

Johnson County FY2024 Budget Hearing

April 19, 2023
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. FY2023 County Highlights
2. Property taxes paid by class and taxable value growth
3. Tax Increment Financing (TIF) – bonding/debt strategy
4. Highlights of the FY2024 County budget
5. Estimated FY2024 property tax bills for selected tax districts

FY2023 COUNTY HIGHLIGHTS

Historic Poor Farm construction

Clear Creek Trail construction

Herbert Hoover Highway construction

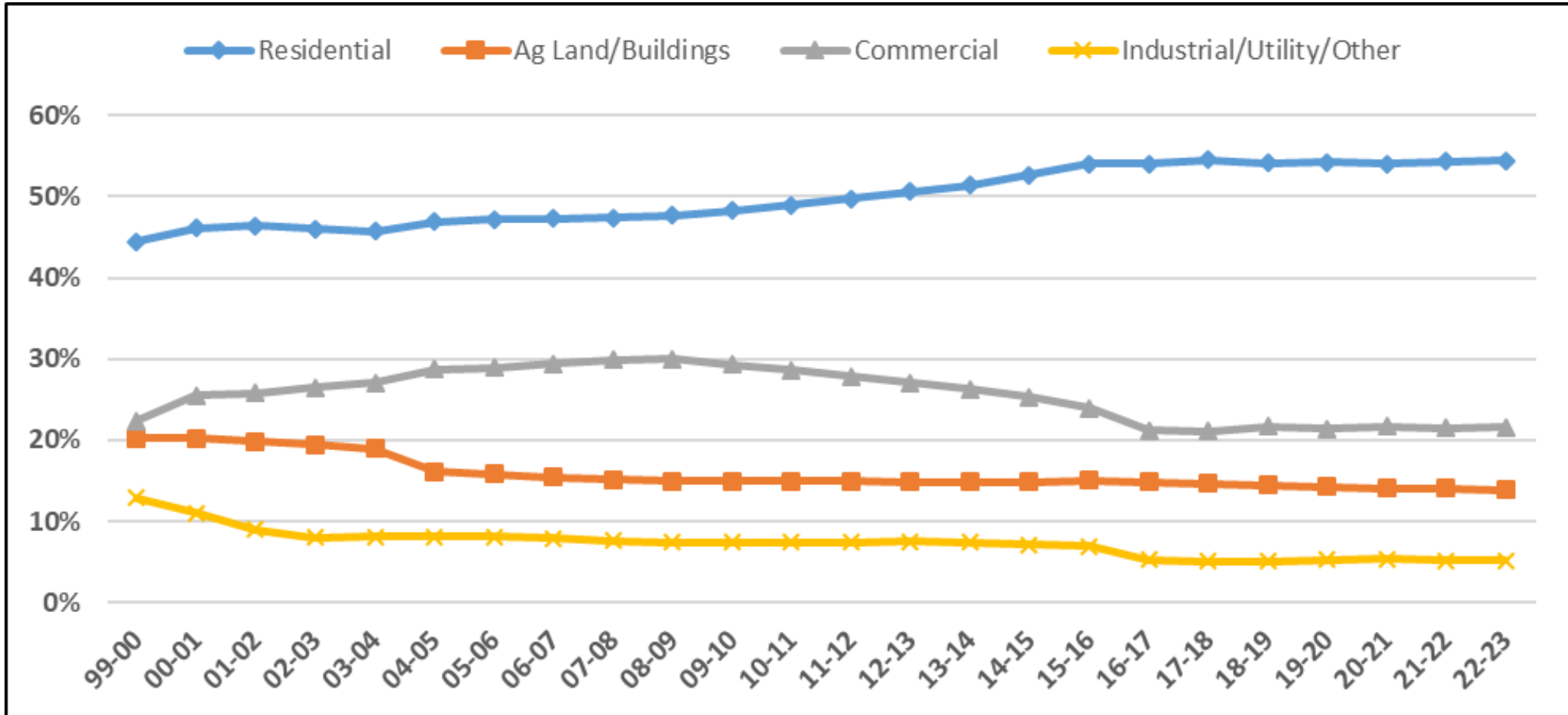


FY2023 COUNTY HIGHLIGHTS

- Social Services General Assistance is on target to assist needy county residents with \$1.4M in rental assistance during FY23
- Provided financial support of ~\$8.5 M to more than 50 community partners, including local non-profits, social service providers & other local governments
- Contributed funding for local affordable housing efforts at \$700,400
- ARPA programming & project funding budgeted at \$9,338,800

