



North Liberty City Council

November 29, 2016
Budget Goal Setting Session



AGENDA

North Liberty City Council

November 29, 2016

Special Session

6:30 p.m.

City Council Chambers

1. Call to order
2. Roll call
3. Approval of the Agenda
4. FY 18 Budget Goal Setting
 - A. Discussion and goal setting for the upcoming budget process
5. Adjournment

City of North Liberty FY 18 Budget Goal Setting



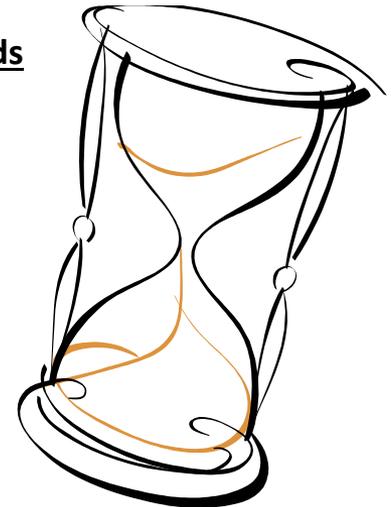
November 29, 2016

North Liberty City Council Chambers

6:30P.M.

Budget Timeline

- Sep 20 – Nov 4 Department Heads create budgets
- Nov 7 Proposals submitted to City Administrator
- Nov 29 Budget Goal Setting with Council
- Nov 14 -Dec 2 Dept Head meetings with City Administrator
- Jan 17 Budget work session with City Council & Department Heads
- Jan 31 Budget work session with City Council (if needed)
- Feb 14 Final Budget Report to City Council
- Feb 17 Publication of proposed budget
- Feb 28 Public Hearing and adoption of FY 17 budget
- Mar 15 Final Budget certified with County Auditor



Administration's Budget Objectives

- Continue to explore alternatives for providing services more efficiently/effectively (**on-going throughout the year**)
 - Includes evaluating program expenses, revenues, objectives and results
- Address service, operational and infrastructure needs due to growth
 - Explore staffing needs and contracting services
 - Numerous departments will be requesting additional staff for FY18
 - Police, Library, Streets, Water, Wastewater, Administration, Parks, Building
 - Building safety improvements
 - Additional training resources (safety, diversity, customer service)
- Address vertical and horizontal infrastructure needs
 - Highway 965, south of FGR (partnership with Coralville)
 - Penn Street/Front Street intersection
 - Police Department relocation
- Continue to maintain/build adequate cash reserves
 - A solid financial base is imperative for a high quality credit (bond) rating
- Review utility service funds and rates to plan for current and future needs
 - Quarterly reviews of utility operations and meetings with financial advisors
 - Review of storm water rates and programs



