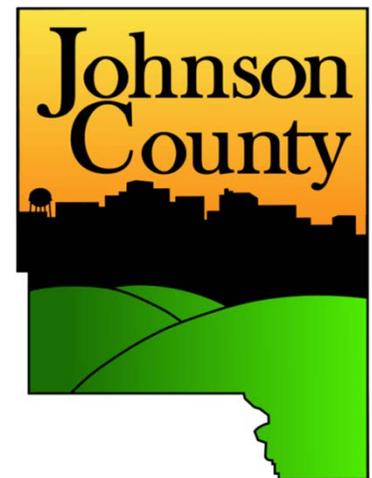


JOHNSON COUNTY FY2020 BUDGET HEARING

February 27, 2019
5:30 pm

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. 2018 County Highlights**
- 2. Property taxes paid by class & taxable value growth**
- 3. Tax Increment Financing (TIF)-Bonding/Debt Strategy**
- 4. Highlights of the FY2020 County budget**
- 5. Conservation Bond levy and projects**
- 6. Estimated FY 2020 Property Tax Bills for selected tax districts**

2018 County Highlights

Hoover Trail construction along Ely Road, May 2018



2018 County Highlights

- New voting machines and software (\$1,090,000)
- Recognition of community partners (\$3,376,245)
- Contributed \$624,000 toward affordable housing
- ADA compliant sidewalk at the County Courthouse
- Solar array at Ambulance/ME building is 68.6 kW in size



2018 County Highlights

- Received the SolSmart Gold Award for making it faster, easier and more affordable for residents in the unincorporated areas to use solar for their homes or businesses, and easier for solar companies to complete the permitting process.

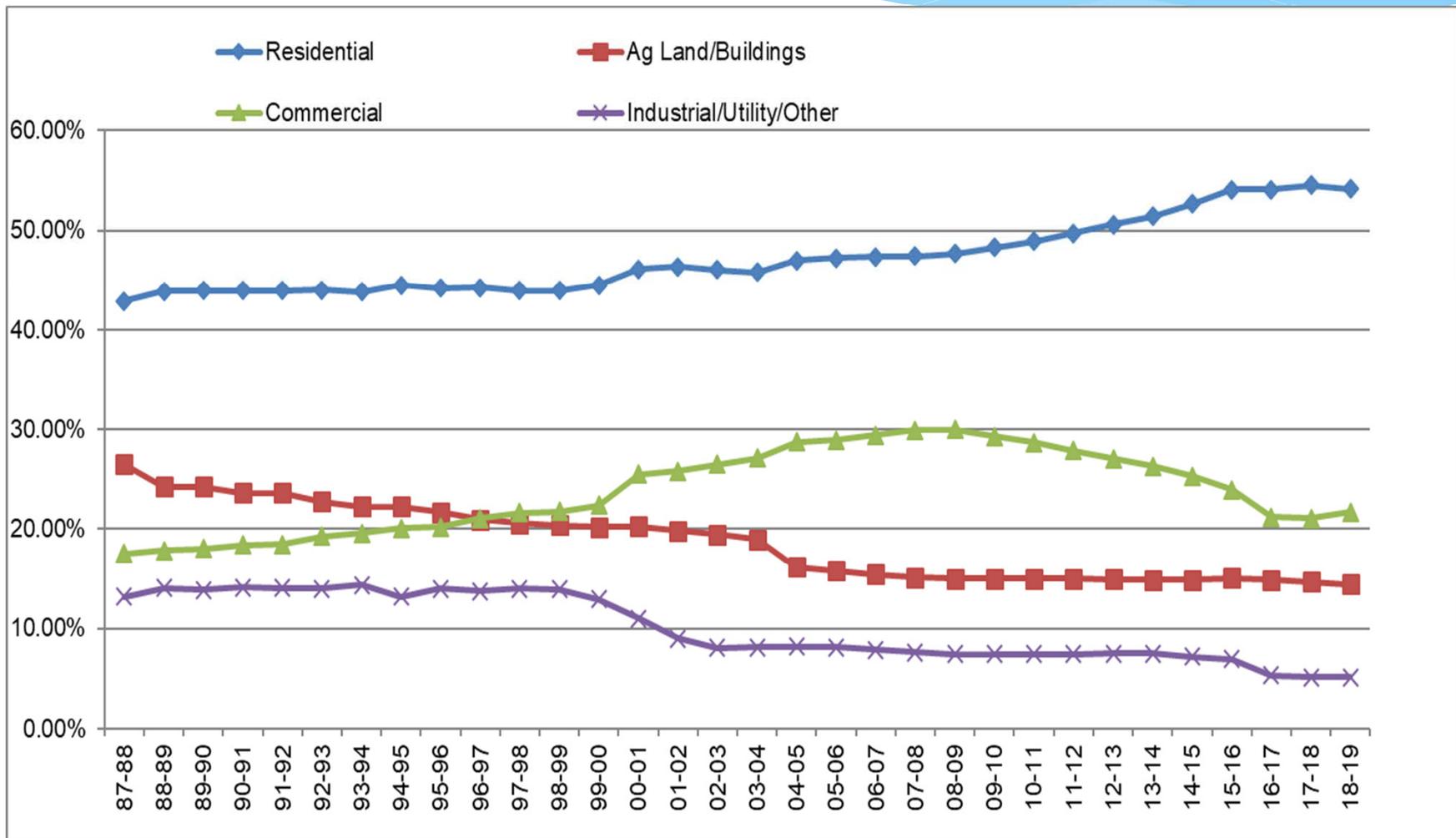


2018 County Highlights

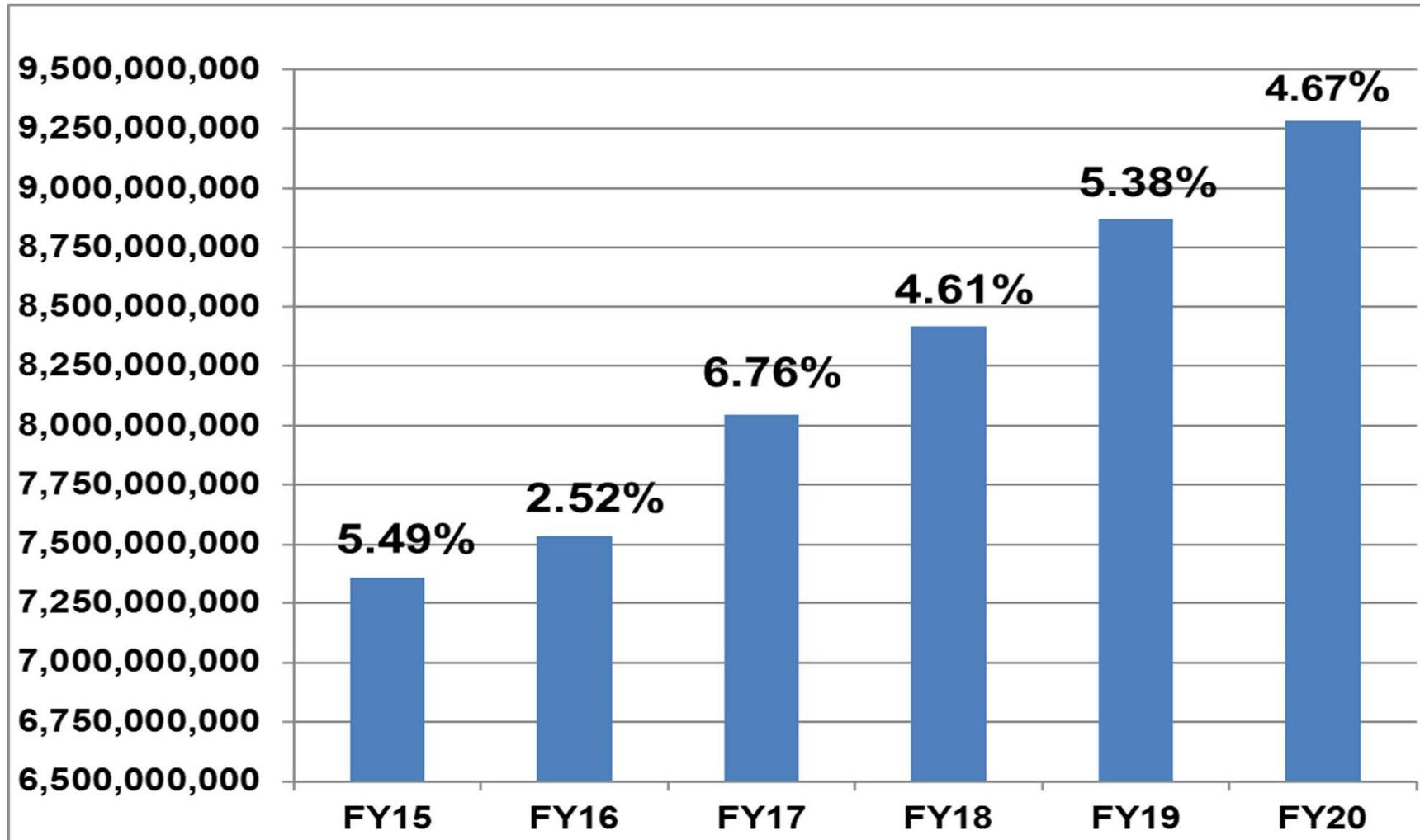
Being a growing community provides economic and social vibrancy..... And growing demands on public services.



