

*A financial summary for
Scott County, Iowa Citizens for
fiscal year ended June 30, 2020*



January 22, 2021

Dear Scott County Residents,

We are pleased to present our Popular Annual Financial Report : *A financial summary for Scott County, Iowa Citizens fiscal year ended June 30, 2020 – our theme this year is **FLEXING OUR FLEXIBILITY!***

The PAFR is presented as a means of enhancing public understanding of county services and confidence of the County Government and your elected officials. The report provides a brief analysis of where County revenue comes from and where those dollars are spent, in a format that we hope you find concise and easy to read. It is part of an ongoing commitment to keep Scott County, Iowa citizens informed about County finances, and to be accountable for the receipt and expenditures of public funds. As we create this document in the 9th month since life with Covid-19 began, we can't help but think of all the changes we have had to make.

While the main purpose of this report is to provide financial information, we will highlight accomplishments and major initiatives of the past year and demonstrate the vital role County government plays as a resource to all County residents and businesses.

Fiscal year 2020 became a year of planning for the future and laying the ground work for many exciting projects of the County to help it reach the 2032 vision: Scott County 2032 is a GREAT PLACE TO LIVE and a GREAT PLACE FOR BUSINESS. SCOTT COUNTY 2032 is a SAFE COMMUNITY, a HEALTHY COMMUNITY and a LIVEABLE COMMUNITY FOR ALL.

We really can't present anything about 2020 without a look at what has been a time we will never forget. While we began the fiscal year (July 2019) with the recovery of major flooding followed by intense clean-up, we quickly adapted into 2020 as we know it now, a life with a worldwide pandemic. In addition to showing the amazing strength of the Scott County community and staff through flood cleanup, this PAFR will present some of the very serious issues all County Departments have handled and continue to handle due to the changes and adaptations needed since Covid-19 came on the scene. No time in recent history do we have an example of staying strong together, with everyone doing their part, then we do now. Scott County staff were challenged and found ways to be creative, to be flexible, and to get the **job done**.

Tony Knobbe, Chairman, Scott County Board of Supervisors

Mahesh Sharma, Scott County Administrator

David Farmer, Budget & Administrative Services Director



2020 Scott County Board of Supervisors

Supervisors Left to Right:

John Maxwell
Vice-Chair Ken Beck
Chair Tony Knobbe
Brinson Kinzer
Ken Croken

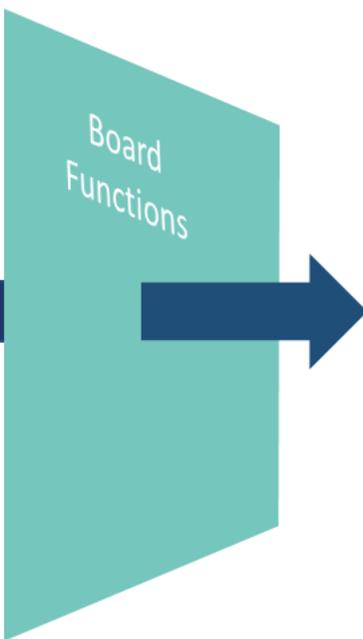


For meeting information including agendas, packets, and minutes:

www.scottcountyiowa.gov/board-meetings

Board of Supervisors

The Board serves as the administrative and policy-making body for the county.



Outcomes

- Adopt a budget
- Levy taxes to raise revenues for county purposes.
- Approve zoning changes and plats
- Establish and vacate public highways
- Appoint boards and commissions
- Make official canvass of the votes for county elections
- Fill vacancies in county offices, except for members of its own body
 - Supervise relief programs
- Manage all county buildings and grounds, and
- approve beer, liquor, and cigarette licenses outside of incorporated areas.

In addition, the Board is considered to be the employer of all county employees and through its policies completes various administrative functions regarding staff.

Scott County Elected Officials

Attorney

Mike Walton



Auditor

Roxanna Moritz



Recorder

Rita Vargas



Sheriff

Tim Lane



Treasurer

Mike Fennelly



Scott County **Attorney's Office** prosecutes all indictable crimes such as murder, theft, kidnapping, robbery, assault, arson, operating while intoxicated and non-indictable offenses such as traffic violations, simple assaults and thefts. The office represents the state in juvenile court including delinquency proceedings and children in need of assistance actions. They represent the county in civil legal matters such as lawsuits and workers compensation claims and advises the elected officials and departments.