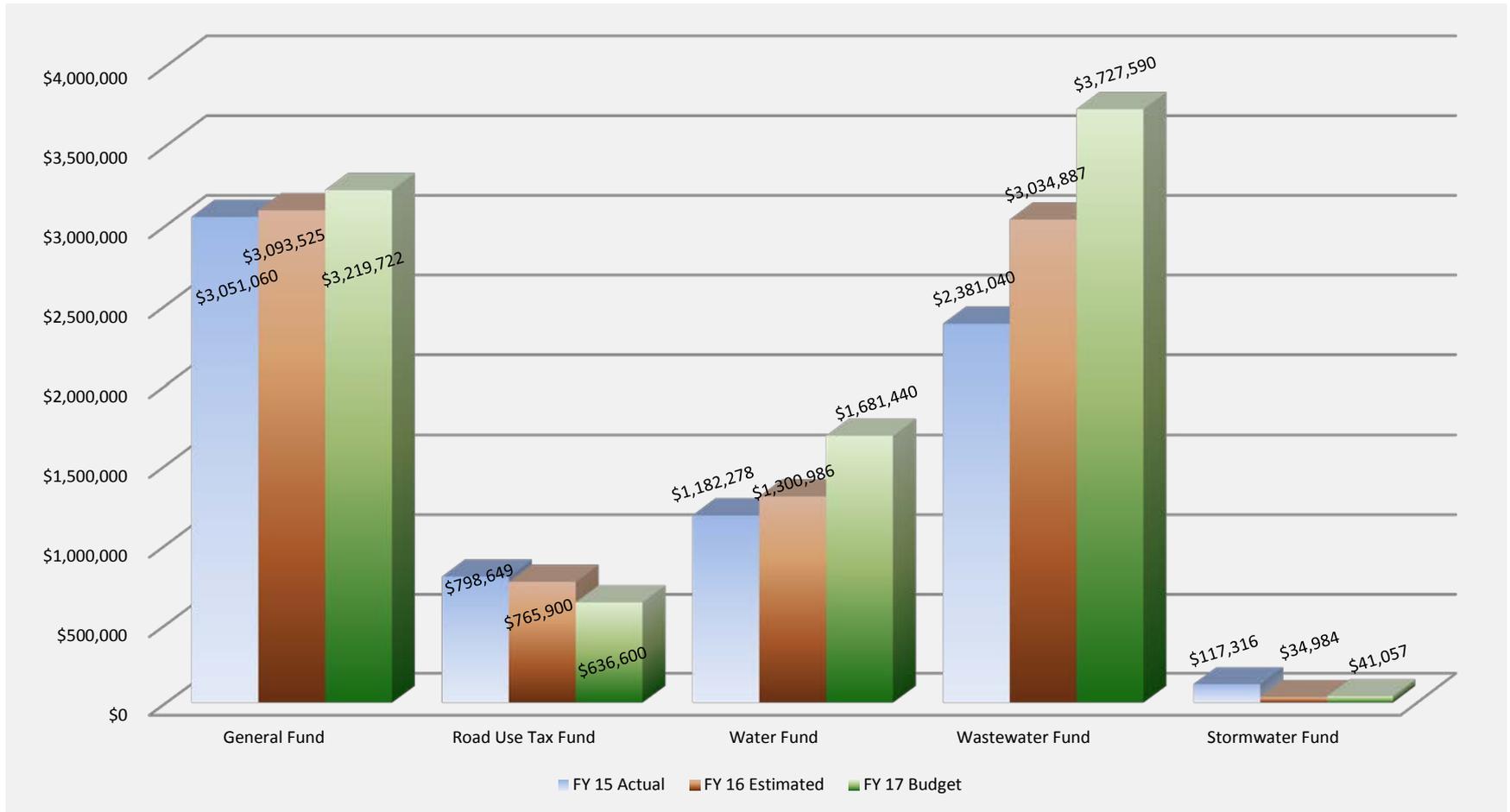
Current Fiscal Conditions, Opportunities and Challenges

- **City of North Liberty maintains strong financial position.**
 - **Major funds projected to grow or maintain strong cash position in FY 17** (noted by Moody's)
 - Road Use Tax Revenues exceeding projections (special census results and new gas tax benefiting RUT fund)
 - General fund remains strong
 - Utility funds will continue to be monitored, appropriate rate adjustments recommended. Fund balances in water and wastewater grew in FY 16.
 - Current large cash balances within the utility funds are needed for future project payments
 - **Bond rating is Aa3 (exceptional considering our tax base size)**
 - Moody's will consider bond rating increase as tax valuations expand
 - **At 48% of debt capacity**
 - \$38 mil in capacity remains, which is very strong
 - **Aggressive in repayment of bonds** (noted by Moody's)
 - **Continue to see growth in taxable value; however, state property tax laws will have negative implications to taxable values**
 - **Well defined CIP and Financial Planning Model will help maintain strong financial position**

