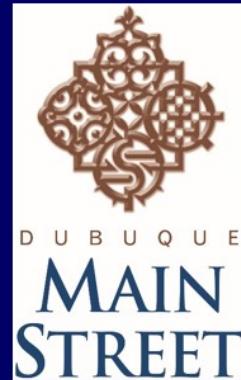


Health Insurance

The City portion of health insurance expense is projected to increase from \$1,086 per month per contract to \$1,119 per month per contract (based on 588 contracts) in FY 2023 (general fund cost of \$326,125). The City of Dubuque is self-insured, and actual expenses are paid each year with the City only having stop-loss coverage for major claims. In FY 2017, The City went out for bid for third party administrator and the estimated savings has resulted from the new contract and actual claims paid with there being actual reductions in cost in FY 2018 (19.42%) and FY 2019 (0.35%). In addition, firefighters began paying an increased employee health care premium sharing from 10% to 15% and there was a 7% increase in the premium on July 1, 2018. During FY 2019, the City went out for bid for third party administrator for the prescription drug plan there has been savings resulting from the bid award. Fiscal Year 2022 projections include additional prescription drug plan savings of \$219,256. Based on FY 2022 actual experience, Fiscal Year 2023 is projected to have a 5.62% increase in health insurance costs. Estimates for FY 2024 were increased 5.62%; FY 2025 were increased 5.62%; FY 2026 were increased 5.62%; and FY 2027 were increased 5.62%.

Downtown Revitalization**Downtown Revitalization**

Improvement	1985 through December 2021	% since 2000
New Construction	\$263 million	92%
Building Rehabilitation	\$479 million	92%
Real Estate Sales	\$204 million	78%
Public Improvements	\$154 million	95%
Net New Jobs	+4,159	69%
Total Improvements:	\$896 million	93%

Government Transparency

Staff conducted community outreach with Balancing Act using print and digital marketing and presentations.

- **October:** Point Neighborhood Association.
- **November:** The City Manager hosted an evening hybrid public budget input meeting. Participants could attend in person at the City Council Chambers or by phone or computer using GoToMeeting.
- **November:** City staff participated in Civic Leadership and City Life presentations on the budget process and attendees had the opportunity to prioritize real City projects.

A total of 30 community members attended budget presentations. There have been 106 page views of the Balancing Act budget simulator tool and 3 budgets have been submitted by the public as of January 29, 2022. The input provided will be analyzed by City staff and evaluated by the City Manager for inclusion in the Fiscal Year 2023 budget recommendation as deemed appropriate.

Open Budget

URL: www.dollarsandcents.cityofdubuque.org

During Fiscal Year 2016, the City launched a web based open data platform. The City of Dubuque's Open Budget application provides an opportunity for the public to explore and visually interact with Dubuque's operating and capital budgets. This application is in support of the five-year organizational goal of a financially responsible city government and high-

performance organization and allows users with and without budget data experience, to better understand expenditures in these categories.

Open Expenses

URL: <http://expenses.cityofdubuque.org/>

During Fiscal Year 2017, an additional module was added to the open data platform which included an interactive checkbook which will allow residents to view the City's payments to vendors. The final step will be adding performance measures to the open data platform to allow residents to view outcomes of the services provided by the City.

Balancing Act

URL: <http://bit.ly/fy22budgetsim>

During Fiscal Year 2019, the City of Dubuque launched a new interactive budget simulation tool called Balancing Act. The online simulation invites community members to learn about the City's budget process and submit their own version of a balanced budget under the same constraints faced by City Council, respond to high-priority budget input questions, and leave comments.

Taxpayer Receipt

URL: <http://bit.ly/taxpayerreceipt>

During Fiscal Year 2019, the City launched an online application which allows users to generate an estimate of how their tax dollars are spent. The tool uses data inputted by the user such as income, age, taxable value of home, and percentage of goods purchased within City limits. The resulting customized receipt demonstrates an estimate of how much in City taxes the user contributes to Police, Fire, Library, Parks, and other city services. This tool is in support of the City Council goal of a financially responsible and high-performance organization and addresses a Council-identified outcome of providing opportunities for residents to engage in City governance and enhance transparency of City decision-making.

Conclusion

If the City Council approves the budget recommendation, it will support continued investment in people, businesses and organizations that are making a difference in our community, and continued investment in the infrastructure that must exist for Dubuque to continue to thrive.

The adopted resolution for maximum property tax dollars in FY2023 is \$26,378,389 (increased by City Council from the staff recommendation of \$26,136,666). The maximum property tax dollars excludes the debt service levy of \$68,771. The maximum property tax dollars recommendation is a 1.74% increase as compared to the FY2022 property tax dollars.

This budget recommendation fits the original tax levy recommendation that was submitted, however I respect the Mayor and City Council's establishment of a higher property tax rate creating more flexibility as you go through the budget process.

Budget Message

There will be seven City Council special meetings prior to the adoption of the FY 2023 budget before the state mandated deadline of March 31, 2022. I want to thank Director of Finance and Budget Jennifer Larson, Assistant City Manager Cori Burbach, Assistant Public Works Director Arielle Swift, Budget/Financial Analyst Nathan Kelleher, Budget/Financial Analyst Jason Clasen, Public Information Officer Randy Gehl, Confidential Account Clerk Ella Lahey, Executive Assistant Stephanie Valentine, and Communications Specialist Kristin Hill, for all their hard work and dedication in preparation of this budget recommendation.



Michael C. Van Milligen
City Manager

MCVM:jml