Iowa Property Tax Paid – % of total by property class



Total Taxable Value in Johnson County with % change per year (includes TIF increment)



FY20 Property Tax Dollars Diverted by City TIF Projects

Receiving City	TIF Dollars Diverted
Coralville	11,865,601
North Liberty	4,863,402
Iowa City	3,479,827
Tiffin	1,173,699
Solon	791,086
University Heights	570,375
Shueyville	475,975
Lone Tree	411,583
Swisher	55,706
Oxford	118,825
All Cities	23,806,079

Authorities Losing Tax Revenue	TIF Dollars Diverted
All Schools	9,540,993
All Cities	9,463,020
Johnson County	3,661,979
Area School	813,195
County & City Assessors	256,938
Ag Extension	60,379
2 Townships (cemetery)	7,102
State of Iowa	2,473
All jurisdictions	23,806,079

Using Debt to Access TIF Districts. A Strategy to Lower Residential Property Taxes

For FY 2020, Johnson County has identified ~\$21.4 M of expenses that qualify for financing via loans/bonding which include:

- \$9.7 M for all County & JECC insurance
- \$2.5 M for conservation projects
- \$4.5 M for Secondary Roads projects
- \$2.8 M for capital repairs & improvements
- \$0.9 M for vehicle and equipment purchases
- \$0.6 M for affordable housing support
- \$0.4 M for technology



These identified costs are generally unavoidable and would have been a component of the FY 2020 budgeted expenditures, financed through either 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 2020, the TIF areas within Johnson County will contribute ~\$1.9 million in taxes, that's 53% of the diverted TIF taxes for Johnson County.

These TIF taxes will reduce the cost of a residential property's tax bill for these qualified expenses by \$16.42 per \$100,000 of taxable valuation.

Outstanding Debt Comparison of Local Governments on 6/30/2018

- City of Coralville - \$284,134,526
- Iowa City Schools - \$162,925,000
- City of Iowa City - \$106,899,305
- Linn County - \$29,816,319
- Johnson County - \$10,640,000
- Johnson County's statutory debt limit is currently ~\$652 Million
(5% of the County's 2016 100% assessed value of \$13,041,978,825)

Johnson County Debt FY 2020

Outstanding Debt on 7/1/2019: **\$9,945,000**

Add FY 2020 Borrowings: \$ 21,382,000

Less FY 2020 Principal Payments: \$(21,407,000)

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

Despite borrowing \$1,650,000 more in FY 2020 compared to the current year, Johnson County will end FY 2020 with \$25,000 less debt outstanding than the prior year. This would be the 8th consecutive year of reductions in outstanding debt for Johnson County.

FY20 Budget Highlights

- \$7,322,500 in maintenance and capital projects
- \$1,803,328 in block grant funding for community organizations
- \$630,000 in funding for affordable housing
- Funding to support the Crisis Intervention Team facility construction and operations.
- 11.9 total FTEs added in Ambulance, Public Health, County Attorney, SEATS, Board Office, PD&S, Conservation & Social Services



FY20 Budget Highlights

Increased Ambulance Hours

- Calls for the ambulance service are expected to increase by 6.8% or 732 calls in FY19. The total for FY18 was 10,770 calls.
- With the additional personnel approved by the Board there will be service expanded by 4 hours each day for one ambulance.
- The addition of a power load system for all ambulances will reduce the risk of staff/client injury and increase overall safety.



FY20 Secondary Roads Projects

- Herbert Hoover Hwy. near Wapsi Road: \$2,500,000 estimated (reconstruction)
- IWV Road from Hebl Ave to Highway 218: \$3,700,000 estimated
- Amana Road from Highway 965 to Greencastle Ave: \$1,500,000
- Bridge replacements on Black Hawk Avenue & Utah Avenue \$1,850,000 estimated
- 540th Street Hwy 1 to Gable \$815,000 estimated (reconstruction)
- Visit the Secondary Roads website at www.johnson-county.com. At the bottom of their page is the 5 Year Road Construction Plan with more information.



Services to Rural Residents

- Animal Shelter \$152,016 for animal control services
- Eight local libraries receiving total support of \$858,940
- Secondary Roads will receive a transfer from the Rural Basic fund of \$5,213,349.
- Rural Levy is \$3.68226 per \$1,000 of taxable property value, an increase of ~1.6 cents. According to Iowa State Association of Counties (ISAC), Johnson County is ranked 47 out of 99 counties with the lowest rural levy rate.



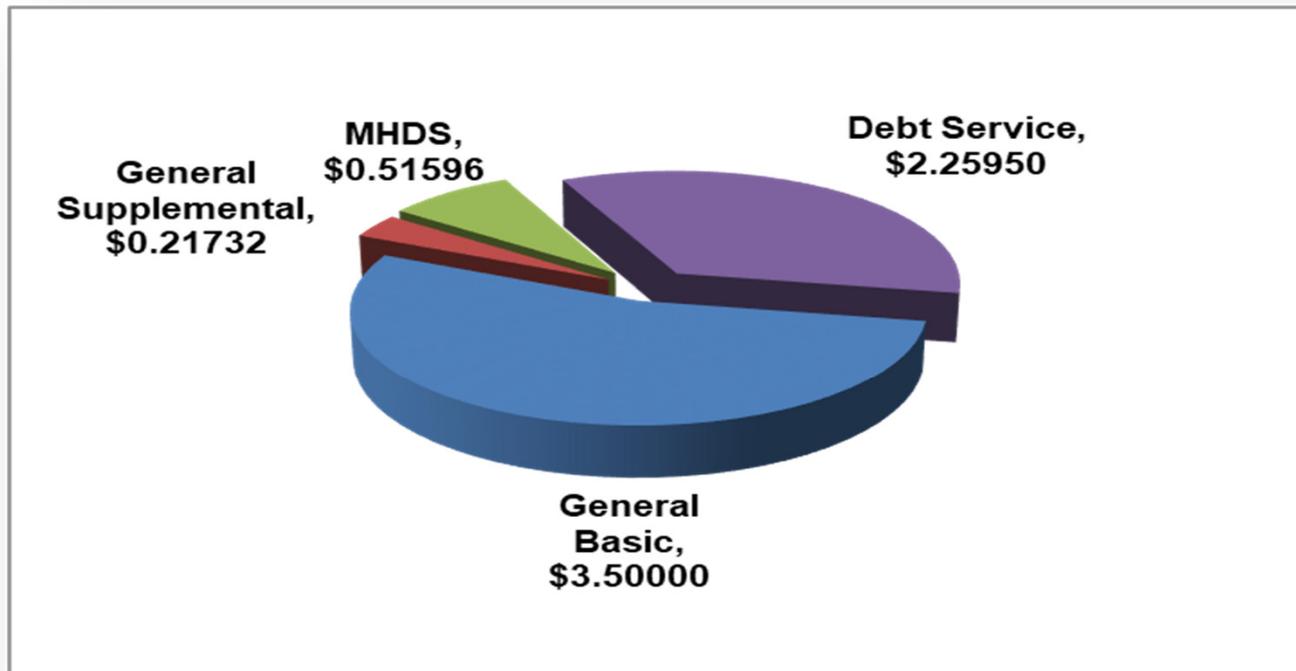
FY20 Conservation Bond & Levy

- County will borrow \$2.47 million utilizing the voter approved 2008 \$20 million Conservation Bond referendum for Conservation projects.
- Levy rate for the FY20 Conservation Bond is ~\$0.27 per \$1,000 of valuation or ~11.8% of the total levy for Debt Service.
- This will fund land acquisitions of ~\$1.69 M and the Hoover Trail project (phase 3) of ~\$783,000.