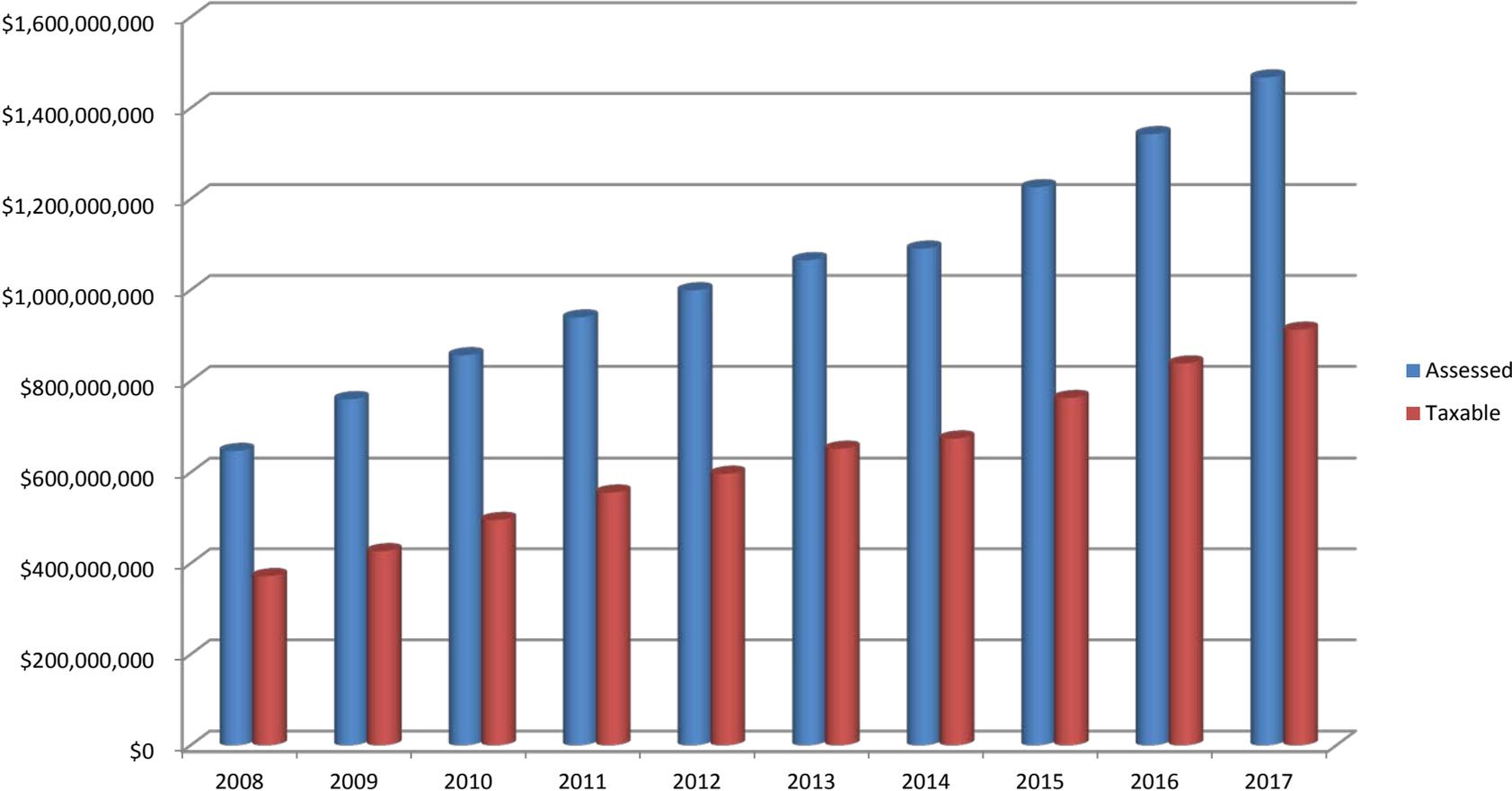
Current Fiscal Conditions, Opportunities and Challenges

- **Growth**
 - Continued growth results in increased service needs or demands
 - Growth does not always cover expenses & request for services have not slowed
 - Staffing levels have slowly increased while the additional demands and responsibilities have grown dramatically
 - Examples of recent service requests/requirements: dog park, social service funds, transit opportunities, pedestrian improvements as well as unfunded mandate regulations (erosion control, ADA transition plan, water testing, back flow prevention inspections, etc.)
 - Additional demands on infrastructure
 - Costs of maintaining and adding infrastructure
 - Capacity improvements at existing intersections
 - Utility facility plans identify \$40 mil in improvements over next 5-10 years
- **Liberty High School Growth Area**
 - Estimated investment for infrastructure: \$12 mil
 - This investment is bringing with it private development to help offset the initial investment
- **I380/Forevergreen Road Interchange**
 - Great opportunity to work with the state to gain another interstate access point
 - Challenge will be funding local roads necessary for upgrades
- **State Decisions**
 - The recent tax law changes will negatively impact the budget; however, specific revenue projections are unknown
 - Currently, backfill reimbursements are coming in above projections; however, these reimbursements could be adjusted or cut by the state at any time
 - A recent shift in leadership at the state level could have a negative impact on cities