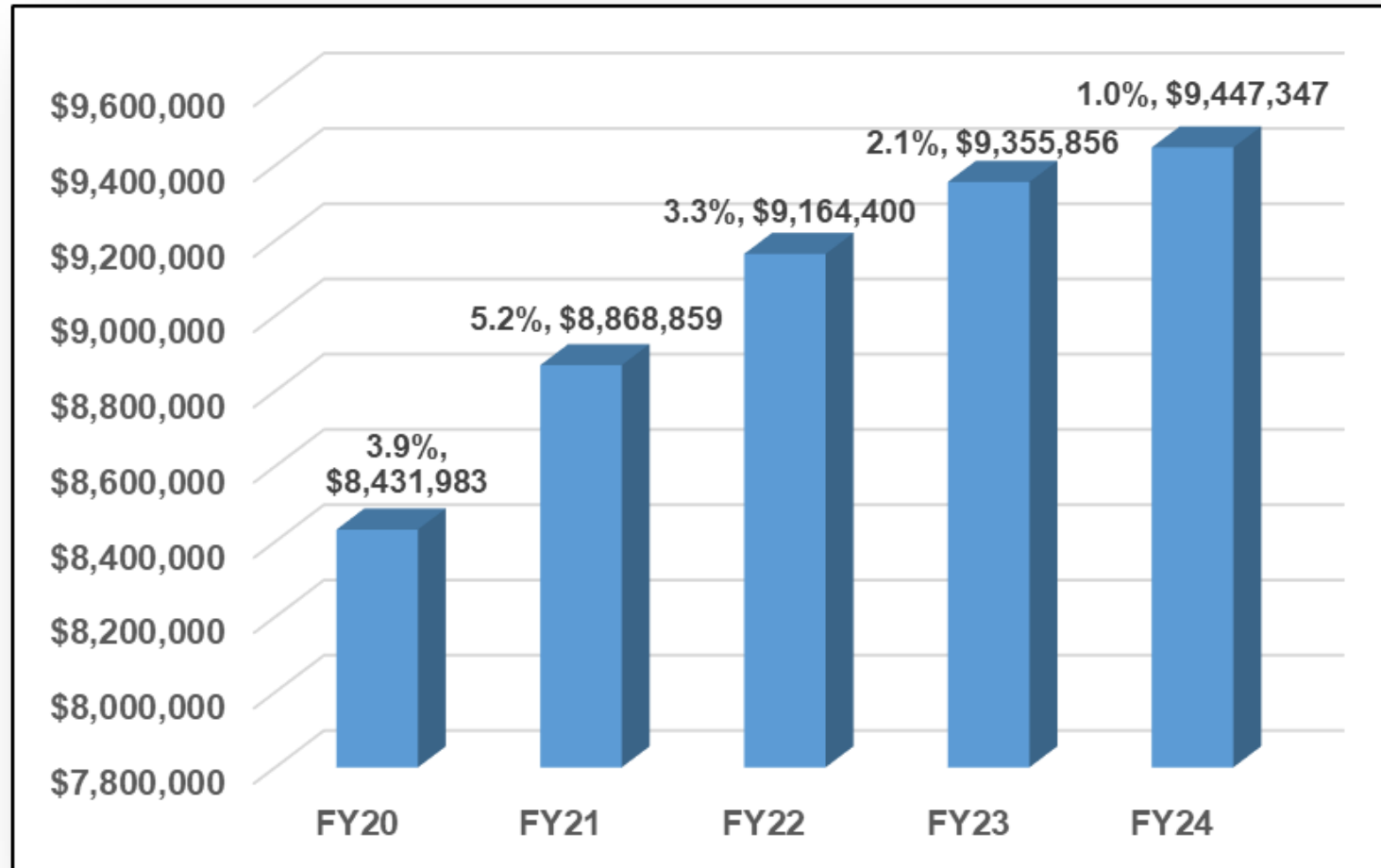


IOWA PROPERTY TAX PAID – PERCENT OF TOTAL BY PROPERTY CLASS



TOTAL TAXABLE VALUE IN JOHNSON COUNTY

with percent change per year (includes TIF increment)



USING DEBT TO ACCESS TIF DISTRICTS

A STRATEGY TO LOWER RESIDENTIAL PROPERTY TAXES

For FY2024, Johnson County has identified ~\$16.9 M of expenditures that qualify for financing via loans/bonding which include:

- \$12.3 M for all County & JECC insurance
- \$2.1 M for construction & renovations
- \$1.6 M for vehicles, equipment & technology
- \$700 K for affordable housing support
- \$300 K for conservation projects



These identified costs would have been a component of the FY2024 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 FY2024, the TIF areas within Johnson County will contribute ~\$1.9 million in taxes, that's about 47% of the diverted TIF taxes for Johnson County.

The TIF tax contribution will reduce the cost of a residential property owner's tax bill for these expenses by \$11.05 per \$100,000 of taxable valuation.



JOHNSON COUNTY DEBT FY2024

Outstanding Debt on 7/1/2023: **\$8,573,000**

Add FY2024 Borrowings: \$ 16,929,399

Less FY2024 Principal Payments: \$(20,143,299)

Outstanding Debt on 7/1/2024: **\$5,359,100**

Johnson County will end FY2024 with \$3,213,900 less debt outstanding than the current year. This will be the 11th year in the last 12 years that Johnson County will experience a decrease in its outstanding debt obligation at fiscal year end, a nearly 37% reduction in outstanding debt during the FY2024 budget year alone. The debt outstanding at FY24 year end represents ~0.6% of the County's debt limitation.



FY2024 BUDGET HIGHLIGHTS

- Revenues total \$102,433,941, increase of \$5,701,151 or 5.9% (excluding operating transfers in, debt proceeds, and fixed asset sales)
- Expenditures total \$146,853,259, increase of \$8,420,903 or 6.1% (excluding transfers out)
- Capital expenditures total \$27,374,074, an increase of \$4,679,163 or 20.6%
- Personnel expenditures total \$60,081,332, an increase of \$2,469,855 or 4.3%



FY2024 BUDGET HIGHLIGHTS

- ~\$9.0 M in financial support for our non-profit partners, agencies and other governmental entities
- \$700,400 in funding for affordable housing
- \$1,441,100 in funding for the Historic Poor Farm projects and operations
- ~\$9.6 M in ARPA funding for various projects and programs



FY2024 BUDGET HIGHLIGHTS

- ~\$8.3 M in planned road construction and maintenance, ~\$810 K in funding for the Guidelink Center's operations and staffing needs, another ~\$1.2 M investment in emergency communications infrastructure upgrades, ~\$750 K for the renovation of the Johnson County Courthouse, ~\$3.0 M for Conservation trail construction and maintenance.
- 17.0 total FTEs added in Ambulance, County Attorney's Office, Board of Supervisor's Office, Sheriff's Office, SEATS/Fleet, Treasurer's Office, Physical Plant, Conservation, Social Services, and Veterans Affairs.



FY2024 BUDGET HIGHLIGHTS

INCREASED AMBULANCE HOURS

- With the approval of the Board of Supervisors, 2.8 FTE were added to increase staffing by 8 hours per day, 7 days per week to be available for calls.
- In addition, 1.2 FTE were added to pilot a healthcare transport team to alleviate work for other ambulance crews and is expected to generate revenue of about \$108,000 per year.



FY2024 SECONDARY ROADS PROJECTS

- Amana Road NW from Hwy 965 to Greencastle Ave: \$2,700,000, estimated
- American Legion Road from Taft Ave to Hwy 6: \$3,360,000, estimated
- West Penn St from North Liberty to James Ave NW: \$993,000, estimated
- Dillon Furrow Rd from Hwy 1 to Hwy 1: \$850,000, estimated
- Herbert Hoover Highway roundabout at Johnson/Cedar Rd: \$1,456,000, estimated
- Three bridge replacements on James Ave, Utah Ave, and Cosgrove Rd: \$2,700,000, estimated
- Various road renovation projects: \$360,000, estimated



Visit the Secondary Roads website at www.johnson-county.com. At the top of their page is the Road Construction tab, and the Five Year Road Construction Plan is located there with more information.