As clerk to the Board of Supervisors, the **Auditor's Office** prepares and maintains all official records minutes, Board voting records, resolutions, contracts, and correspondence. The Auditor acts as County Commissioner of Elections and administers all federal state, and local elections that take place within the county. The office also processes authorized payments and prepares payroll for all departments.

The **Recorder's Office** is responsible for recording and maintaining official records. The Recorder issues marriage licenses, registers births and deaths, issues certificates on vital records and processes passport applications. The office also issues hunting and fishing licenses and titles recreational vehicles.

The Scott County **Sheriff's Office** is comprised of four divisions focused on progressive public safety to fulfill the diverse needs of citizens through the expertise of professional staff through the utilization of all available resources: Patrol Division, Civil Division, Corrections Division, and Criminal Investigation



The State of Iowa Department of Transportation mandates the **Scott County Treasurer** as its agent to collect motor vehicle fees according to the Iowa Code. These fees include, but are not limited to: transfer of ownership (title transfer), registration fees (license plates/validation fees), duplicate titles, and notation and cancellation of security interests. Additionally, the Treasurer collects property taxes on behalf of all jurisdictions in Scott County—cities, school districts, and other taxing bodies.

The non - elected Departments within Scott County include:

Administration, Budget & Administrative Services, Community Services, Conservation, Facility and Support Services, Health Department, Human Resources, Information Technology, Juvenile Detention, Planning & Development, and Secondary Roads

Scott County Employees have P.R.I.D.E.

Professionalism * Responsiveness * Involvement * Dedication * Excellence



THIS YEAR, P.R.I.D.E. WAS SHOWN IN SO MANY WAYS, FROM THE FLOOD CLEAN UP TO THE RESPONSE TO THE COVID-19 PANDEMIC.

In fact – our County Engineer, Angie Kersten*, made a 2020 version of P.R.I.D.E. to encourage her Secondary Roads Staff, and we believe her *flexible* version of P.R.I.D.E. is worth sharing.

PERSERVERENCE means **Doing it Right** by being steadfast, maintaining high standards, and making responsible decisions despite difficult conditions.

RESILIENT means **Doing it Now** by withstanding and working through difficult conditions to serve others, get the job done, and remain accountable.

INSTRUMENTAL means **Doing Your Part for the Team** under difficult conditions to get the job done, filling in for co-workers, and leading by example.

DETERMINED means **Doing it with Commitment** when the job requires extra effort and caution, maintaining a positive attitude throughout the pandemic, and sticking with the job regardless of the challenges.

EVOLVING means **Doing it Well** by constantly improving in light of the dynamic crisis, preparing for potential funding opportunities, being flexible, and learning along the way.

Mission Statement:
Scott County is dedicated to Protecting, Strengthening and Enriching our Community by delivering Quality Service and Providing Leadership with P.R.I.D.E.

Strategic Plan: designed to address:
1) Financially Responsible County Government;
2) Local and Regional Economic Growth;
3) High Performing Organization = Exceptional County Services;
4) Great Place to Live by 2022.

Creative 2020 retirement parade celebration!
Congrats to Roger H. from Secondary Roads for
37
years of service!