Fund Balances - June 30, 2016



Land Valuation History

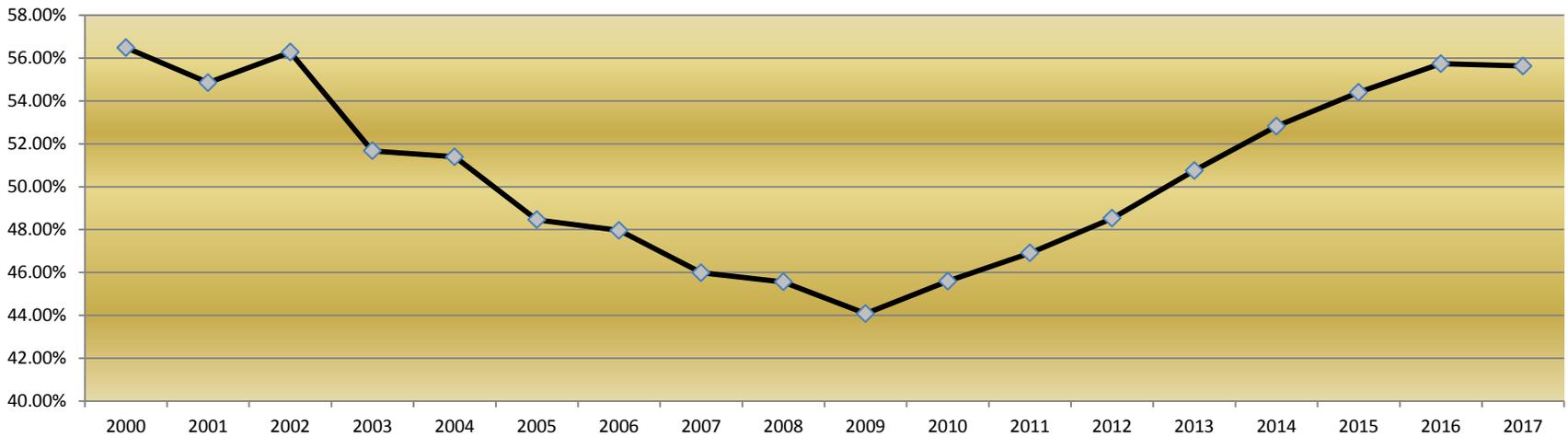


Tax Rate History



Rollback Data

Residential



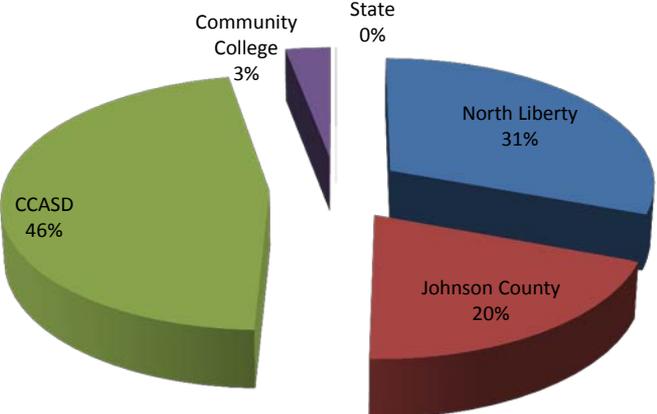
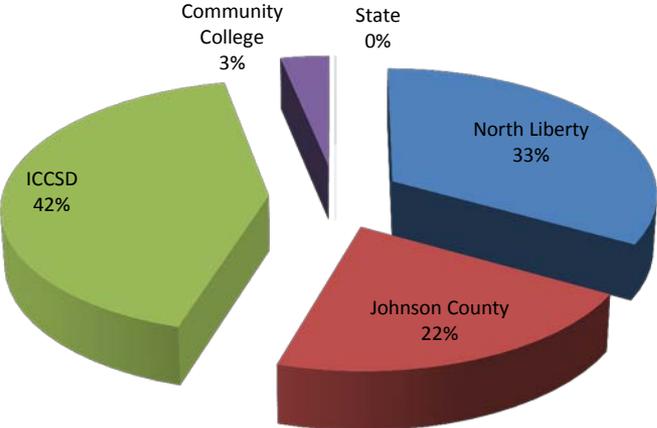
Commercial