FY2024 SERVICES TO RURAL RESIDENTS

In addition to the roads projects in the previous slide:

- IC Animal Shelter \$158,009 for animal control services in the county's rural areas
- Eight local libraries are receiving total support of \$1,047,474 for rural resident's access
- Secondary Roads will receive the maximum allowable transfer from the Rural Basic fund of ~\$5.78 M. This is equal to ~82% of the levied taxes in the Rural fund. Secondary Roads will also receive the maximum transfer from the General Fund of ~\$1.59 M
- The rural levy rate is \$3.68393 per \$1,000 of taxable property value, a decrease of ~1 cent. According to Iowa State Association of Counties (ISAC), Johnson County is ranked 66th out of 99 counties in regards to its total rural levy rate



FY2024 America Rescue Plan Act (ARPA) Projects & Programs

Total ARPA Projects budget for FY2024 is ~\$9.6 M

Largest projects are:

- Affordable Housing: \$1,000,000
- General Assistance expansion: \$800,000
- Behavior health and substance abuse service provision at GuideLink Center: \$750,000 & \$575,979
- Financing program for minority owned businesses: \$500,000
- Childcare Provider wage incentive program: \$500,000
- Expansion of SEATS transportation: \$573,828
- Community Food and Farm grant: \$317,600
- Community apprenticeship program: \$400,000
- Various capital projects of ~\$4.5 M

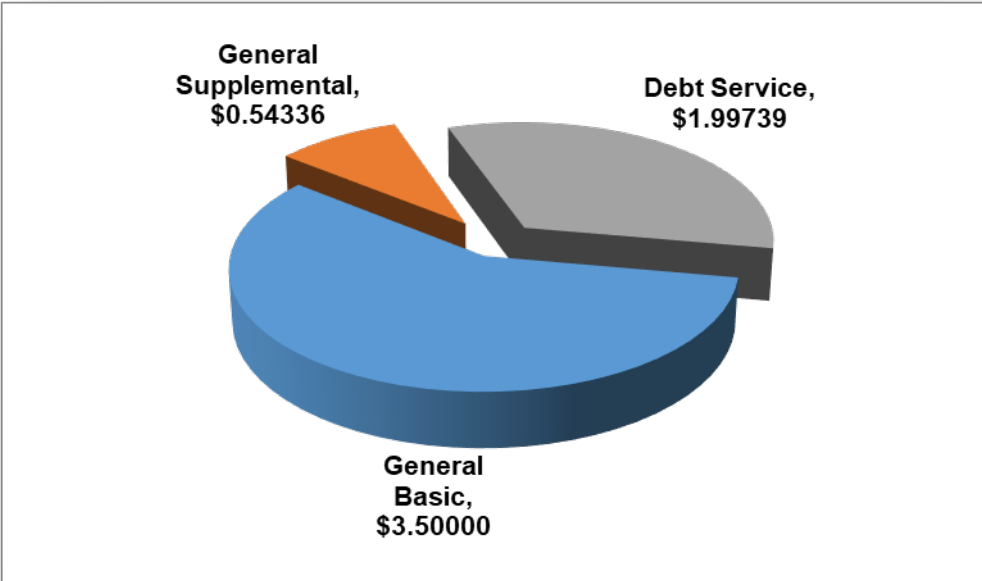


COUNTYWIDE LEVY RATE COMPOSITION

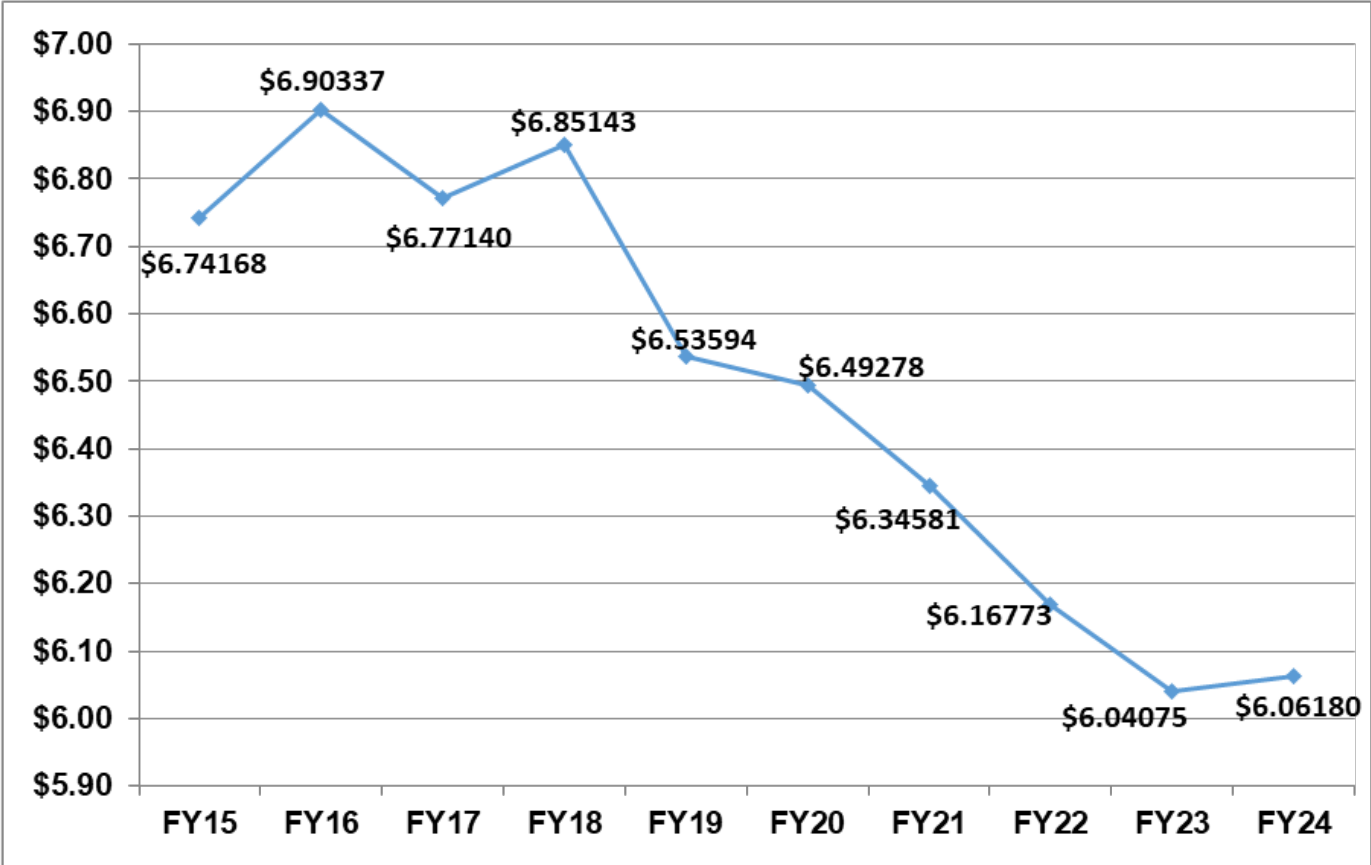
\$6.06180

The countywide levy rate is increasing ~2 cents in FY24, while the rural levy is decreasing ~ 1 cent.

