

Johnson County FY2021 Budget Hearing

March 9, 2020
5:30 p.m.

JOHNSON COUNTY MISSION:

To enhance the quality of life for the people of Johnson County by providing exceptional public services in a collaborative, responsive and fiscally accountable manner.



OVERVIEW

1. 2019 County Highlights
2. Property taxes paid by class and taxable value growth
3. Tax Increment Financing (TIF) – bonding/debt strategy
4. Highlights of the FY 21 County budget
5. Conservation bond levy and projects
6. Estimated FY 21 property tax bills for selected tax districts



2019 COUNTY HIGHLIGHTS

Hoover Trail construction along Ely Road
Mehaffey Bridge Trail construction



2019 COUNTY HIGHLIGHTS

- Purchased land for the GuideLink Center (\$1,340,000)
- Provided support to 36 community partners, including local non-profits, social service providers & other local governments (\$3,622,455)
- Contributed funding for local affordable housing efforts (\$654,800)
- Relocated County Attorney's Office to MidWestOne building (\$717,611)



2019 COUNTY HIGHLIGHTS

AME Building is LEED Gold certified and operates nearly 70 percent more efficiently than required by code



Photos courtesy of OPN Architects

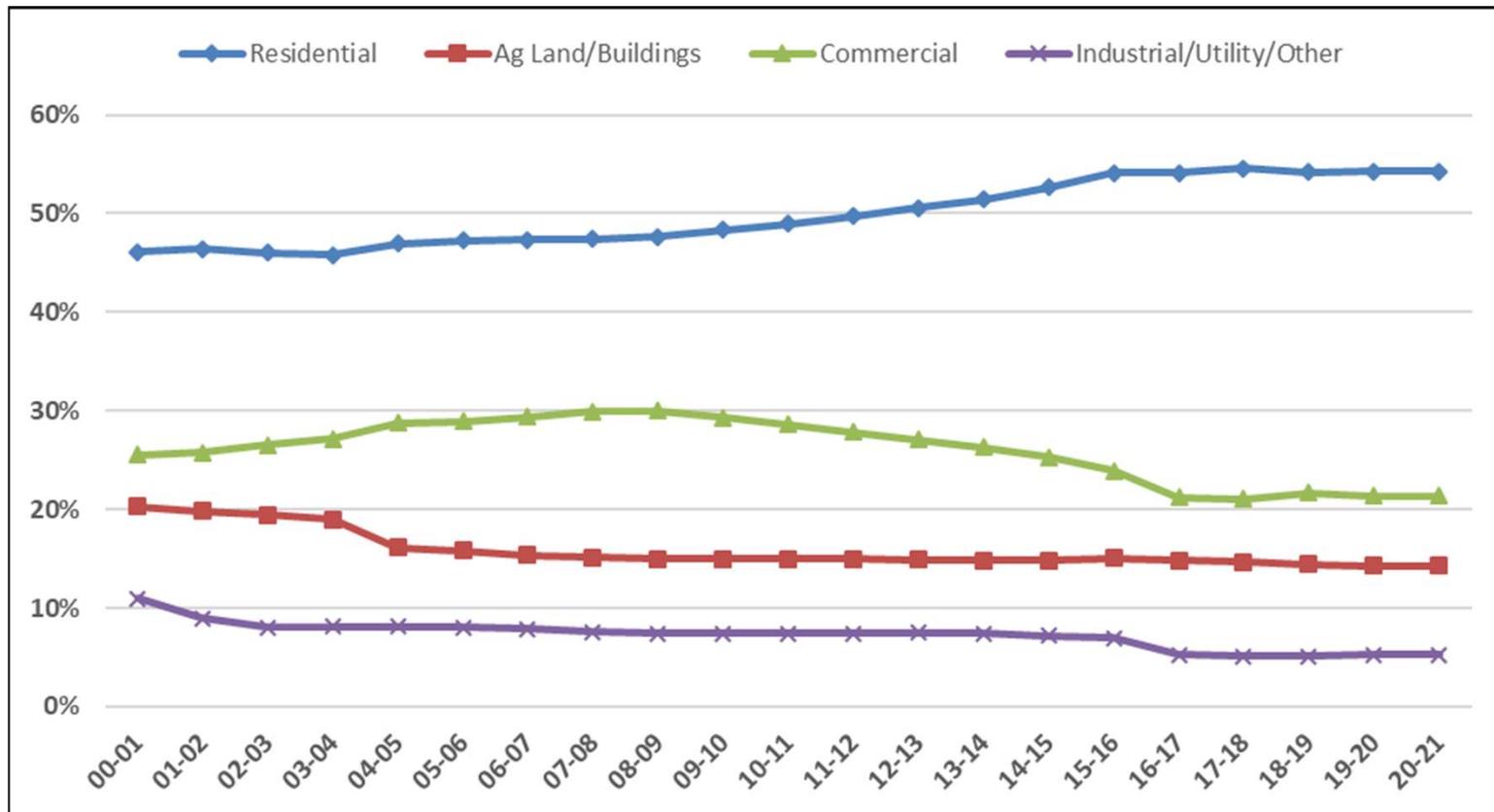


2019 COUNTY HIGHLIGHTS

Being a growing community provides economic and social vibrancy and increases demands on public services.