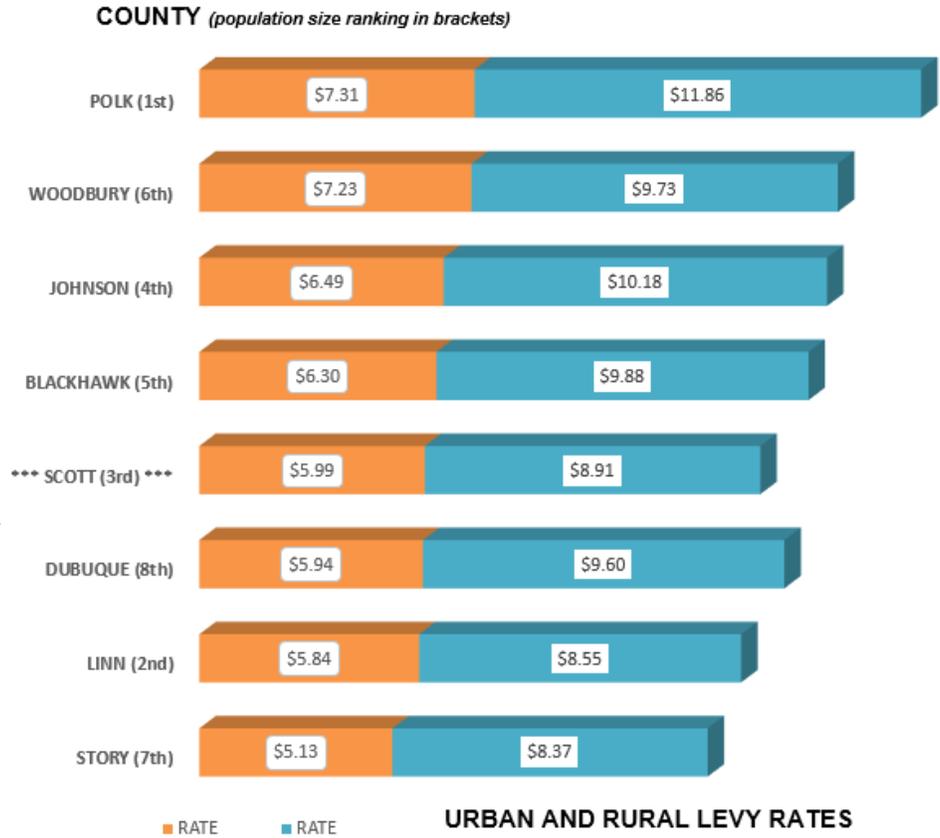
*Fun Fact: Angie Kersten is one of only 4 female Iowa County Engineers! She had big shoes to fill when John Burgstrum retired after 23 years with Scott County.

Property Taxes

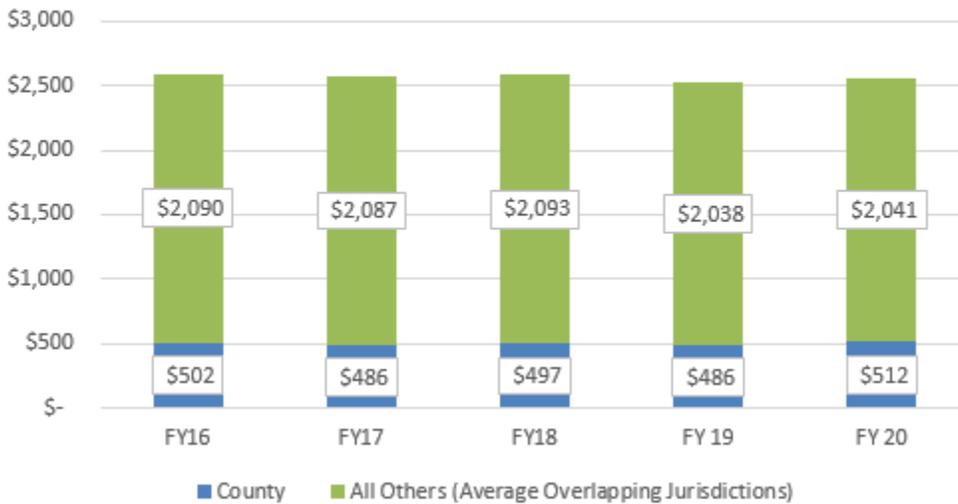
Tax Levy

For FY20, Scott County's *urban* property tax rate was the 4th lowest of the eight largest counties and the 3rd lowest *rural* property tax rate of the eight largest counties in Iowa.

The FY20 property tax per capita is \$324.



Property Tax Dollars for County Services and All Others; \$150,000 Market Value Residential Property