Although the countywide levy rate is increasing slightly this year, it has decreased in each of the previous five fiscal years and is down 84 cents (-12%) since FY16.

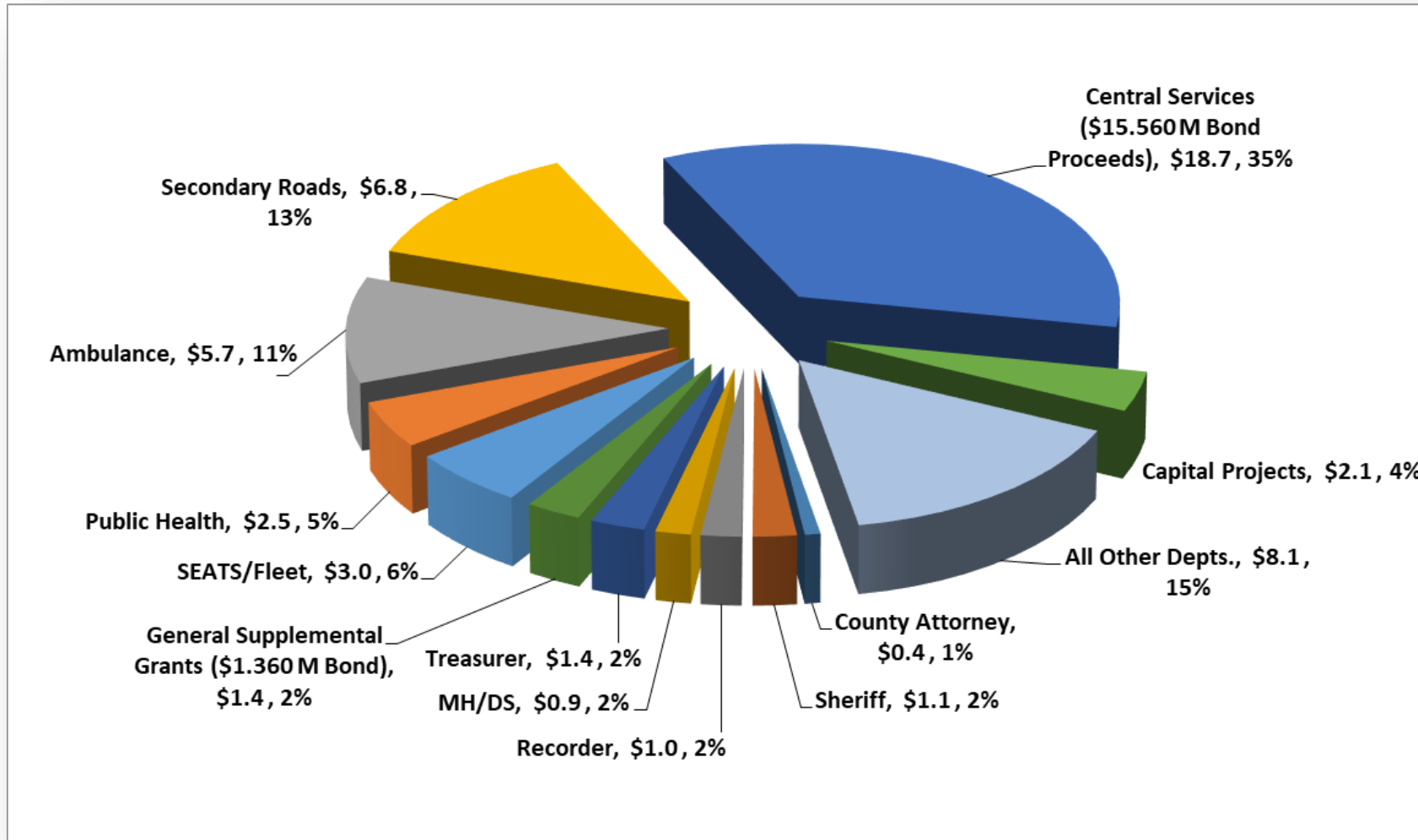


COUNTYWIDE LEVY RATES FY2015 – FY2024



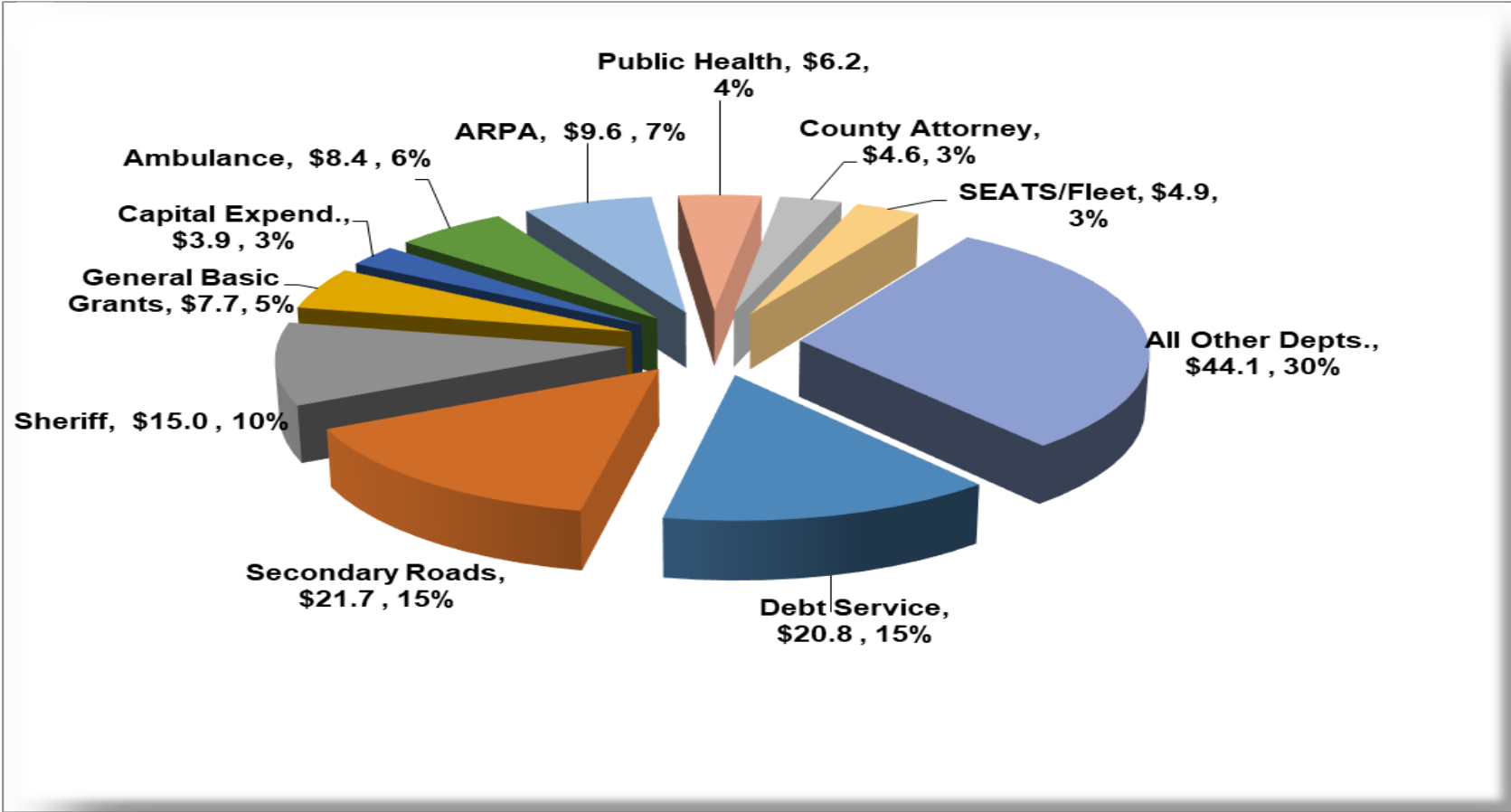
FY2024 DEPARTMENTAL REVENUES

(\$ IN MILLIONS, EXCLUDES TAXES & CREDITS)



FY2024 DEPARTMENTAL EXPENSES