Breakdown of Property Taxes Paid -FY 17

Iowa City School District (in NL)

CCA School District (in NL)



Tax Rate Comparisons – FY 17

Johnson County Cities



Comparable Iowa Cities

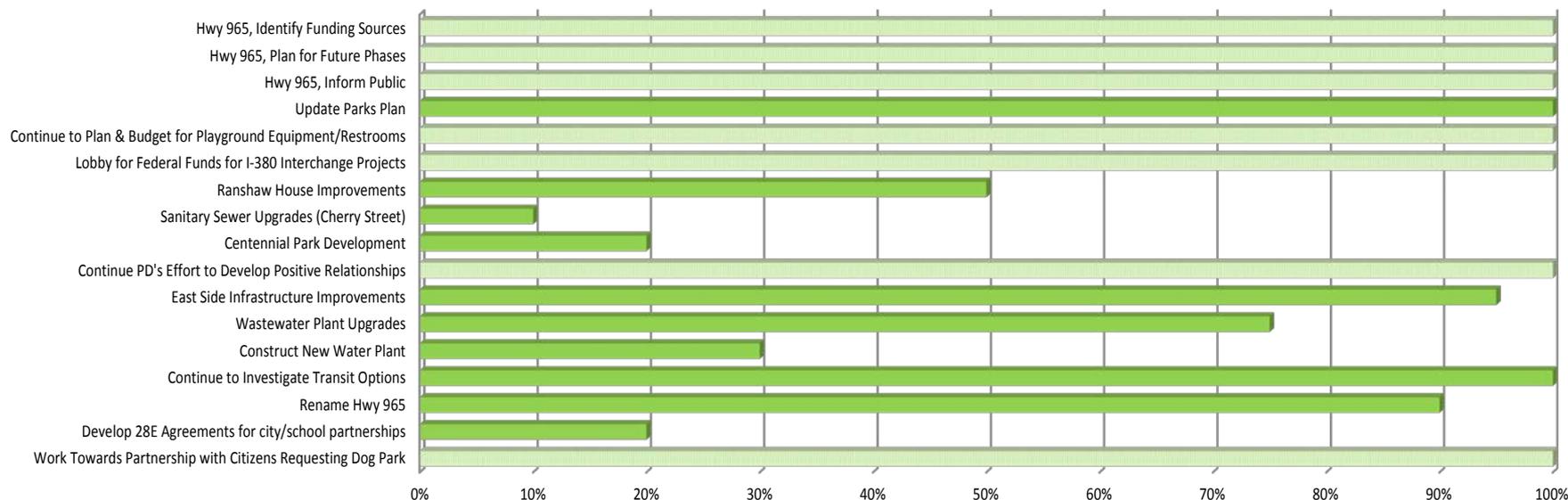
(Population Range 10,000 to 25,000)