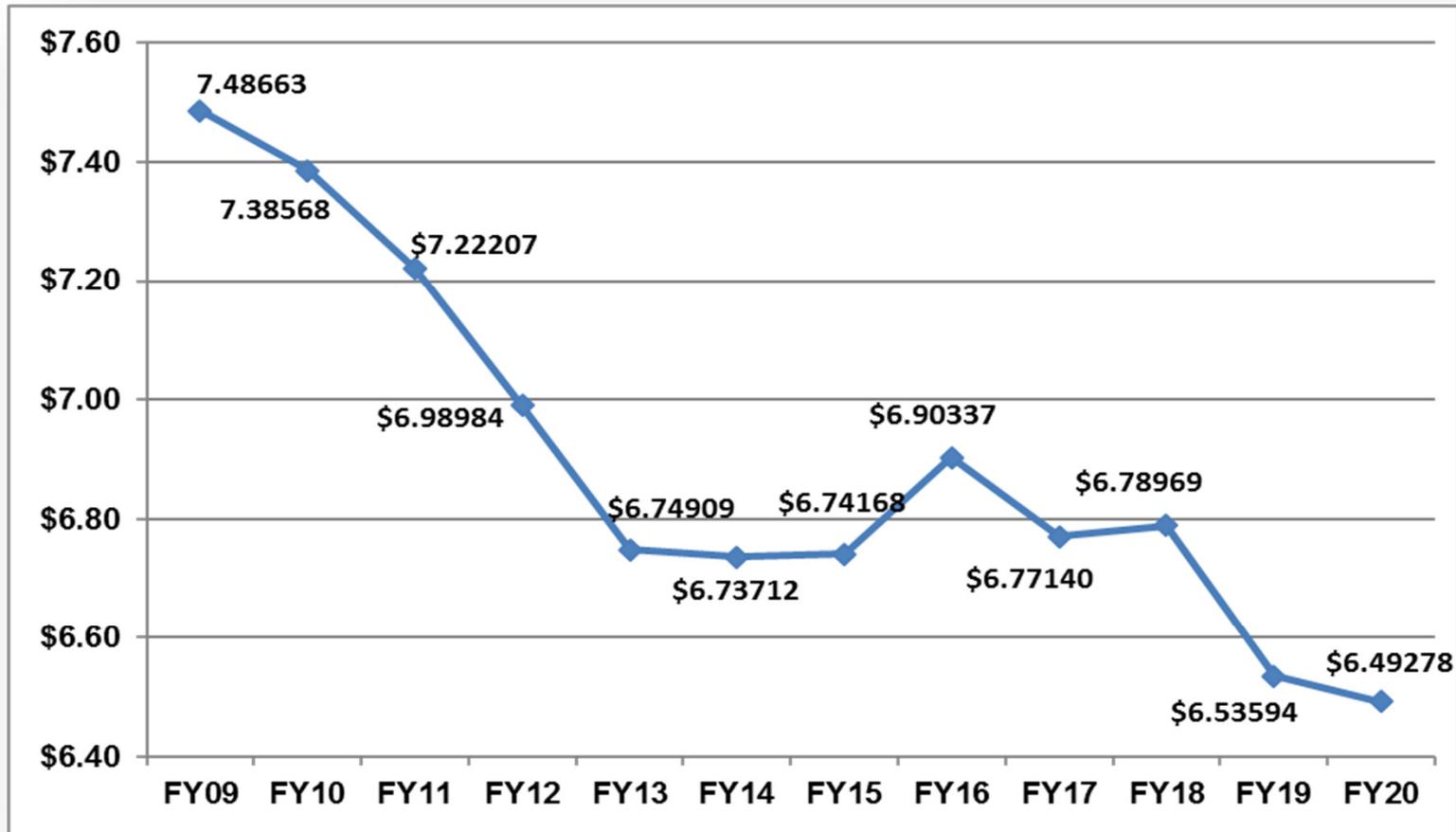
Countywide Levy Rate Composition

\$6.49278

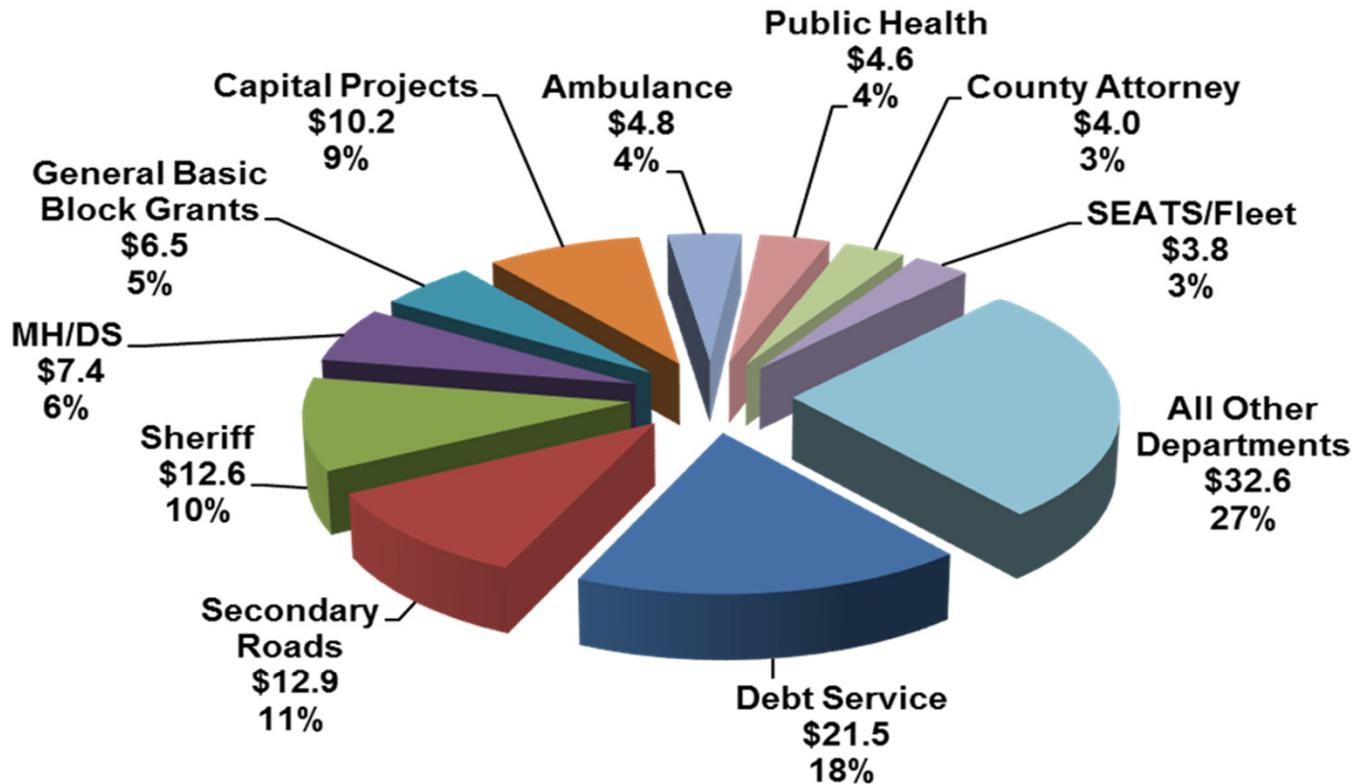


The countywide levy rate is declining ~4.3 cents next year, while the rural levy is increasing ~1.6 cents. The countywide levy rate has dropped in 3 of the last four fiscal years and in 9 of the last 11 fiscal years