(\$ IN MILLIONS)



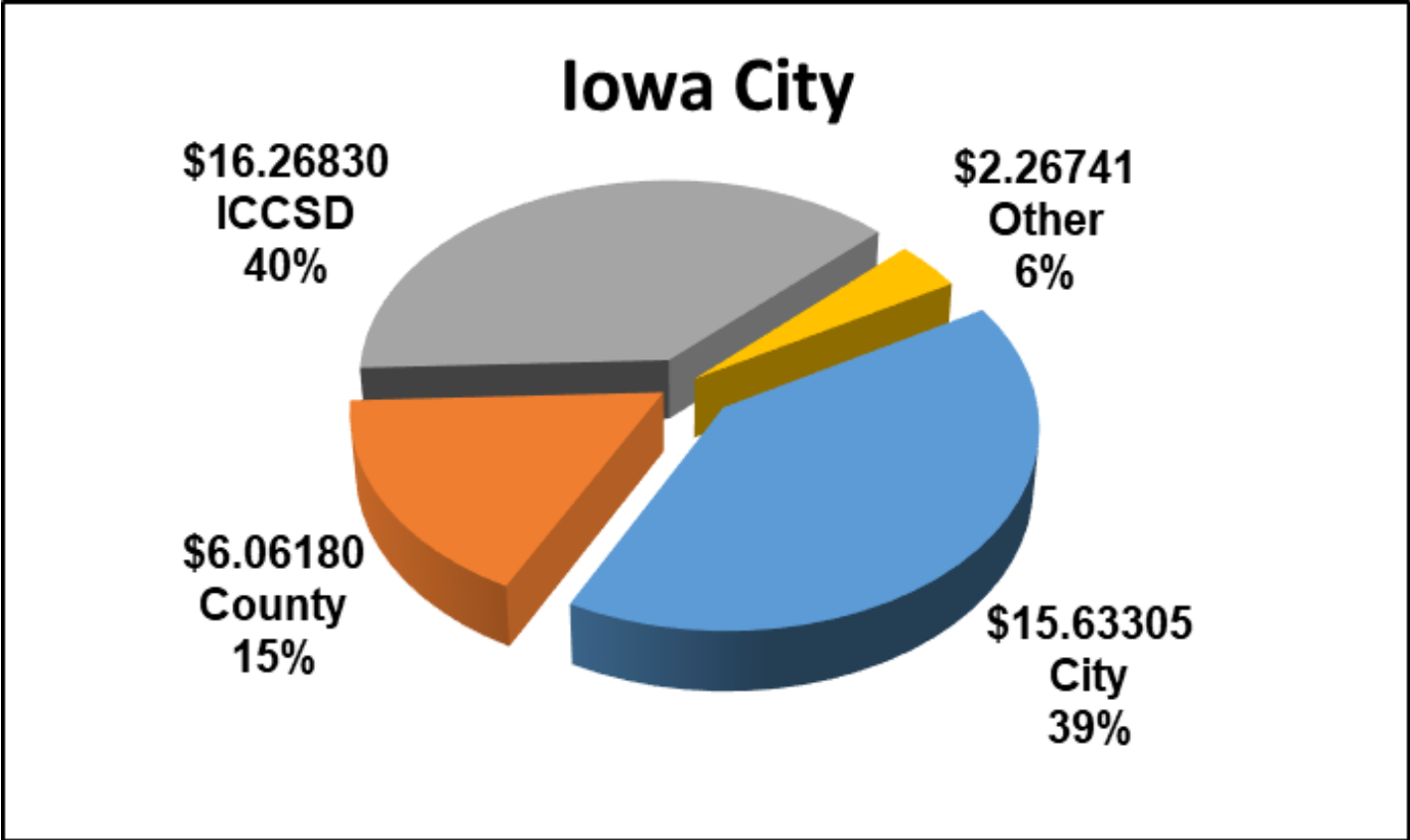
COUNTYWIDE TAXPAYER EXAMPLES

- The following graphs are estimates (using the FY2023 effective levies or the FY2024 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 FY2024.
- The following residential taxpayers are illustrated: Iowa City, Solon, Tiffin, Newport Township, Clear Creek Township, and Sharon Township.