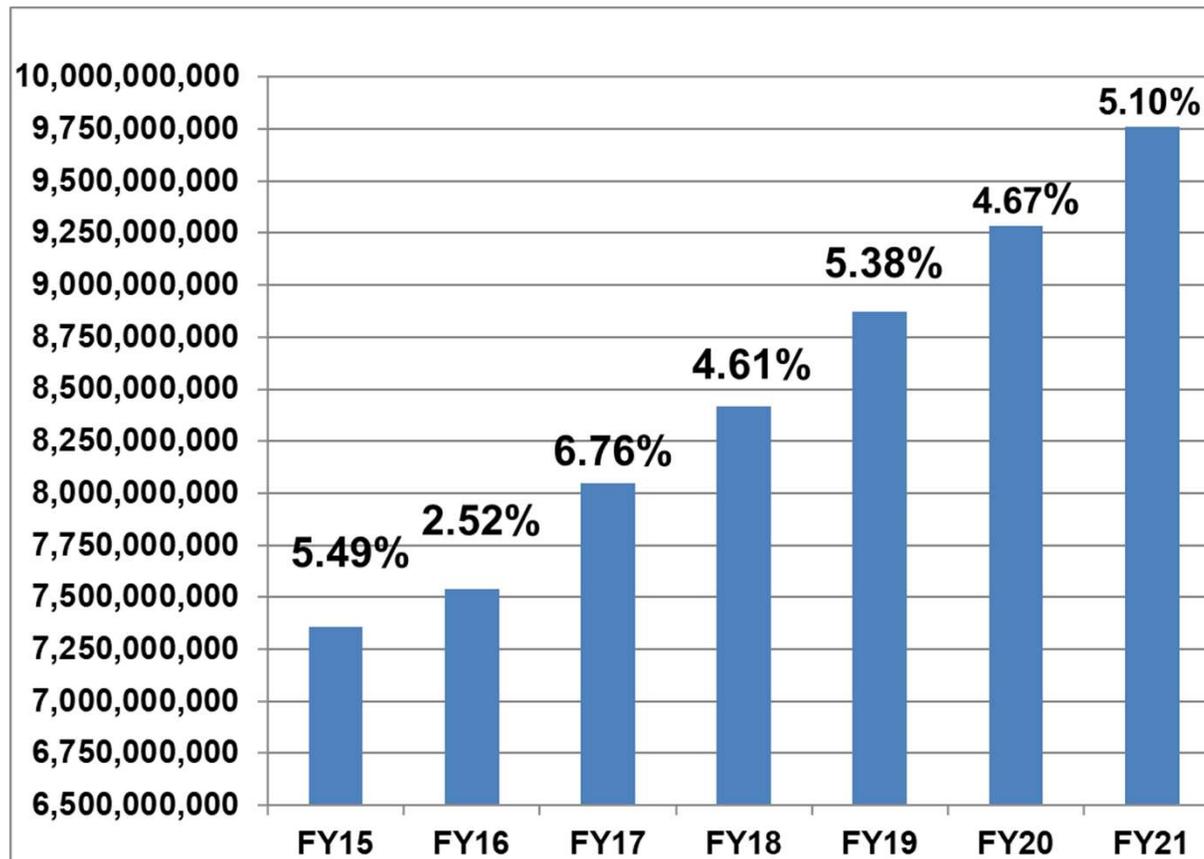


IOWA PROPERTY TAX PAID – PERCENT OF TOTAL BY PROPERTY CLASS



TOTAL TAXABLE VALUE IN JOHNSON COUNTY

with percent change per year (includes TIF increment)



FY 21 PROPERTY TAX DOLLARS DIVERTED BY CITY TIF PROJECTS

| Receiving City | TIF Tax Dollars Gained |
|--------------------|------------------------|
| Coralville | 13,093,127 |
| North Liberty | 5,632,284 |
| Iowa City | 2,573,842 |
| Tiffin | 1,447,991 |
| Solon | 703,911 |
| University Heights | 713,424 |
| Shueyville | 484,086 |
| Lone Tree | 62,656 |
| Swisher | 77,283 |
| Oxford | 122,051 |
| All Cities | 24,910,655 |

| Authorities Losing Tax Revenue | TIF Tax Dollars Lost |
|--------------------------------|----------------------|
| All Schools | 10,217,351 |
| All Cities | 9,752,003 |
| Johnson County | 3,767,300 |
| Area School | 857,273 |
| County & City Assessors | 243,159 |
| Ag Extension | 62,642 |
| 2 Townships (cemetery) | 8,435 |
| State of Iowa | 2,492 |
| All Jurisdictions | 24,910,655 |



USING DEBT TO ACCESS TIF DISTRICTS

A STRATEGY TO LOWER RESIDENTIAL PROPERTY TAXES

For FY 21, Johnson County has identified ~\$19.9 M of expenditures that qualify for financing via loans/bonding which include:

- \$10.3 M for all County & JECC insurance
- \$2.3 M for Secondary Roads projects
- \$2.25 M for construction & renovations
- \$1.8 M for vehicles, equipment & technology
- \$1.45 M for emergency communication
- \$1.2 M for conservation bond projects
- \$0.65 M for affordable housing support



These identified costs would have been a component of the FY21 county budget, whether or not they were financed through the General Fund tax levy or through the use of the Debt Service Fund tax levy.

USING DEBT TO ACCESS TIF DISTRICTS

A STRATEGY TO LOWER RESIDENTIAL PROPERTY TAXES

By using the Debt Service tax levy for the qualified bonding opportunities in FY 21, the TIF areas within Johnson County will contribute ~\$1.8 million in taxes, that's 51% of the diverted TIF taxes for Johnson County.

These TIF taxes will reduce the cost of a residential property owner's tax bill for these expenses by \$15.53 per \$100,000 of taxable valuation.



OUTSTANDING DEBT COMPARISON OF LOCAL GOVERNMENTS ON JUNE 30, 2019

- City of Coralville - \$329,806,131
- Iowa City Schools - \$ 210,720,000
- City of Iowa City - \$97,164,024
- Linn County - \$34,673,984
- Johnson County - \$9,945,000

Johnson County's statutory debt limit is currently ~\$785 Million
(5% of the County's 2019 100% assessed value of \$15.7 Billion)



JOHNSON COUNTY DEBT FY 21

Outstanding Debt on 7/1/2020: **\$9,920,000**

Add FY 21 Borrowings: \$ 19,889,719

Less FY 21 Principal Payments: \$(20,034,719)

Outstanding Debt on 7/1/2021: **\$9,775,000**

Johnson County will end FY 21 with \$145,000 less debt outstanding than the prior year. This will be the 9th consecutive year of reductions in outstanding debt for Johnson County.