Countywide Levy Rates FY 2009 – FY 2020

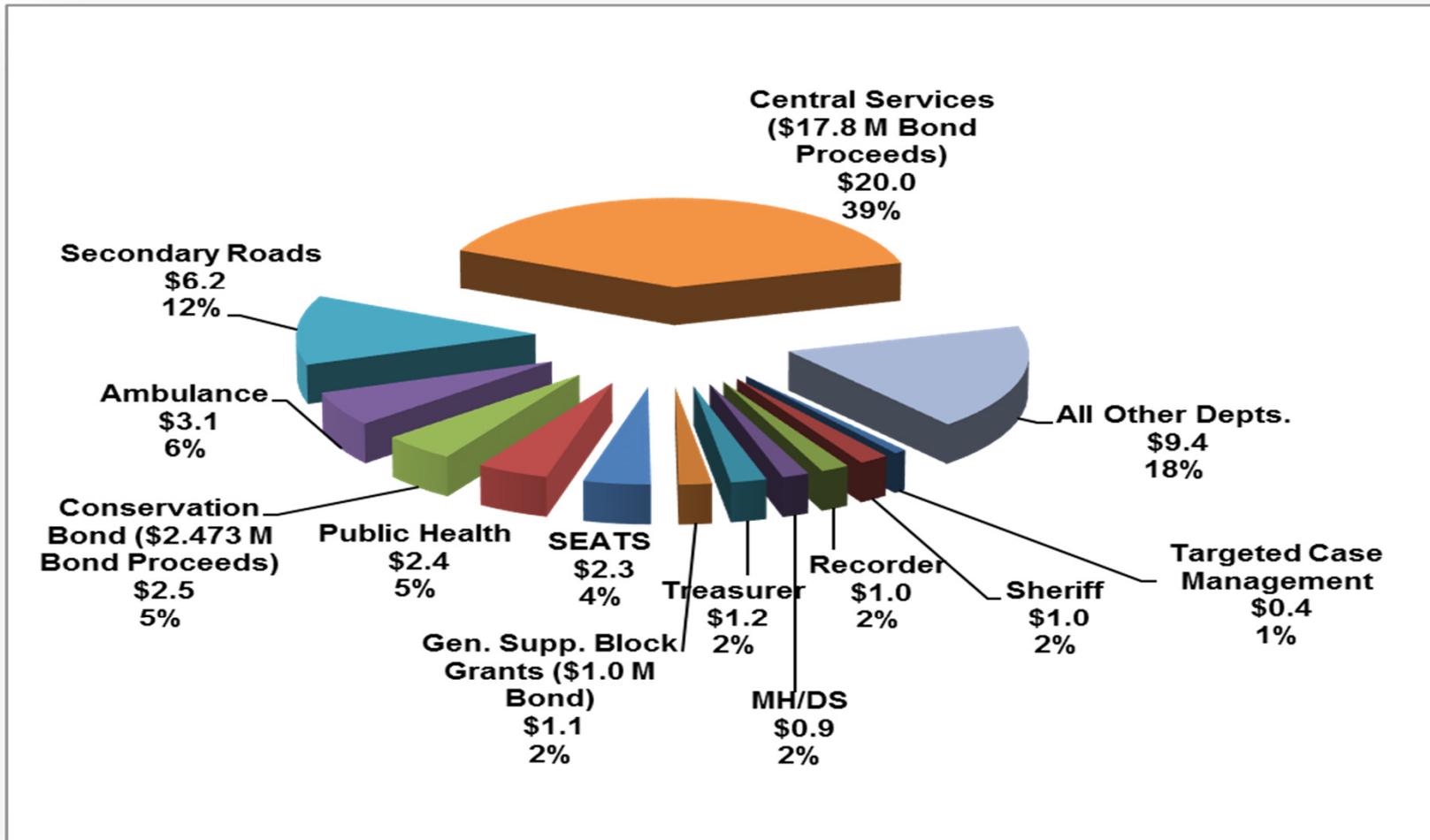


FY20 Departmental Expenses (\$ in millions)



FY20 Departmental Revenues

(\$ in millions, excludes taxes & credits)

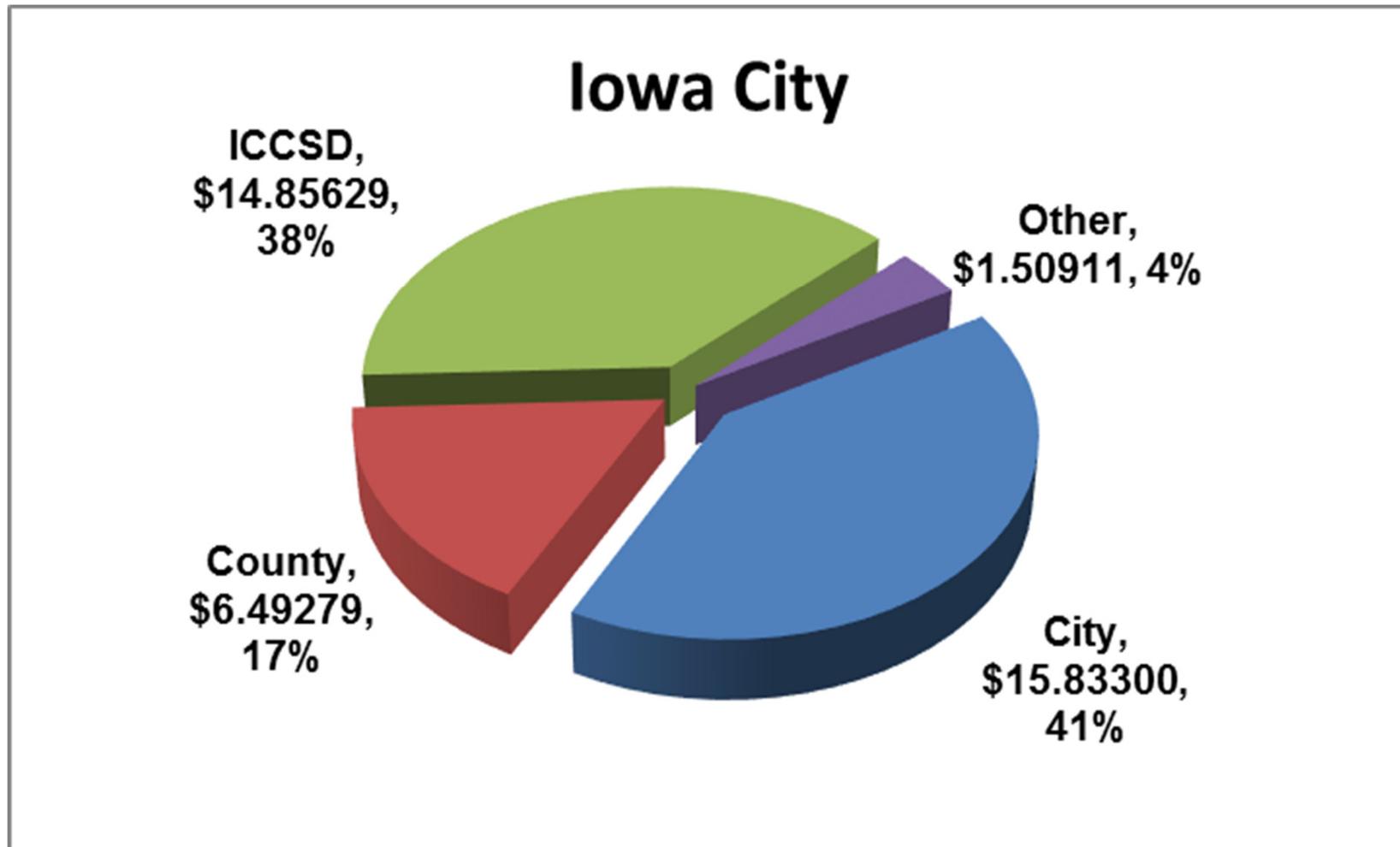


Countywide Taxpayer Examples

- The following graphs are estimates (using the FY2019 effective levies or the FY2020 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 2020.
- The following residential taxpayers are illustrated: Iowa City, North Liberty, Tiffin, Solon, Lone Tree, Penn Township, Clear Creek Township, Monroe Township, Big Grove Township and Fremont Township.