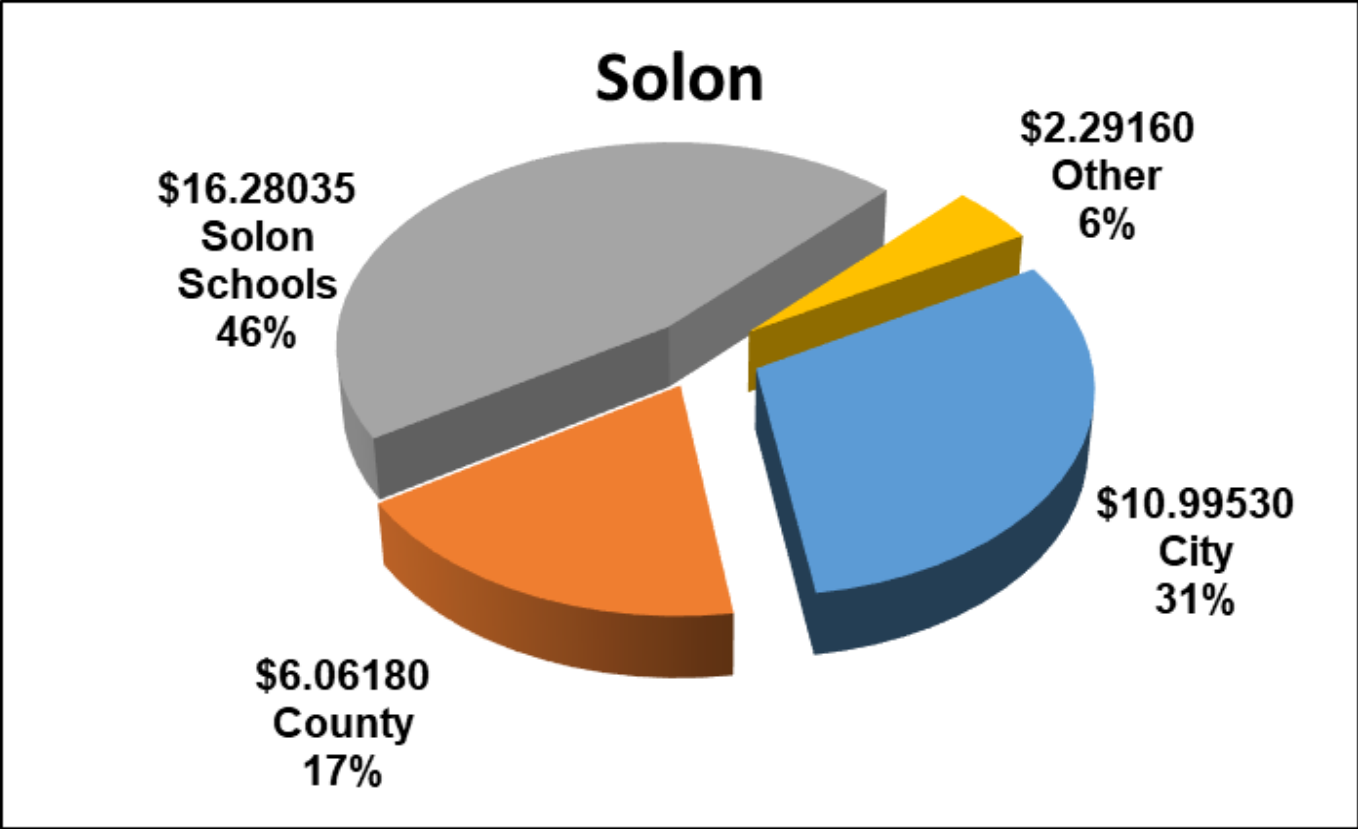
IOWA CITY – ICCSD

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



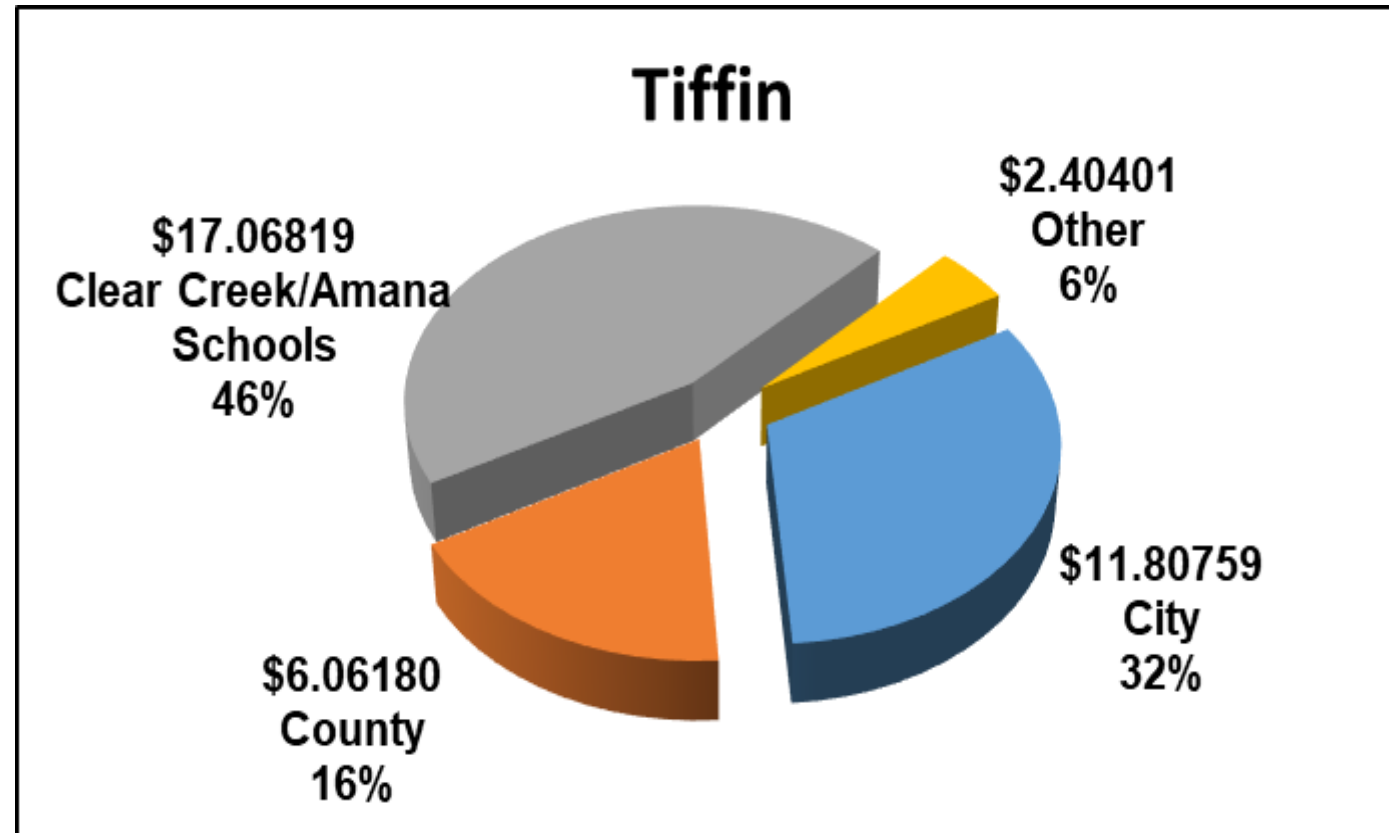
SOLON – SCSD

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



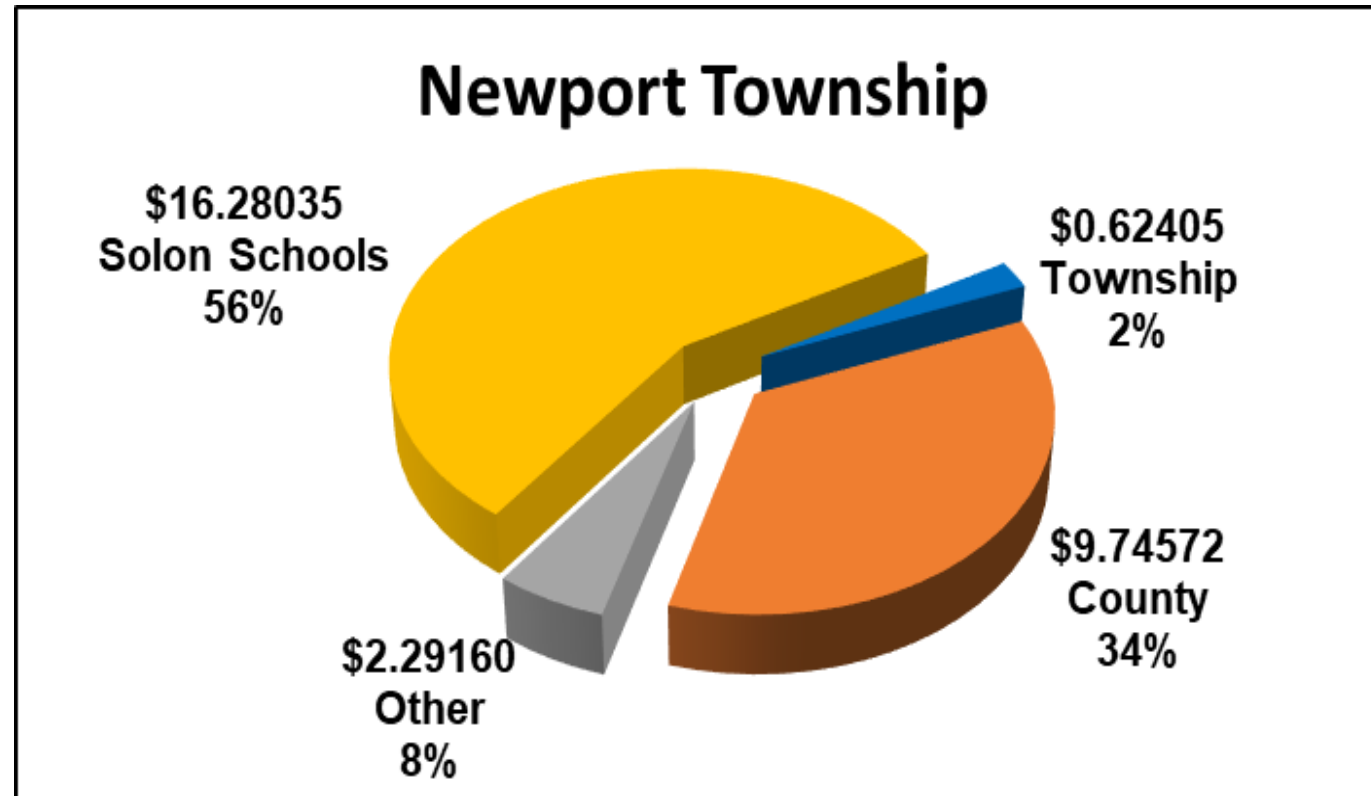
TIFFIN – CCASD

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



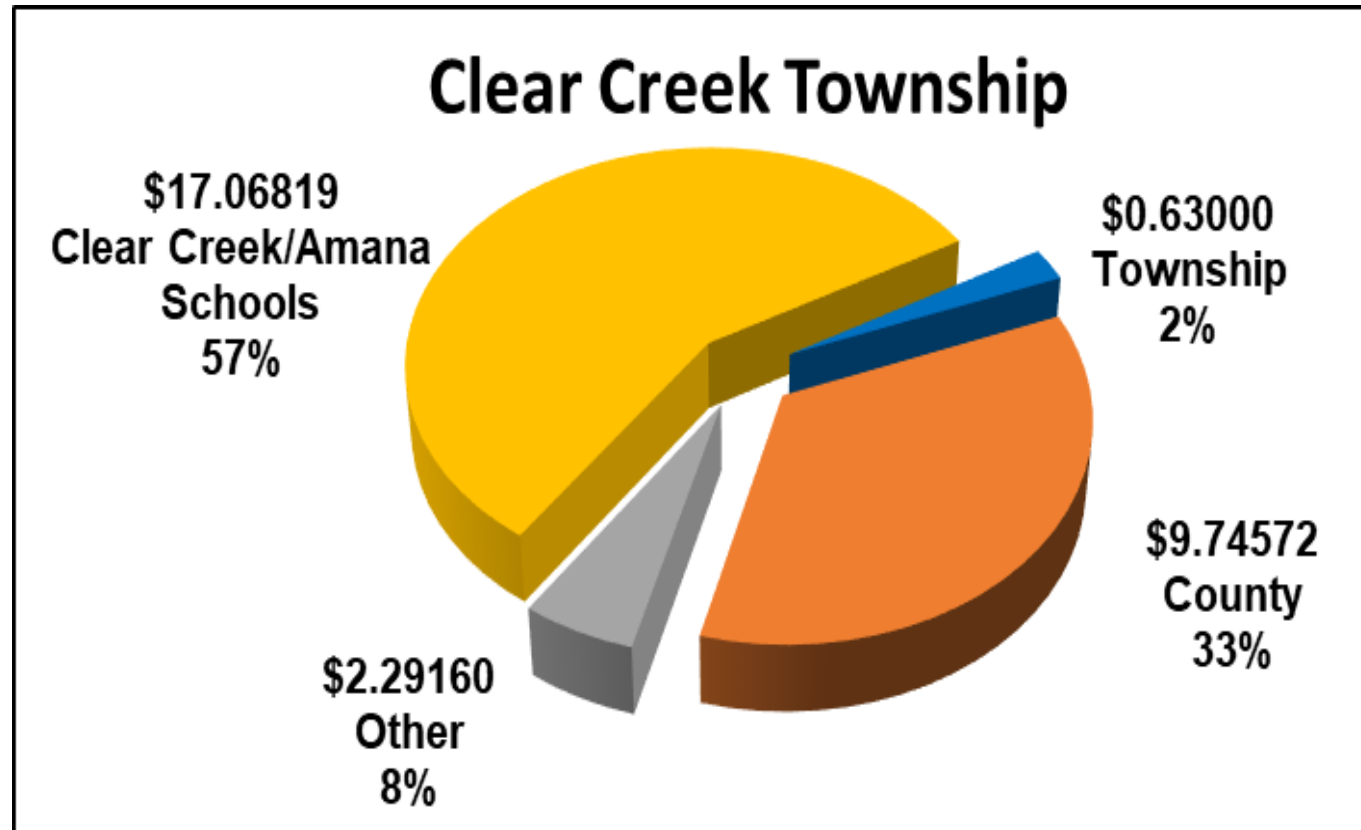