FY 21 BUDGET HIGHLIGHTS

- ~\$24 M for various capital projects, equipment and technology
- ~\$ 8 M in financial support for our non-profit partners, agencies and other governmental entities
- \$680,000 in funding for affordable housing
- \$676,700 in funding for the Historic Poor Farm projects and operations



FY 21 BUDGET HIGHLIGHTS

- -\$4.2 M in funding to support the GuideLink Center construction and operations.
- 7.0 total FTEs added in Board of Supervisors, Information Technology, Sheriff's Office, Medical Examiner, Treasurer's Office, Conservation, and Secondary Roads.

Johnson County population has increased a total of 16.5% over the last 10 years while the county FTE has only increased a total of 5.4% over the same period



FY 21 BUDGET HIGHLIGHTS

INCREASED AMBULANCE HOURS

- There has been a 5.15% increase in service calls over the last four years. Calls for the ambulance service are expected to increase by 4.5% to 12,390 calls in FY 20. The total for FY 19 was 11,783 calls.
- With the additional person approved by the Board of Supervisors, there will be hours converted from part-time staff members to a full-time staff member



FY 21 SECONDARY ROADS PROJECTS

- IWV Road from Hebl Ave to Highway 218: \$3,700,000 estimated
- Amana Road from Highway 965 to Greencastle Ave: \$1,500,000 estimated
- 500th Street SW, Angle Road to Highway 1: \$1,000,000 estimated
- Bridge replacements on Putnam Street NE (F36), Black Hawk Avenue NW, and various locations: \$1,655,000 estimated
- Herbert Hoover Highway NE, from near Wapsi Avenue to Johnson-Cedar Road: \$5,000,000 estimated (reconstruction)

Visit the Secondary Roads website at www.johnson-county.com. At the bottom of their page is the Five Year Road Construction Plan with more information.



SERVICES TO RURAL RESIDENTS

- IC Animal Shelter \$179,646 for animal control services
- Eight local libraries receiving total support of \$910,158
- Secondary Roads will receive the maximum allowable transfer from the Rural Basic fund of ~\$5.3 M. This is equal to ~80% of the levied taxes in the Rural fund. Secondary Roads will also receive the maximum transfer from the General Fund of ~\$1.5 M
- The Rural levy is \$3.77509 per \$1,000 of taxable property value, an increase of ~9.3 cents. According to Iowa State Association of Counties (ISAC), Johnson County is ranked 64th out of 99 counties in regards to its total rural levy rate



FY 21 CONSERVATION BOND & LEVY

- County will borrow \$1.2 million utilizing the voter approved 2008 \$20 million Conservation Bond referendum for Conservation projects.
- This will fund land acquisitions of ~\$700,000 for 90 acres of a native sand prairie and 10 acres of land next to F.W. Kent Park.
- The Conservation Bond will also fund construction of ~\$500,000 on the Clear Creek Trail.