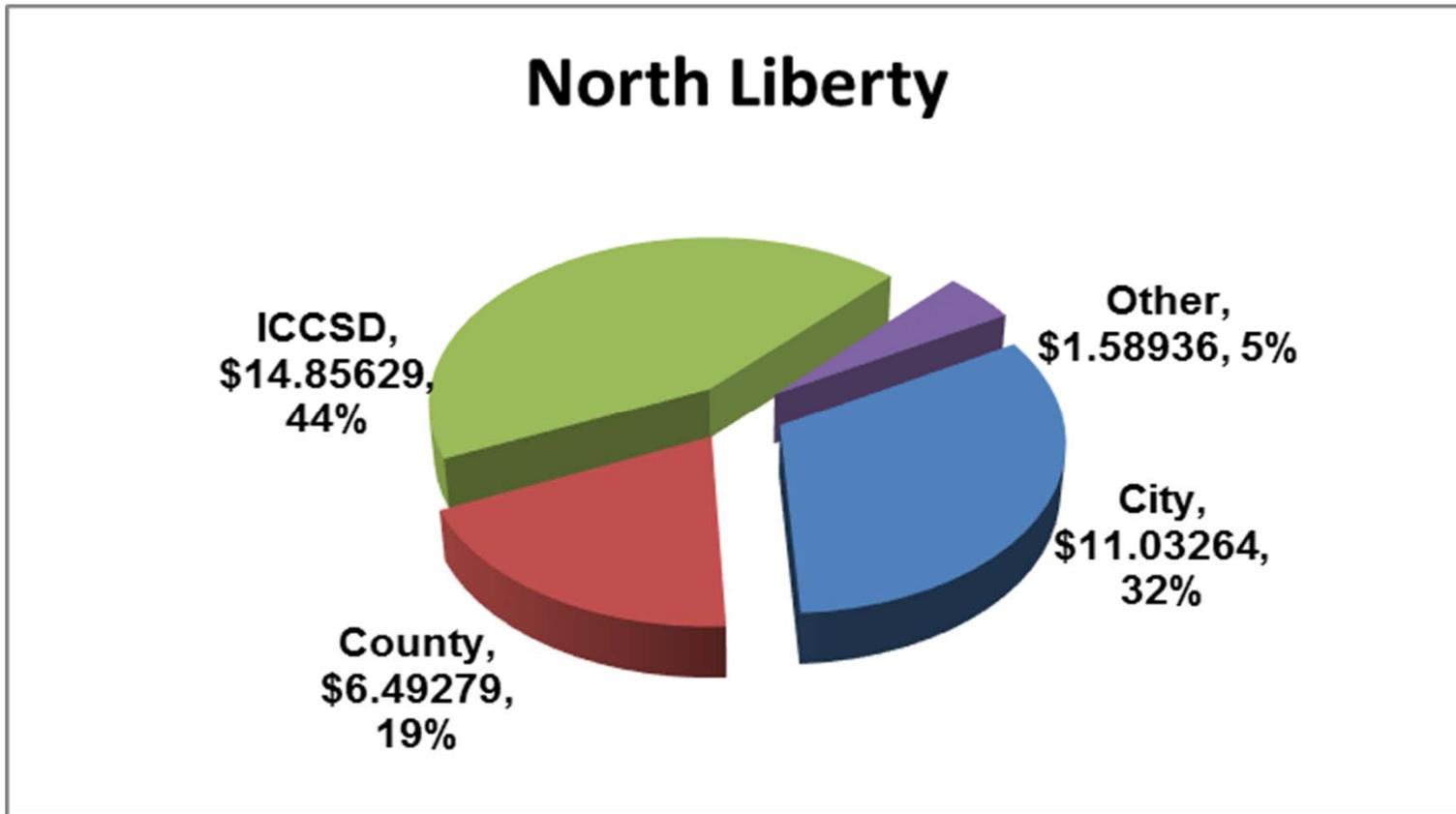
Iowa City – ICCSD

(portion of total tax bill per \$1000 of taxable value)



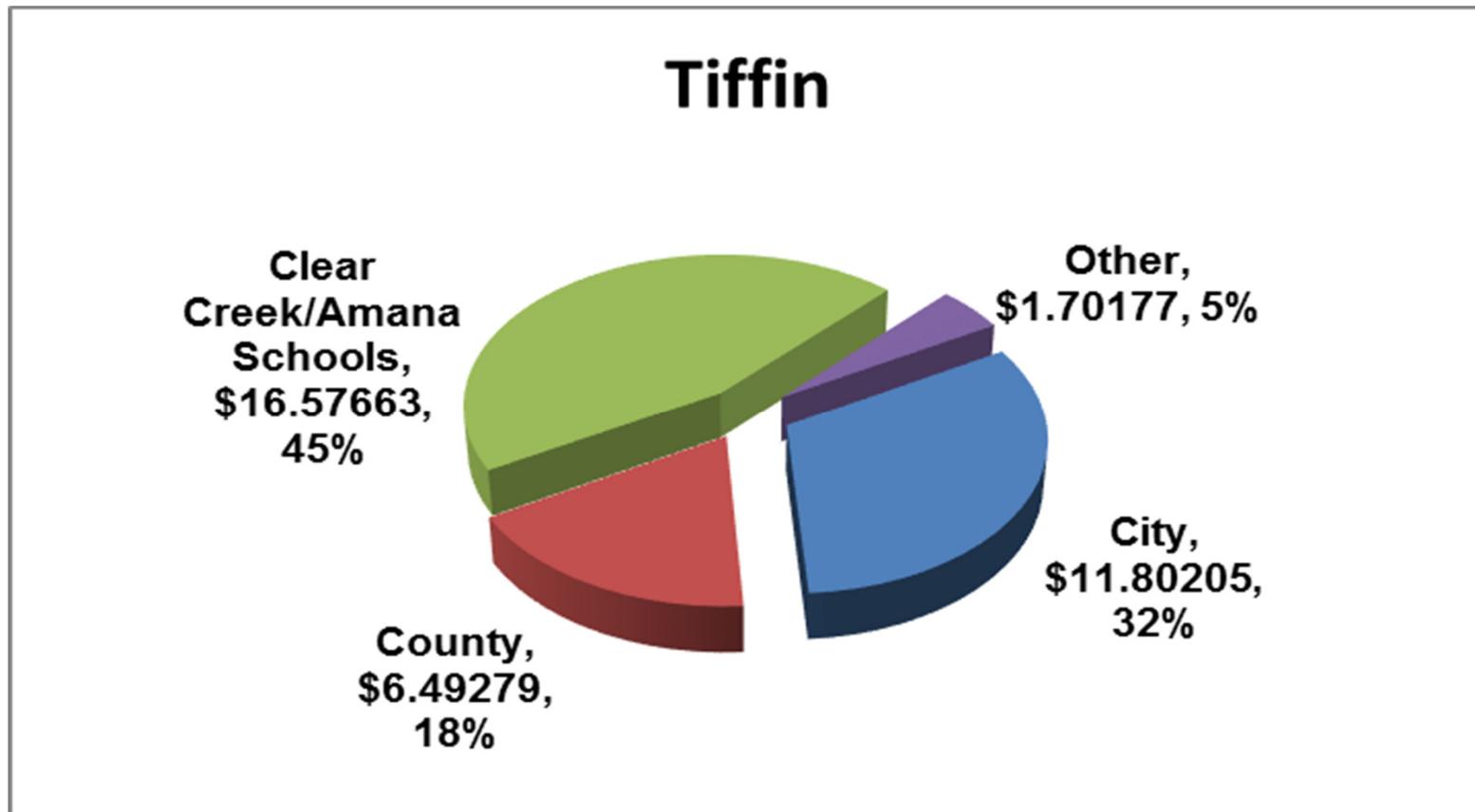
North Liberty – ICCSD

(portion of total tax bill per \$1000 of taxable value)