City of North Liberty, 2016 Goal Setting

Progress Report Session

On-Going Commitments



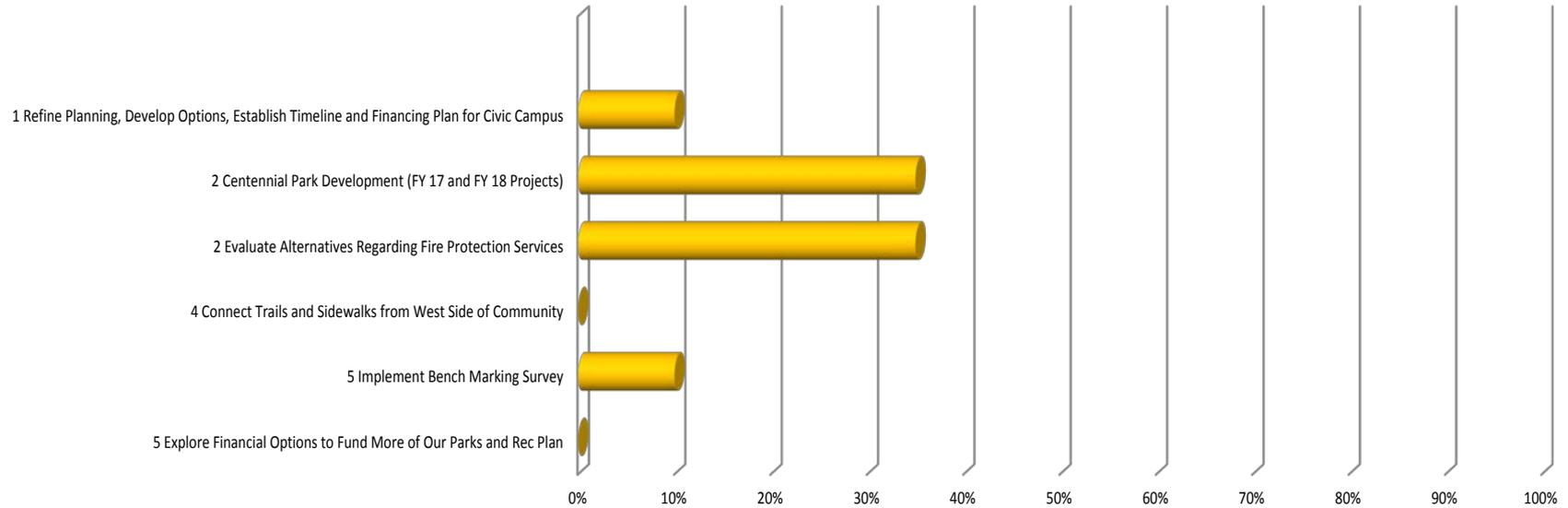
Summary

Work Towards Partnership with Citizens Requesting Dog Park	Staff and representative from citizens group have had preliminary discussions; additional meetings will occur in the near future
Develop 28E Agreements for City/School Partnerships	Had initial meeting with school; school district to provide first draft
Rename Hwy 965	Council accepted Committee's recommendation: Ranshaw Way; staff developing signage plan.
Continue to Investigate Transit Options	Contract with SEATS finalized; service being provided
Construct New Water Plant	Project currently under construction; expected completion date: August 2018
Wastewater Plant Upgrades	Project currently under construction; expected completion date: July 2017
East Side Infrastructure Improvements	Project substantially complete; waiting for REC to deliver power to the lift station
Continue PD's Effort to Develop Positive Relationships	Staff continues to promote and engage in community policing; department training; working with community partners
Centennial Park Development	Trail, parking lot and drainage improvement project to start in September; expected completion date: June 2017; other park improvements included in the CIP
Sanitary Sewer Upgrades (Cherry Street)	Project currently under design; easement acquisition process initiated; expected bid date: 2017
Ranshaw House Improvements	Funds to complete project included in FY 17 budget
Lobby for Federal Funds for I-380 Interchange Projects	Staff and elected officials continue to meet and talk with IDOT and legislators about funding needs; Mayor and City Administrator attend ICACC Washington DC trip annually
Continue to Plan & Budget for Playground Equipment/Restrooms	CIP includes numerous park improvement projects
Update Parks Plan	Plan completed; Council approved in February 2016
Hwy 965, Inform Public	Staff continues to use a variety of methods to update the public on Hwy 965 efforts as well as other local projects
Hwy 965, Plan for Future Phases	2018 CIP includes funding (federal and local) for phase 3 of Hwy 965
Hwy 965, Identify Funding Sources	Staff continues to monitor potential grant opportunities for road improvements