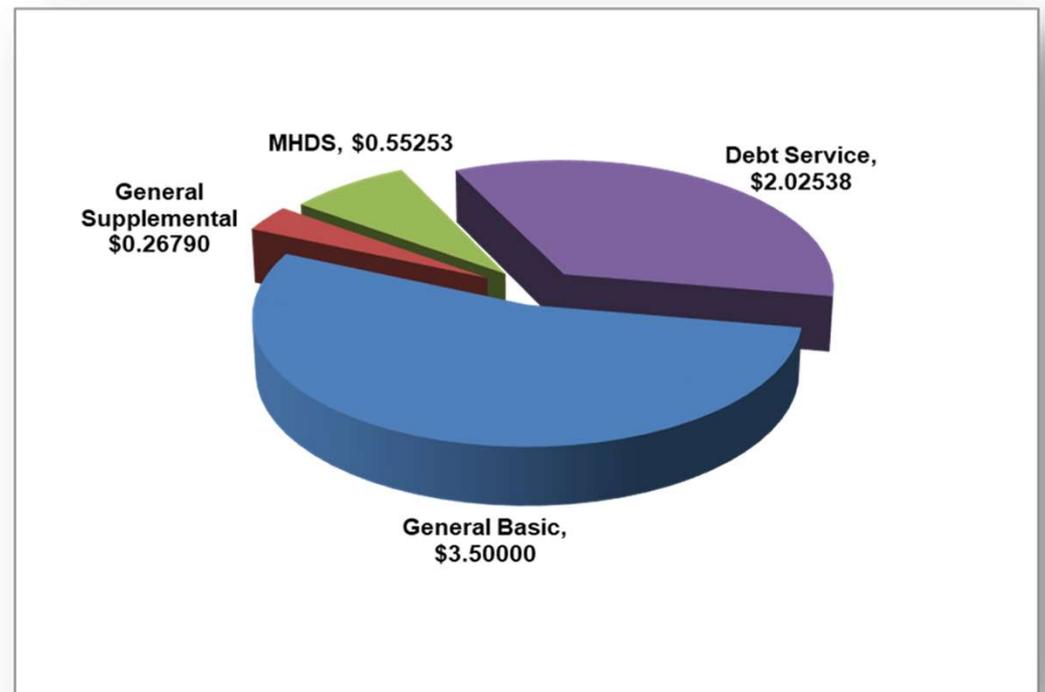


COUNTYWIDE LEVY RATE COMPOSITION

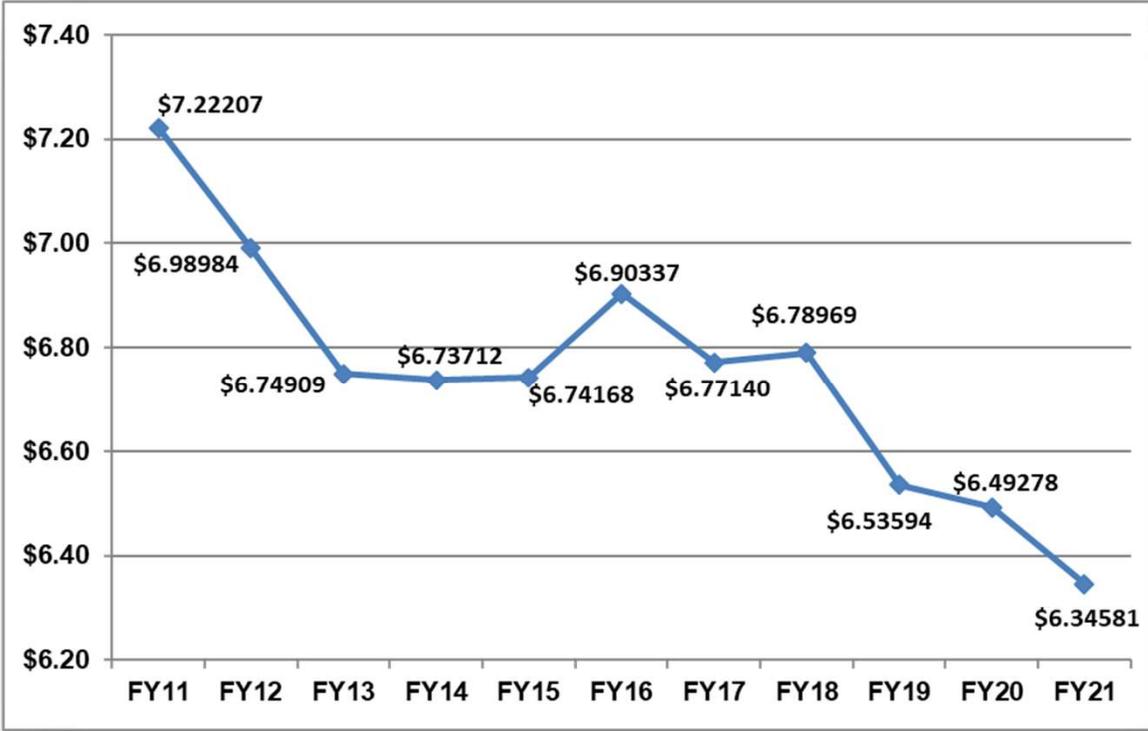
\$6.34581

The countywide levy rate is declining ~14.7 cents next year, while the rural levy is increasing ~ 9.2 cents.

The countywide levy rate has decreased in the last three consecutive fiscal years and is down over 87 cents (-12%) since FY11.