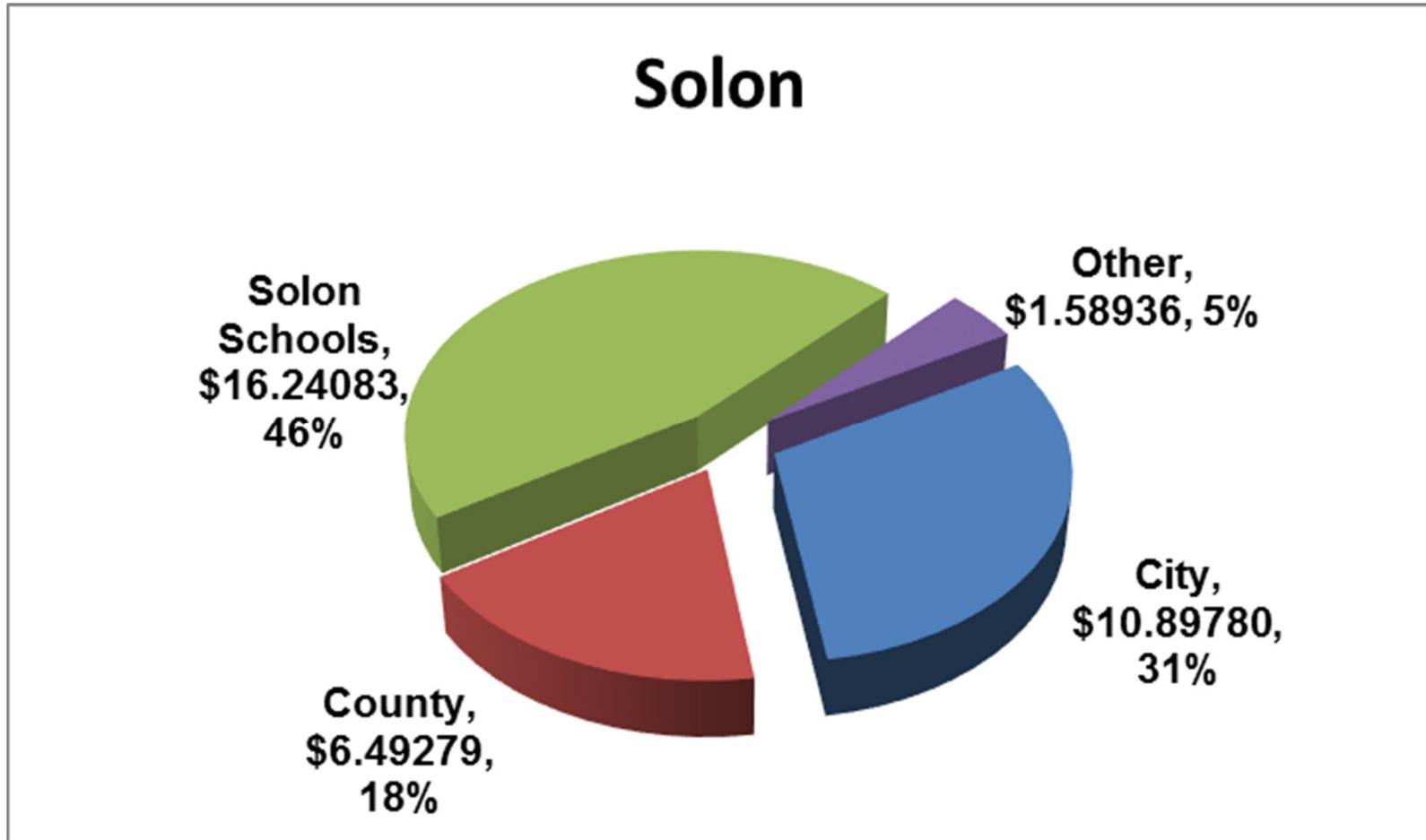
Tiffin – CC-Amana Schools

(portion of total tax bill per \$1000 of taxable value)



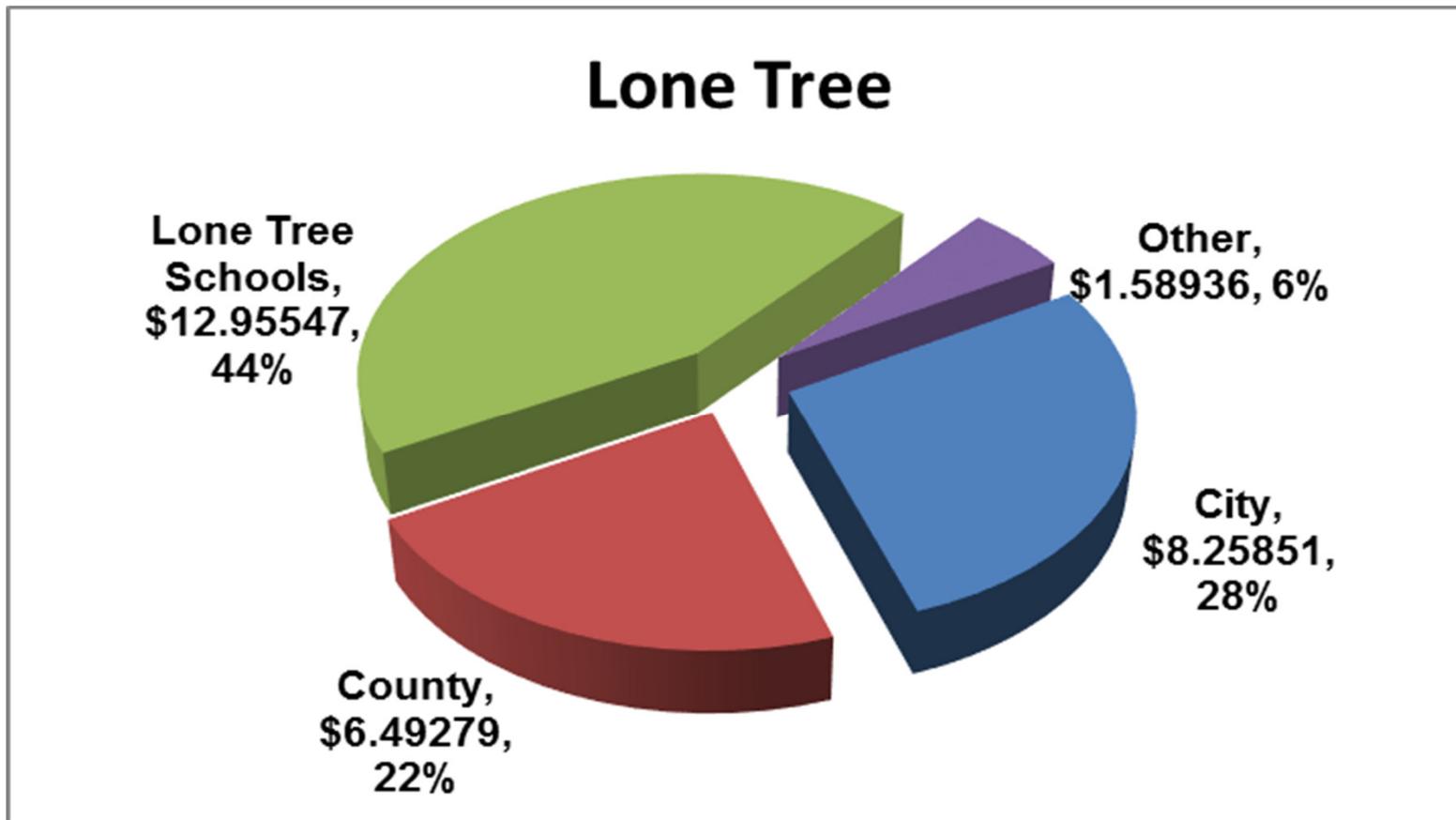
Solon – Solon Schools

(portion of total tax bill per \$1000 of taxable value)



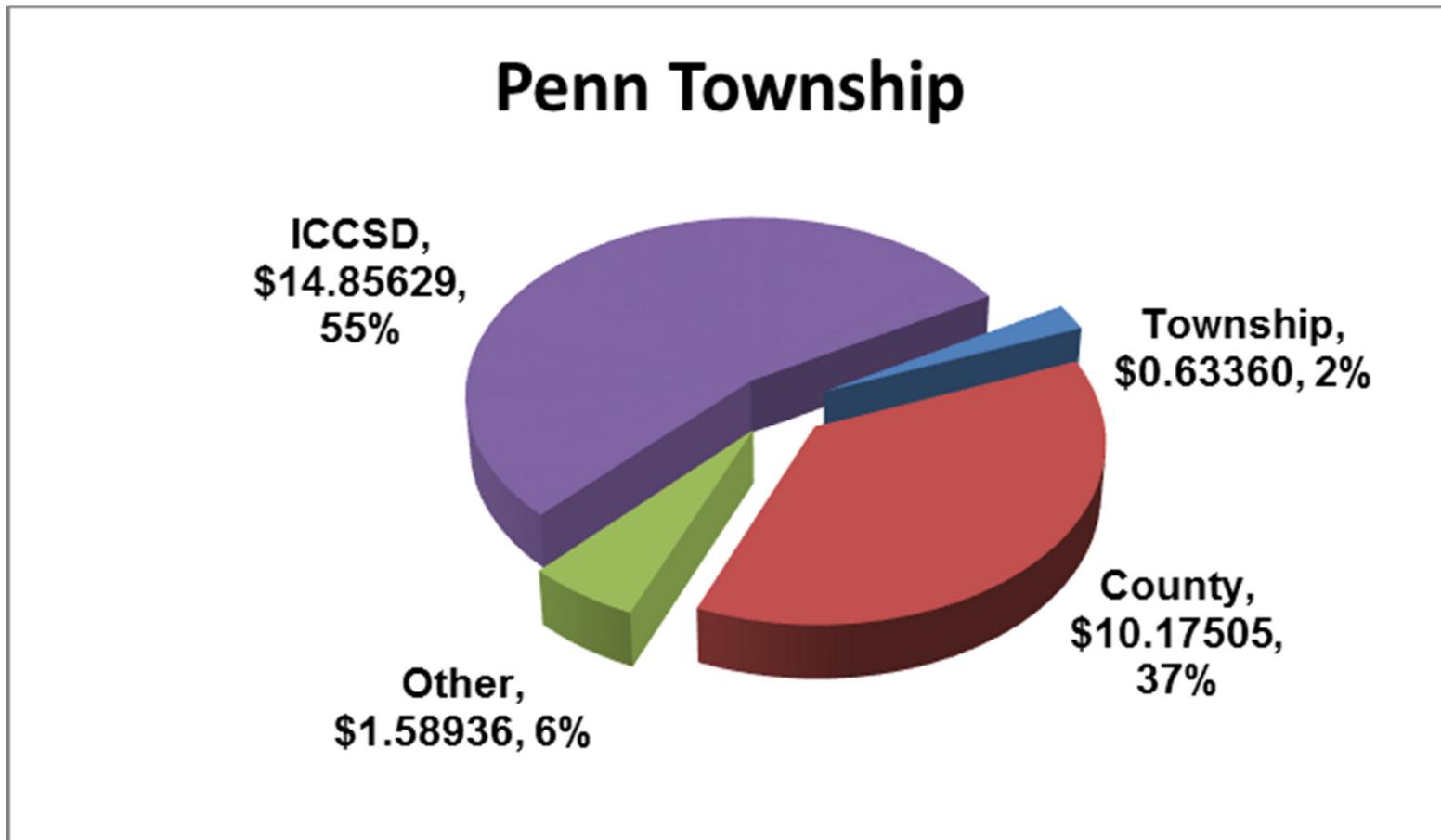
Lone Tree – Lone Tree Schools

(portion of total tax bill per \$1000 of taxable value)