NEWPORT TOWNSHIP - SCSD

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



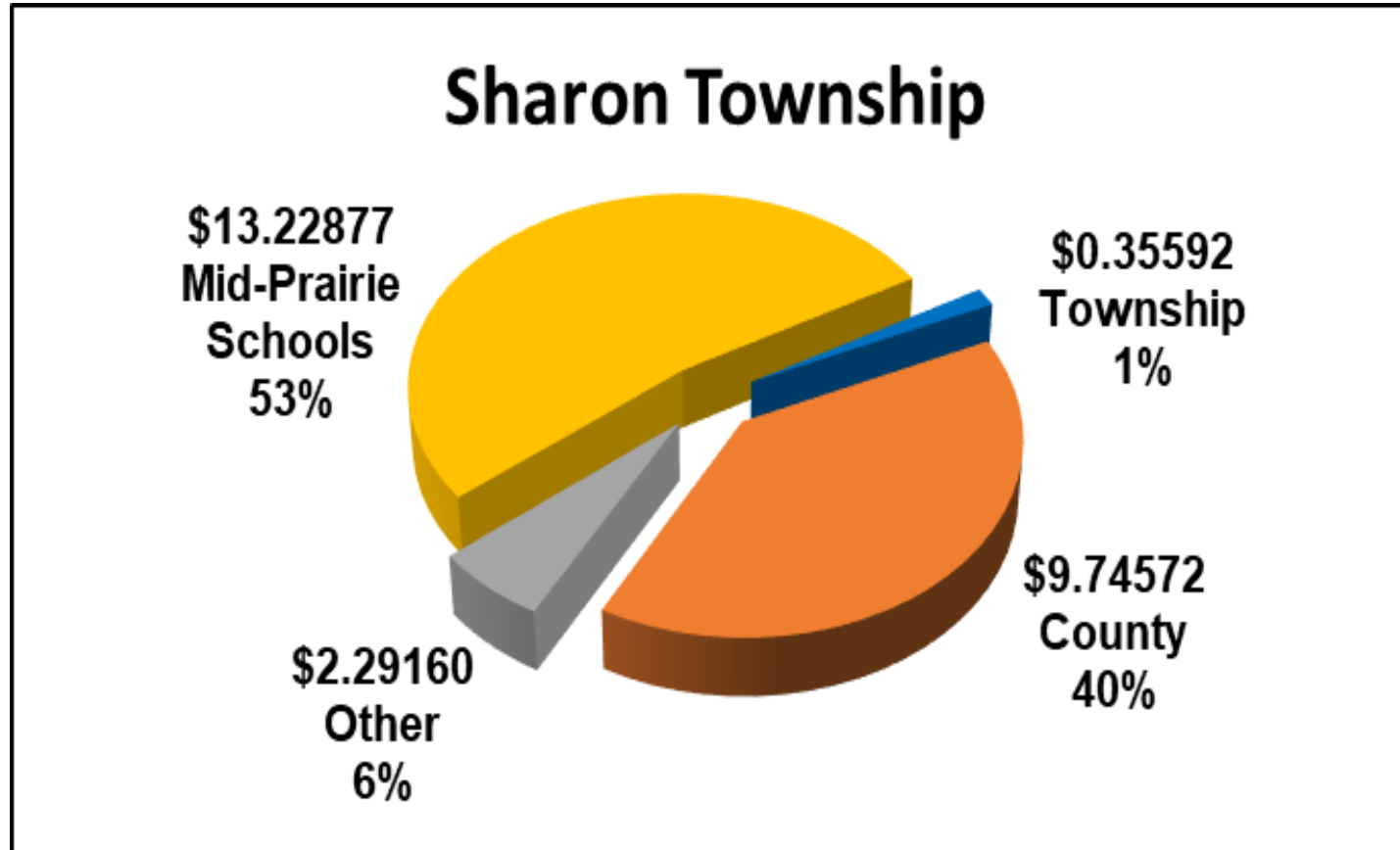
CLEAR CREEK TOWNSHIP - CCASD

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



SHARON TOWNSHIP - MPSD

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



ADOPTION OF FY2024 COUNTY BUDGET

The Board of Supervisors is scheduled to have a final discussion and adoption of this proposed budget at the weekly formal meeting on Thursday, April 27, 2023. 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 FY2024 proposed county budget at: <https://www.johnsoncountyiowa.gov/finance/budget-documents>



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.johnsoncountyiowa.gov