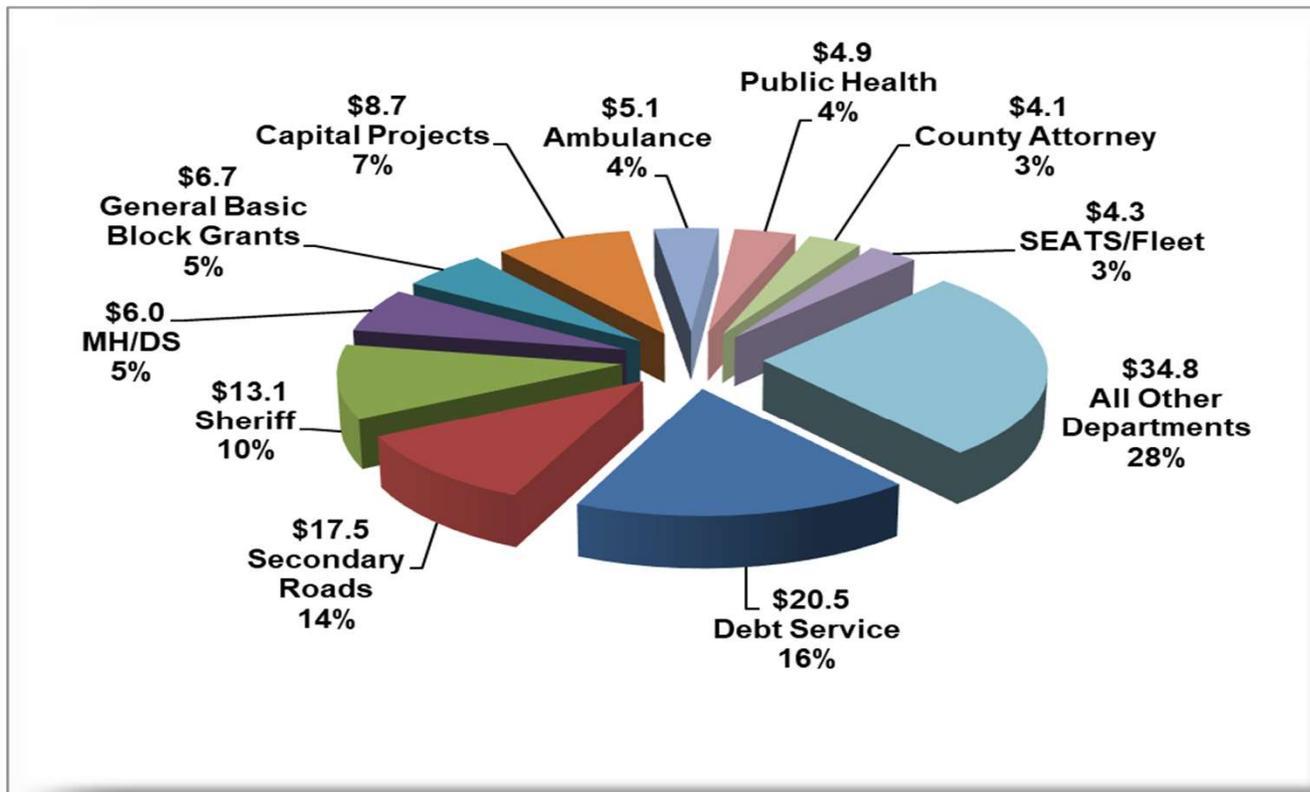


COUNTYWIDE LEVY RATES FY 2011 – FY 2021



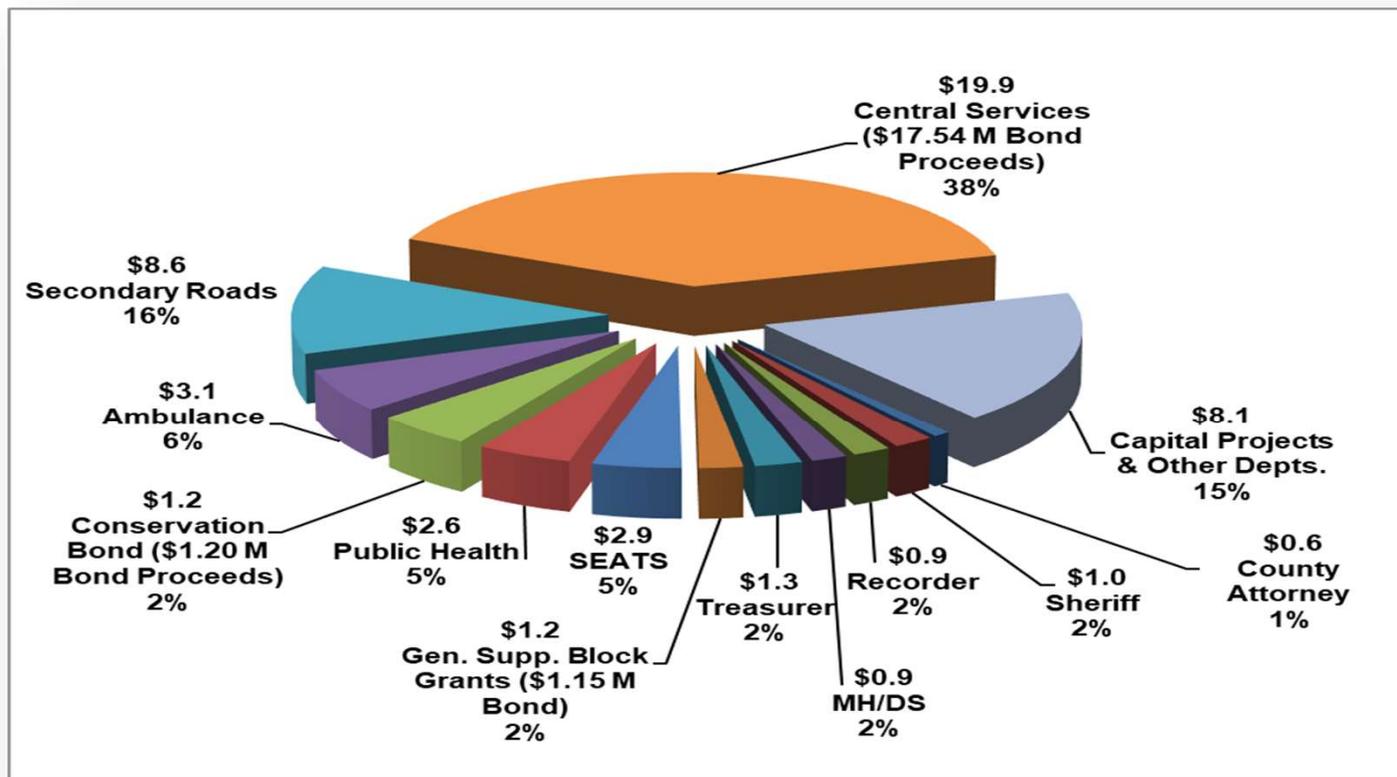
FY 21 DEPARTMENTAL EXPENSES

(\$ IN MILLIONS)



FY 21 DEPARTMENTAL REVENUES

(\$ IN MILLIONS, EXCLUDES TAXES & CREDITS)



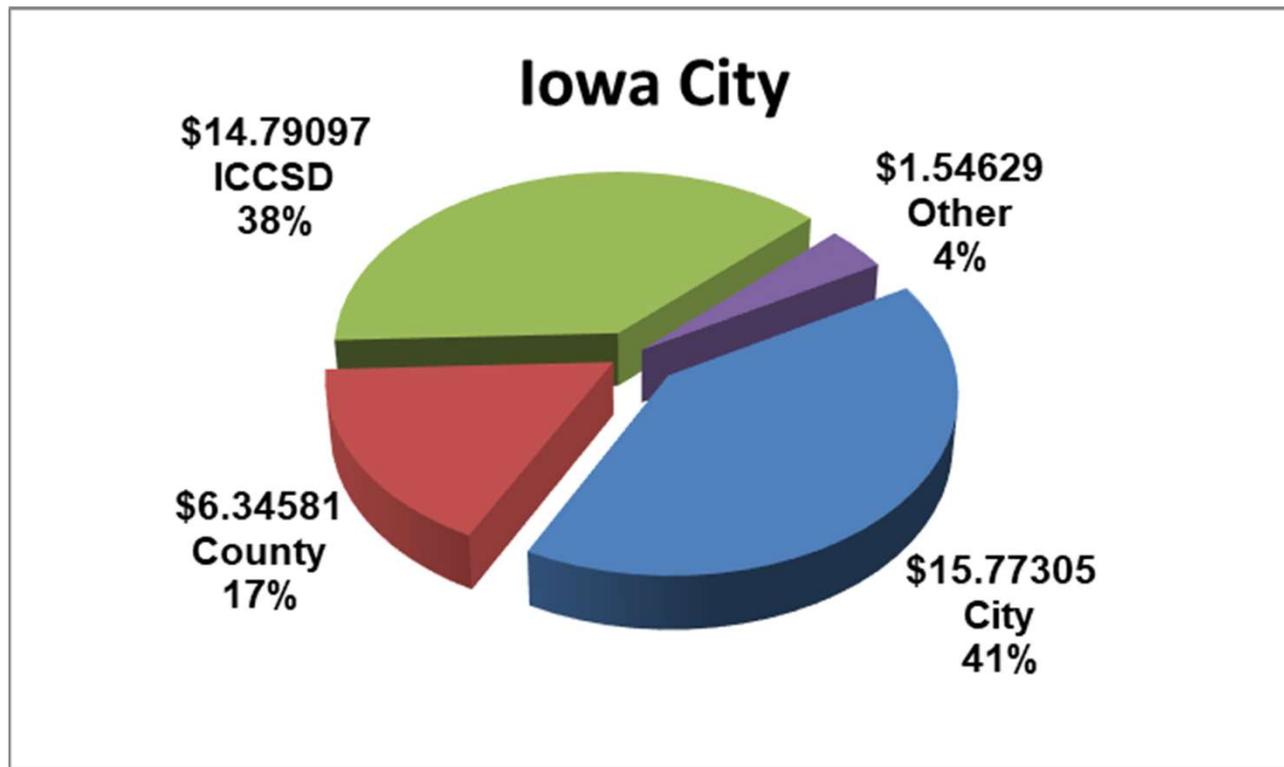
COUNTYWIDE TAXPAYER EXAMPLES

- The following graphs are estimates (using the FY 20 effective levies or the FY 21 proposed levies) for the taxing authorities other than the County and illustrate the expected levy rates of each taxing authority in the taxpayer's district and also reflect the approximate percentage of the taxpayer's total property tax bill as estimated in FY 21.
- The following residential taxpayers are illustrated: Iowa City, Tiffin, Solon, Penn Township, Clear Creek Township, and Big Grove Township.