City of North Liberty, 2016 Goal Setting Session

Progress Report

New Priority Projects, Programs Policies and Initiatives



Summary

Explore Financial Options to Fund More of Our Parks and Rec Plan	No update at this time
Implement Bench Marking Survey	Communications Department and Telecommunications Commission intend to work on this project; intended survey release date TBD
Connect Trails and Sidewalks from West Side of Community	Penn Street trail project currently slated for FY 18
Evaluate Alternatives Regarding Fire Protection Services	Consultant hired in July 2016; report expected late 2016
Centennial Park Development (FY 17 and FY 18 Projects)	See "on-going projects" progress report for current project status; FY 18 projects to be further discuss during budget process
Refine Planning, Develop Options, Establish Timeline and Financing Plan for Civic Campus	A Civic Campus concept has been developed; staff to restart conversations Fall 2016

Capital Improvements Plan Summary - FY 17

FY 2017 (July 1, 2016 - June 30, 2017)			
Project Name	Project Description	Department	Project Cost
Ranshaw House Project	Renovation of the historic house located at 515 W. Penn Street to accommodate a history/welcome center - Phase 4.	Administration	\$200,000
Park Signage	Install monument signs at various parks throughout community.	Parks	\$12,000
Beaver Kreek Park Trail	Install hard surfaced trail to new playground equipment at Beaver Kreek.	Parks	\$25,000
Community Center Flooring	Resurface floor in weight room area (upstairs) of community center; resurface track, fix cracks, etc.; resurface/restripe Robert's Gymnasium flooring; <u>resurface indoor pool deck (phase 2 of 2).</u>	Recreation	\$115,000
Dubuque Street/North Liberty Road	Improvements on North Liberty Road, from Oak Lane NE to Penn Street, including grading and resurfacing of the gravel roadway.	Street	\$2,800,000
Penn Street Improvements	Reconstruct and widen Penn Street, from Jones Boulevard to Alexander Way.	Street	\$1,800,000
West Lake Oxygen Generator	Construct shelter and install oxygen generator at West Lake lift station to help extend the life of the sewer trunk line and manholes.	Wastewater	\$175,000
Cherry Street Sewer Main	Upgrade trunk sewer line parallel to Cherry Street as recommended in sanitary sewer evaluation report.	Wastewater	\$600,000
Water Plant	Construct a new reverse osmosis water plant at the Front Street Campus to accommodate a 30,000+ population. See Water Facilities Plan for additional details.	Water	\$20,300,000
Annual Total			\$26,027,000

Capital Improvements Plan Summary - FY 18

FY 2018 (July 1, 2017 - June 30, 2018)			
Project Name	Project Description	Department	Project Cost
Construction of Administrative Campus	Design and construct a new City Hall/Police Department to accommodate administration, billing, building, planning, human resources, Police and a City Council Chambers. Remodel and expand Fire Department.	Administration	\$16,000,000
Trail Lighting Project	Upgrade trail lights (LED) on North Liberty Trail from Penn Street to Zeller Street; add trailing lighting (LED and solar powered) from Zeller Street to Forevergreen Road.	Parks	\$225,000
Centennial Park Development	Construct park driveway; install new play ground equipment for ages 2-12; install climbing rock feature; construct 3 shelters.	Parks	\$2,000,000
Penn Street Trail	Construct trail on West Penn Street, from east of Alexander way to Penn Court (1,750 feet), and walk from Madison Avenue to Penn Street.	Parks	\$215,000
K9 Equipment	Add K9 unit to the department; purchase animal, vehicle and related equipment.	Police	\$80,000
Security System	Update security camera system throughout the community center.	Recreation	\$40,000
Storm Warning Siren	Install new storm warning siren on east side of City.	Streets	\$45,000
HWY 965 - Phase 3	Full build-out of Hwy 965, between Penn and Zeller Streets, including trails and landscaping.	Street	\$5,000,000
Front Street	Reconstruct Front Street, including curb and gutter and utility infrastructure, from Cherry Street to Zeller Street.	Street	\$955,000
Brine Building and Storage Shop	Construct multi-use building for storing and mixing salt brine; purchase brine machine; shop and storage area for Water Department.	Streets/Water	\$1,000,000
Annual Total			\$25,560,000