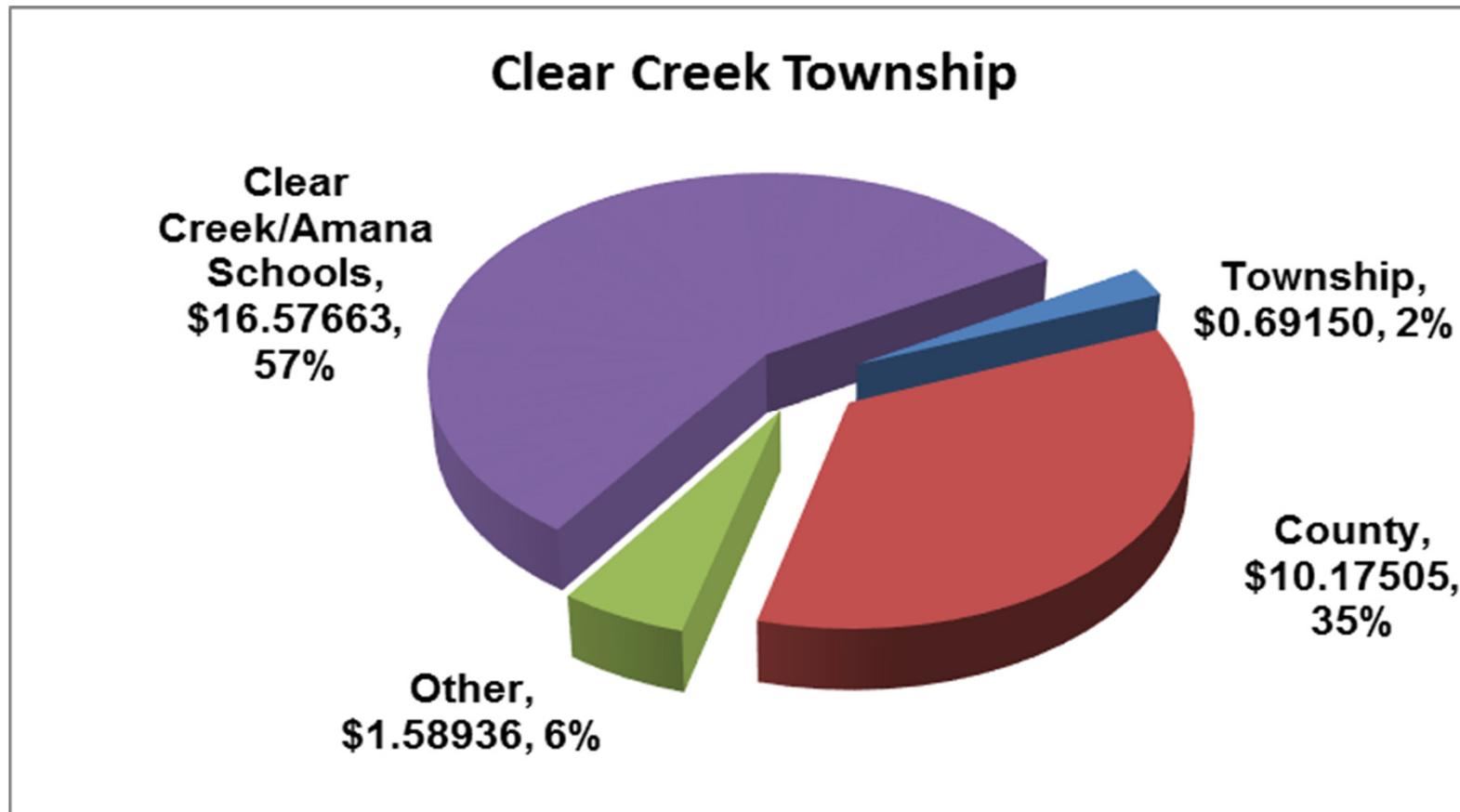
Penn Township – Iowa City Schools

(portion of total tax bill per \$1000 of taxable value)



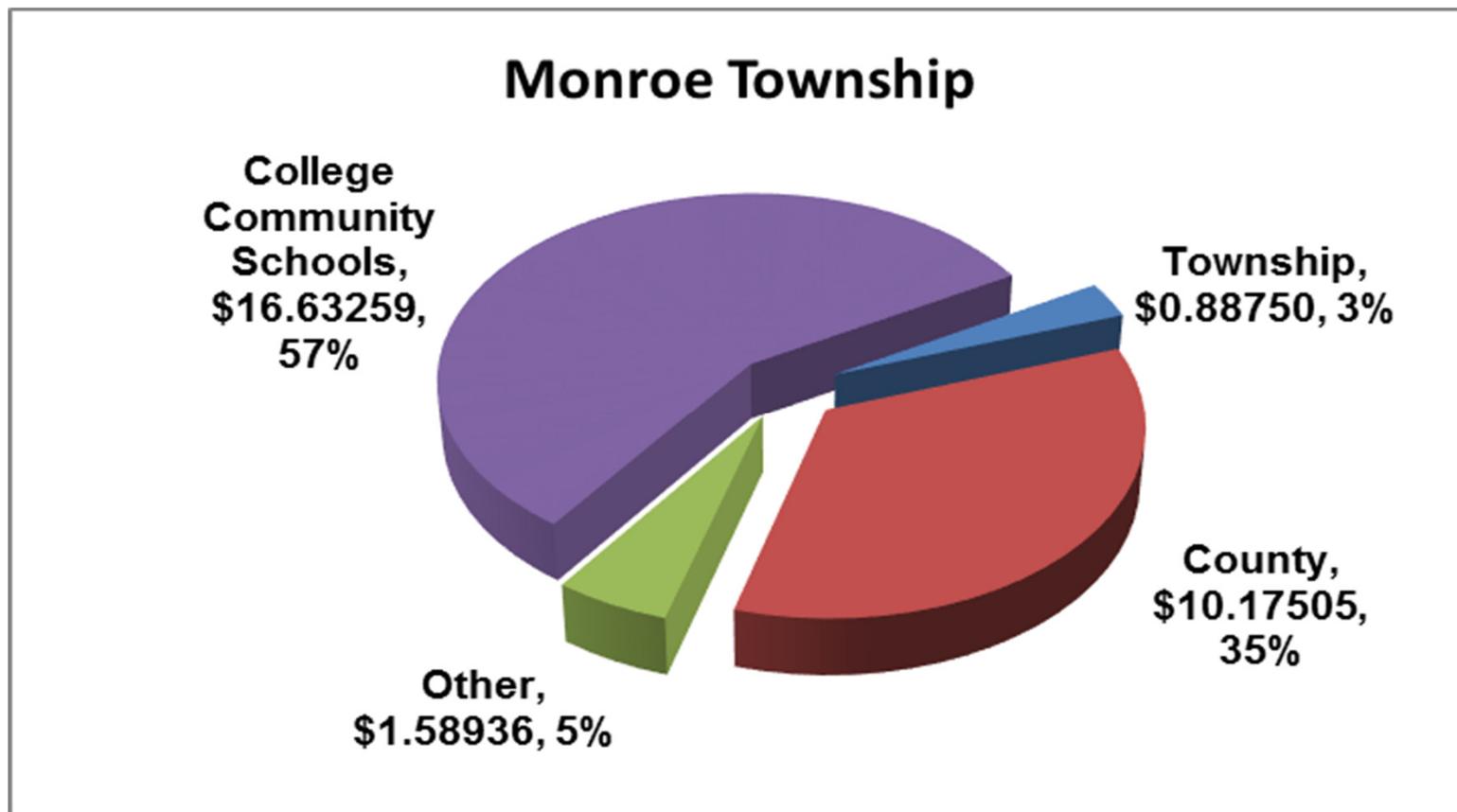
Clear Creek Township – CC - Amana Schools