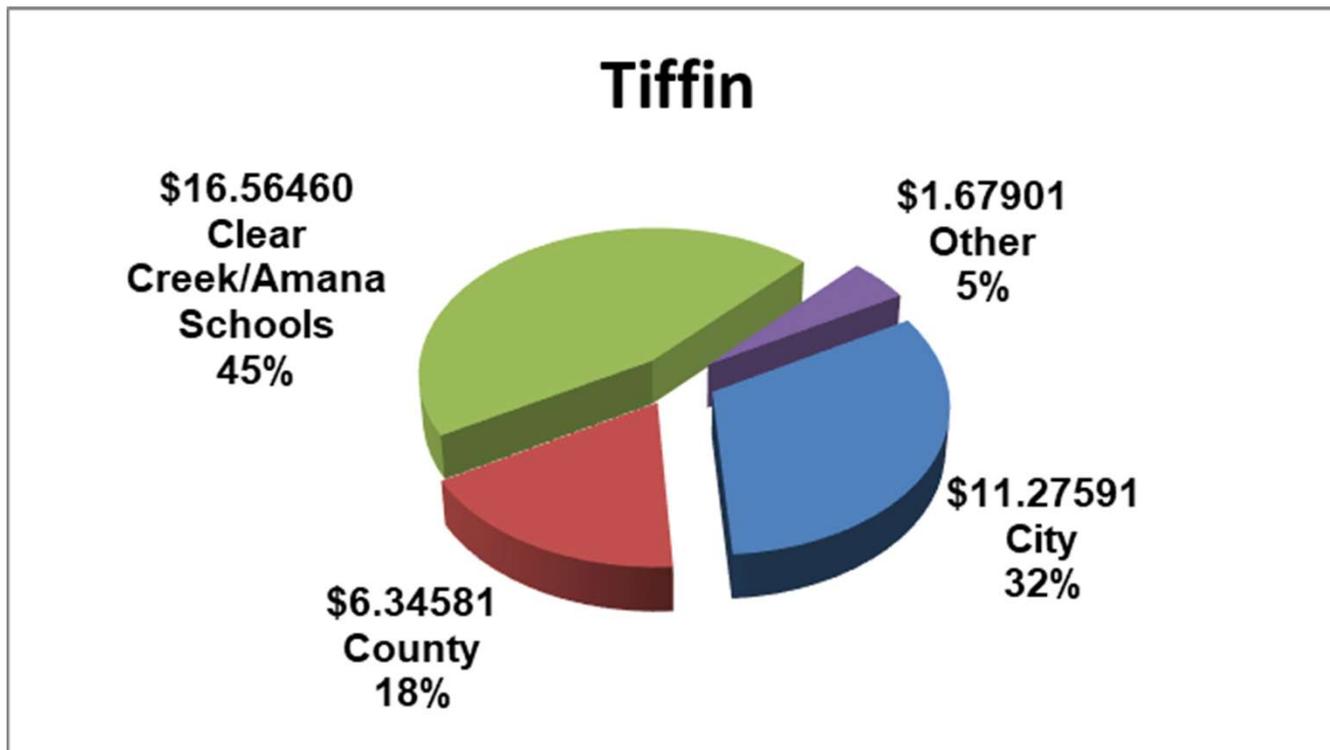
IOWA CITY – ICCSD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



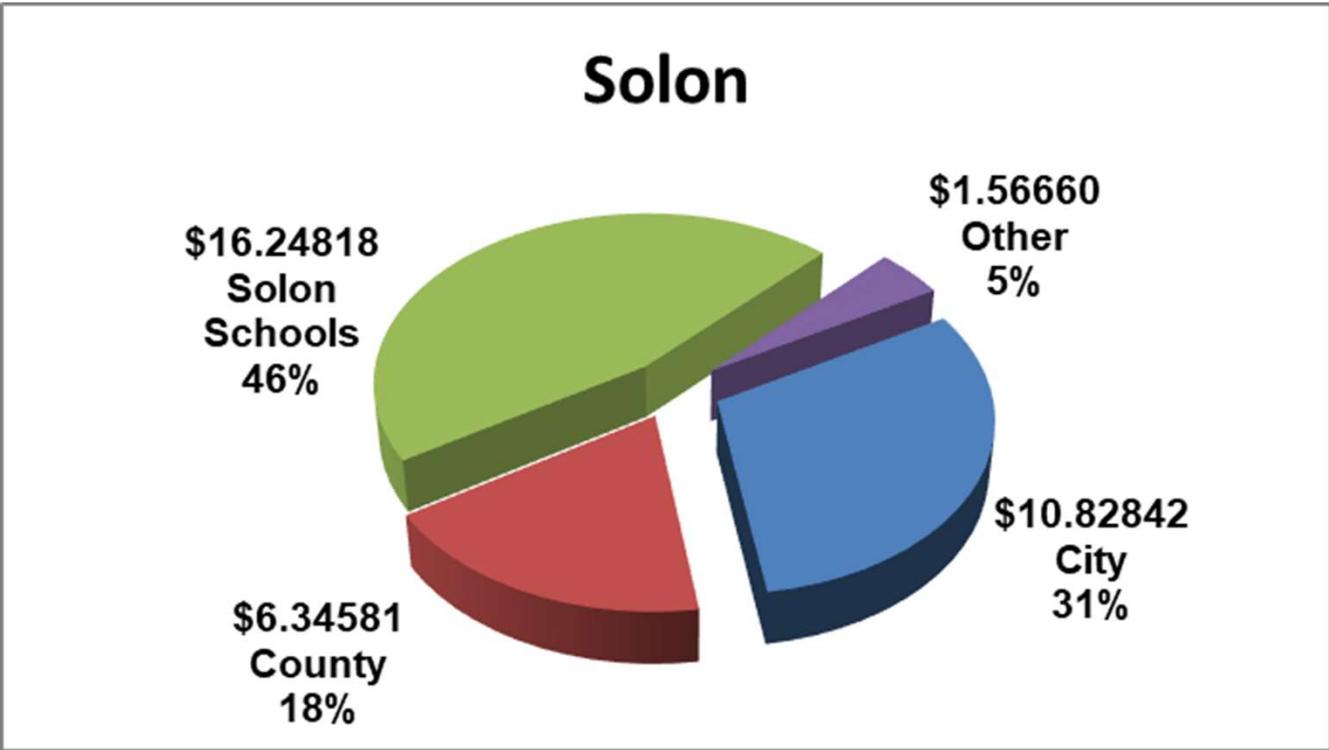
TIFFIN – CCASD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