Capital Improvements Plan Summary - FY 19

FY 2019 (July 1, 2018 - June 30, 2019)			
Project Name	Project Description	Department	Project Cost
Ladder Truck	Replace 2003 75' ladder truck with 100' ladder/platform truck.	Fire	\$1,500,000
Penn Meadows Park Improvements	Add parking on the north side of Penn Meadows Park to accommodate the parking needs of the ball programs; resurface existing north Penn Meadows parking lot; relocate north shelter; upgrade spectator seating to include shade structures.	Parks	\$550,000
Centennial Park Development	Construct climate controlled shelter and amphitheater; construct park entry way.	Parks	\$2,000,000
North Main Street	Reconstruction of North Main Street, from Cherry Street to Dubuque Street, including 28-foot wide PCC urban cross section and 5-foot sidewalks.	Street	\$540,000
Annual Total			\$4,590,000

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
Continue to complete needed road infrastructures which promote growth and accessibility in/out community with financial impact statements.		
Implement K-9 program with PD.		
Create active (home grown) community development recruitment program(s) for businesses and residential expansions.		
Develop a plan to connect all of our trails & sidewalks throughout our community. (NOTE: This was a top priority that was identified during our 2016 goal setting session, but there has not been any progress to date).		
Review our plans for centennial park		
Explore financial options to increase our funding sources to our parks		
Create plans for a dog park.		

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
Make sure our Comprehensive Plan is updated, including our Civic Campus, by the end of the year to reflect new developments and new thinking.		
Develop an economic development program to assist new and existing entrepreneurial businesses in North Liberty.		
Develop engineering plans to provide sanitary sewer services to the westernmost part of the City to enhance development opportunities within the next two years.		
Move the PD into a larger facility that will be available for the next 3-4 years to allow time for the civic campus to be built or develop plans for a free standing PD building that will be built in that time frame if the civic campus program is delayed.		

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
<p>In Centennial park I would like to see a play structure built to increase park use as the primary focus for improvement by the end of next summer. I would also like the design and plans done for the Pavilion building to be done in the next FY so that construction can begin as soon as funding is available.</p>		
<p>Install School Zone signs that flash when lower speed limit is in effect and that can be remotely controlled to allow for easy changing of times.</p>		
<p>Right turn lane at Eastbound Forevergreen Rd onto Southbound 965</p>		
<p>Increased budget for training and professional development for all team members</p>		
<p>Continue to not increase City tax rate</p>		

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
<p>Continue to be leaders in energy efficiency and conservation. Water consumption reduction policies as well as energy efficiency programs studied within the year. Continue to utilize solar energy where feasible.</p>		
<p>Collaborate with Recycler/trash haulers and Habitat Restore to study feasibility of North Liberty location for drop off similar to Iowa City Habitat Restore. Drop off for recycling and items that can be repurposed will save miles driven and benefit community.</p>		
<p>Expand upon successful Blues BBQ Fest tradition and other community programs such as Beat The Bitter to look for ways to host community events at least once a month. The idea would be to have at least one event monthly for the community to join together.</p>		

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
Get to work on bringing Civic Campus concept to life. Community meetings should be our next step. Needs council support/collaboration.		
Consider recommendations from Fire Dept. consultant and develop plan to provide ongoing fire service and emergency medical services to North Liberty, that phases in staff resources that aren't so reliant on volunteers.		
Review gaps in sidewalk/pedestrian connections throughout the city and develop a plan to address those gaps.		
Review state and develop a plan/policy for the future that addresses the current Fire department needs for streets and cul-de-sacs to be a certain width and what we currently have as the standard/desire (e.g. in order to meet the current needs we have to restrict parking on one side)		

City Council Proposed Budget Goals

Goal	Staff Comments	Council Consensus
Revisit and make decision on the Civic Center project.		
Review ongoing transit service to see if funding should continue based on ridership. Review current paratransit service to see changes in that level of service could off-set some of the need in the ridership of the in-town fixed route. What would it take to provide paratransit more often in North Liberty? Review what are our obligations are given current fixed route service.		
Review programming in Ranshaw House. Cost/benefit analysis.		