(portion of total tax bill per \$1000 of taxable value)



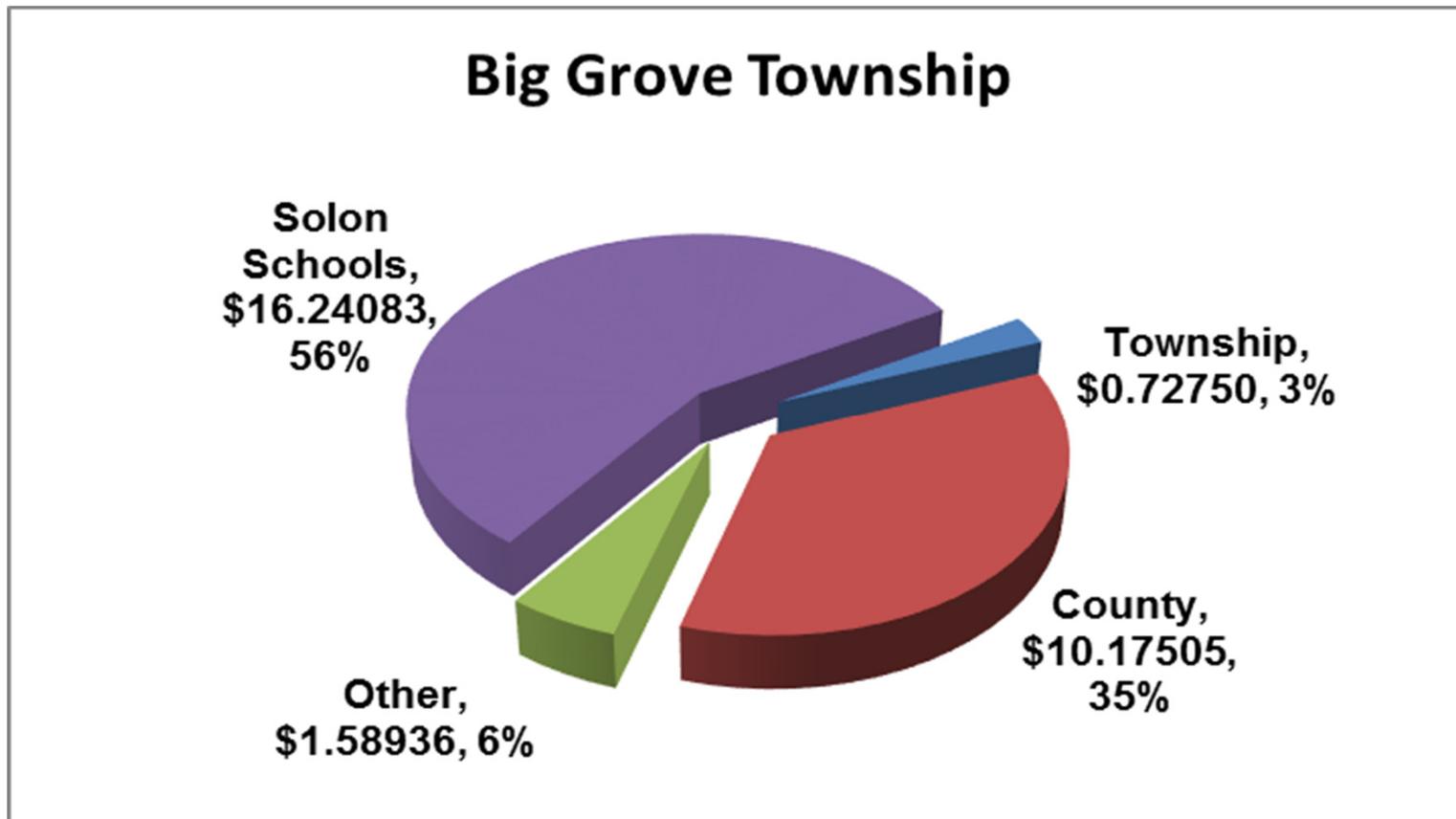
Monroe Township – College Community Schools

(portion of total tax bill per \$1000 of taxable value)



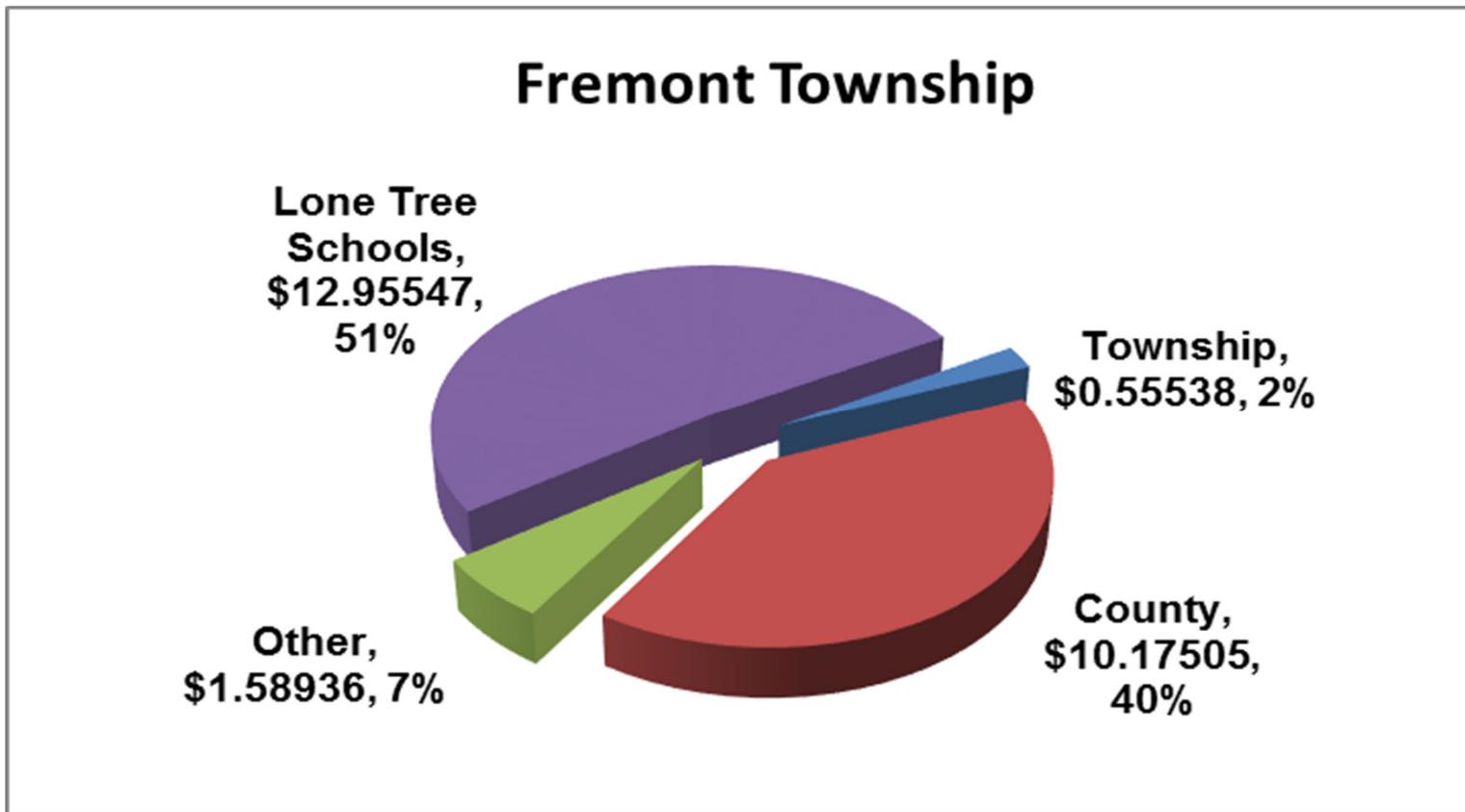
Big Grove Township – Solon Schools

(portion of total tax bill per \$1000 of taxable value)



Fremont Township – Lone Tree Schools

(portion of total tax bill per \$1000 of taxable value)



Adoption of FY 2020 County Budget

The Board is scheduled to have a final discussion and adoption of this proposed budget at its formal meeting, currently scheduled for Tuesday, March 12, 2019. The public is invited to attend that meeting and the Board welcomes any input from the public prior to that meeting if there are any questions or suggestions.

The public can access more detailed information on the FY2020 proposed county budget at the following web address:

https://www.johnson-county.com/dept_finance.aspx?id=24966

Contacts

- **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.johnsoncountyaia.iqm2.com/Citizens/Default.aspx>