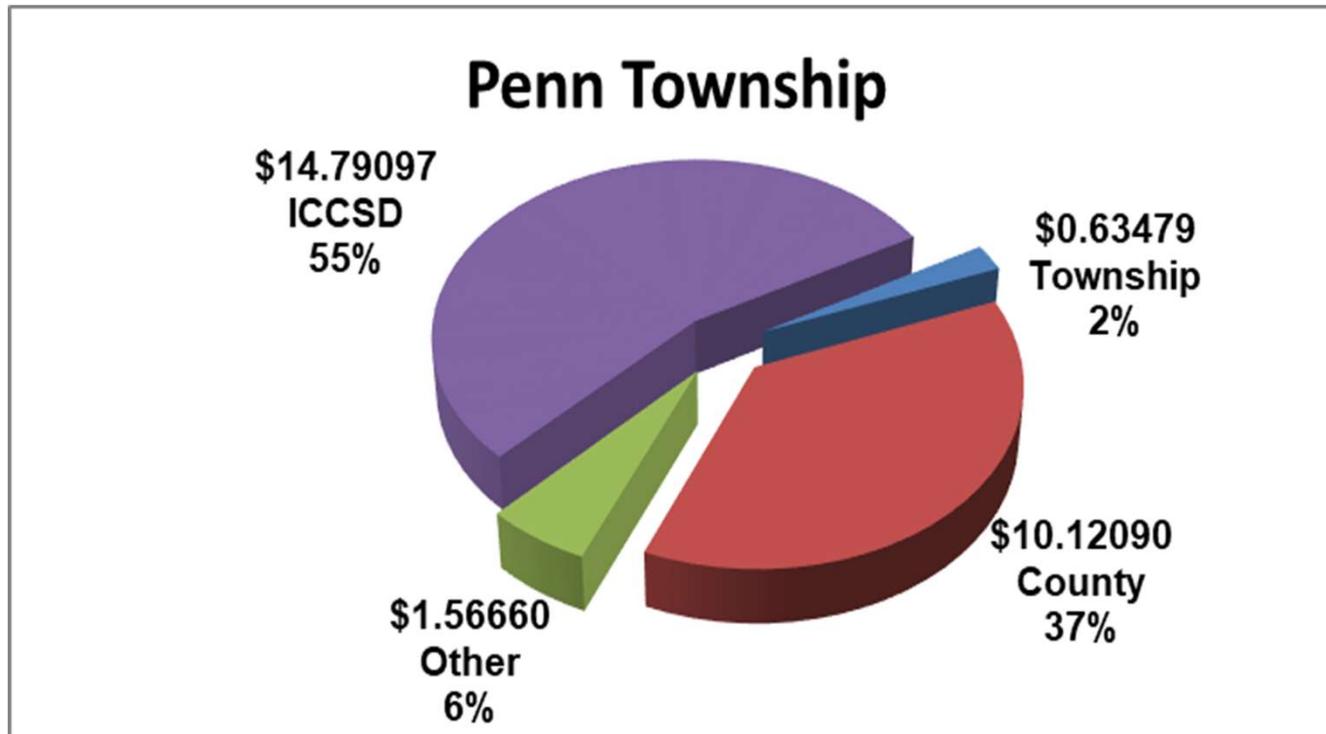
SOLON – SCSD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



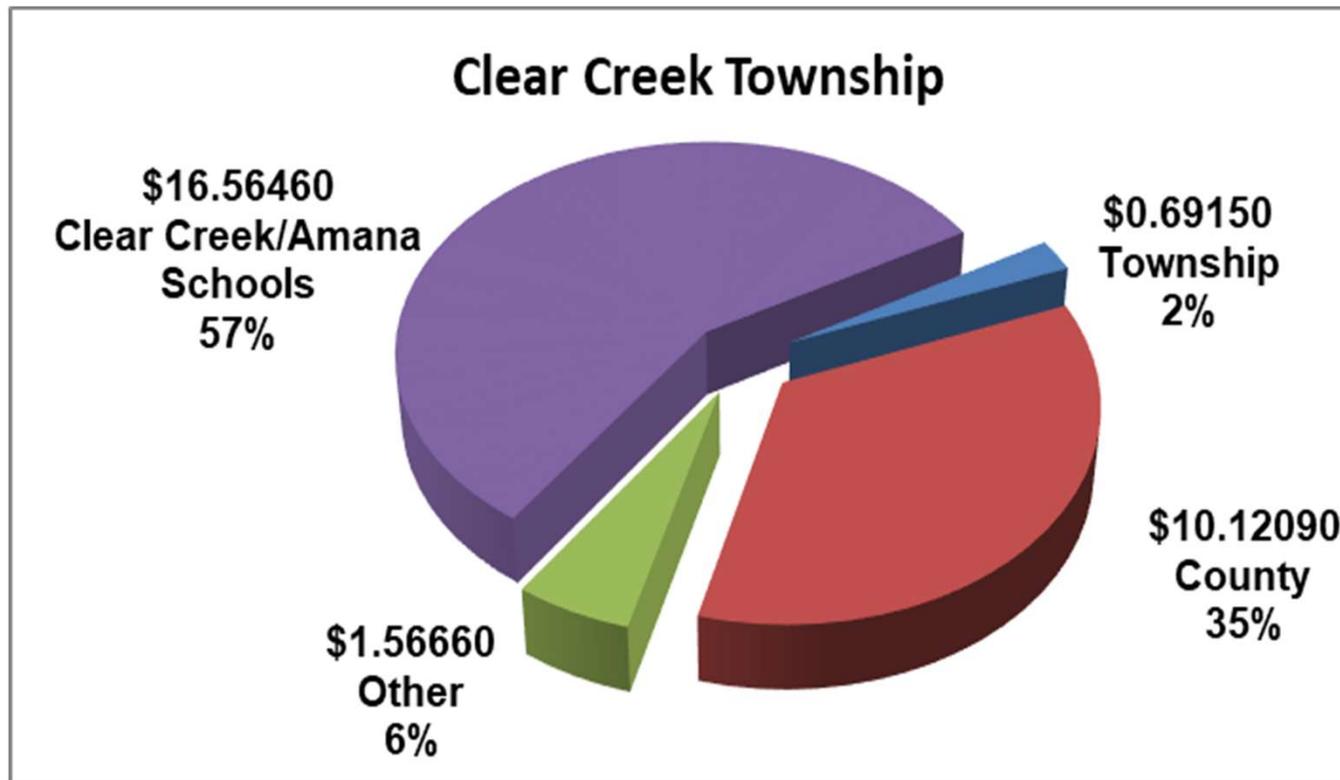
PENN TOWNSHIP - ICCSD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



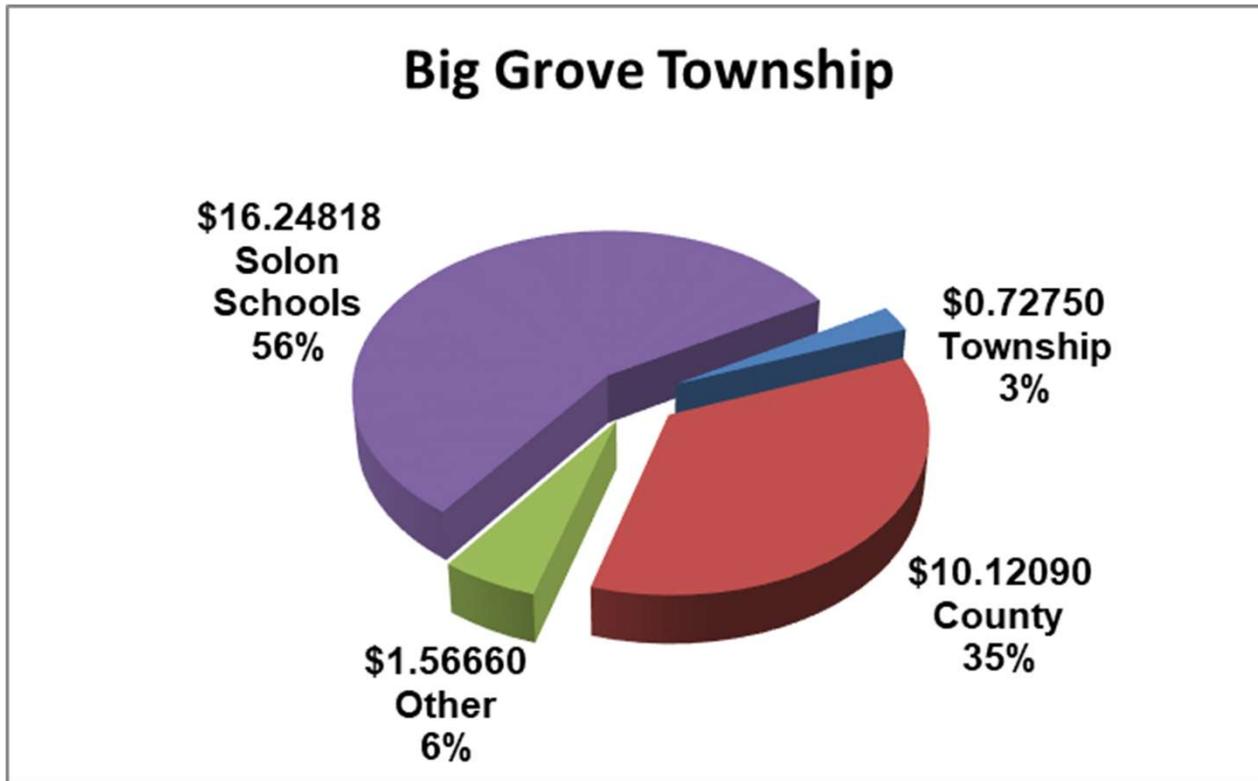
CLEAR CREEK TOWNSHIP - CCASD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



BIG GROVE TOWNSHIP - SCSD

(PORTION OF TOTAL TAX BILL PER \$1000 OF TAXABLE VALUE)



ADOPTION OF FY 21 COUNTY BUDGET

The Board of Supervisors is scheduled to have a final discussion and adoption of this proposed budget at the formal meeting on Thursday, March 19, 2020. The public is invited to attend the meeting. The Board welcomes any questions or suggestions from the public prior to the meeting.

The public can access more detailed information on the FY 21 proposed county budget at: https://www.johnson-county.com/dept_finance.aspx?id=24966.



CONTACT INFORMATION

Finance Department: 319-688-8095

Board of Supervisors: 319-356-6000

Johnson County Assessor: 319-356-6078

Iowa City Assessor: 319-356-6066

County Auditor: 319-356-6004

www.johnson-county.com

<http://www.johnsoncountyia.iqm2.com/Citizens/Default.aspx>