**Scott County
Taxes
Paid by
Homeowner**

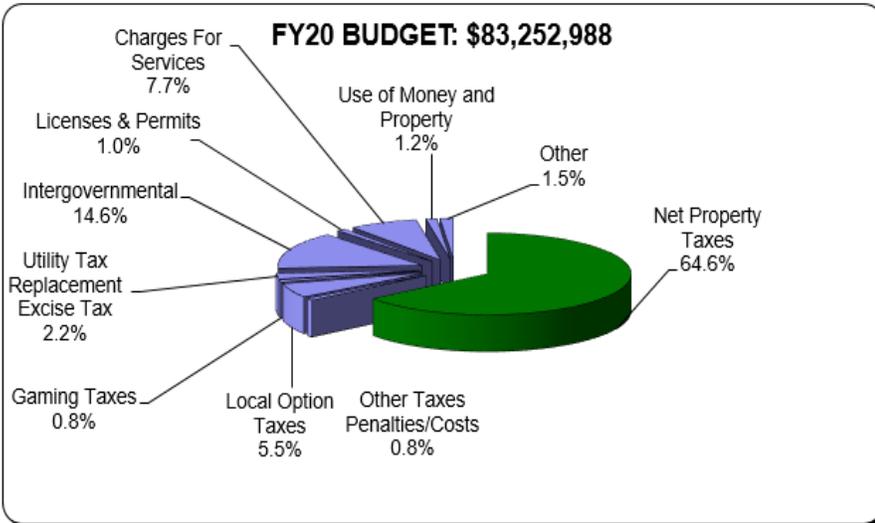
For FY 20, County tax rates remained at by \$5.99 per \$1,000 of taxable valuation. This is the first year since 2012 that the county has raised the urban property levy. The chart above is based on a home assessed at \$150,000. The County services increased \$26 per year for a house with a fair market value of \$150,000, but the overall property taxes are the 2nd lowest of the past five years.

Budget Financial Review

Where does the money come from?

**Fiscal Year 2020
Budgeted Revenues**

**FY20
BUDGET
Rounded**



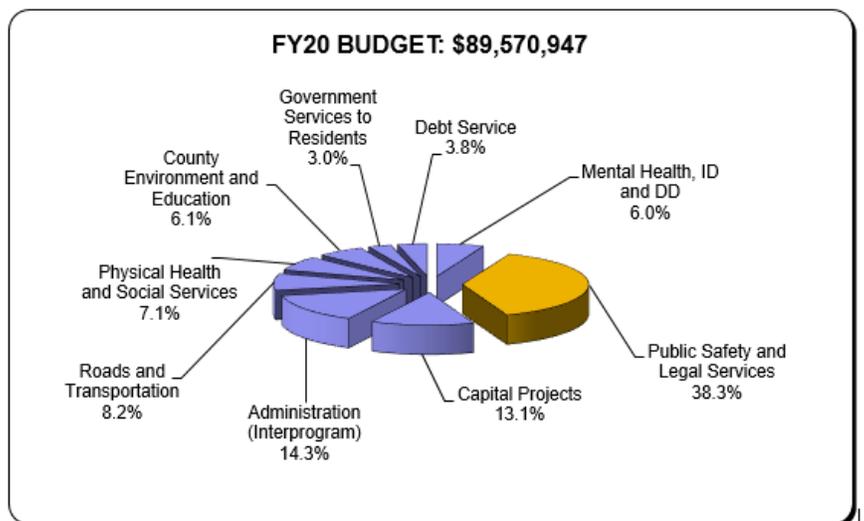
Net Property Taxes	\$53,763,000
Other Taxes Penalties/Costs	657,000
Local Option Taxes	4,600,000
Gaming Taxes	685,000
Utility Tax Replacement Excise Tax	1,843,000
Intergovernmental	12,187,000
Licenses & Permits	833,000
Charges For Services	6,413,000
Use of Money and Property	1,029,000
Other	<u>1,243,000</u>
TOTAL	<u>\$83,253,000</u>

Budget Analysis

The County's revenue budget grew 4.8%, mostly due to property tax assessment growth within the county and the increase in the urban tax rate. Additional revenues were budgeted from increasing interest rates and investment income and general charges for services. The County's expenditure budget grew 7.1% due to planned capital projects, public safety, and mental health.

Fiscal Year 2020 Budgeted Expenditures	FY20 BUDGET Rounded
Mental Health, ID and DD	\$5,396,000
Public Safety and Legal Services	34,290,000
Capital Projects	11,777,000
Administration (Interprogram)	12,841,000
Roads and Transportation	7,379,000
Physical Health and Social Services	6,398,000
County Environment and Education	5,422,000
Government Services to Residents	2,666,000
Debt Service	<u>3,402,000</u>
TOTAL	<u>\$89,571,000</u>

Where does the money go?

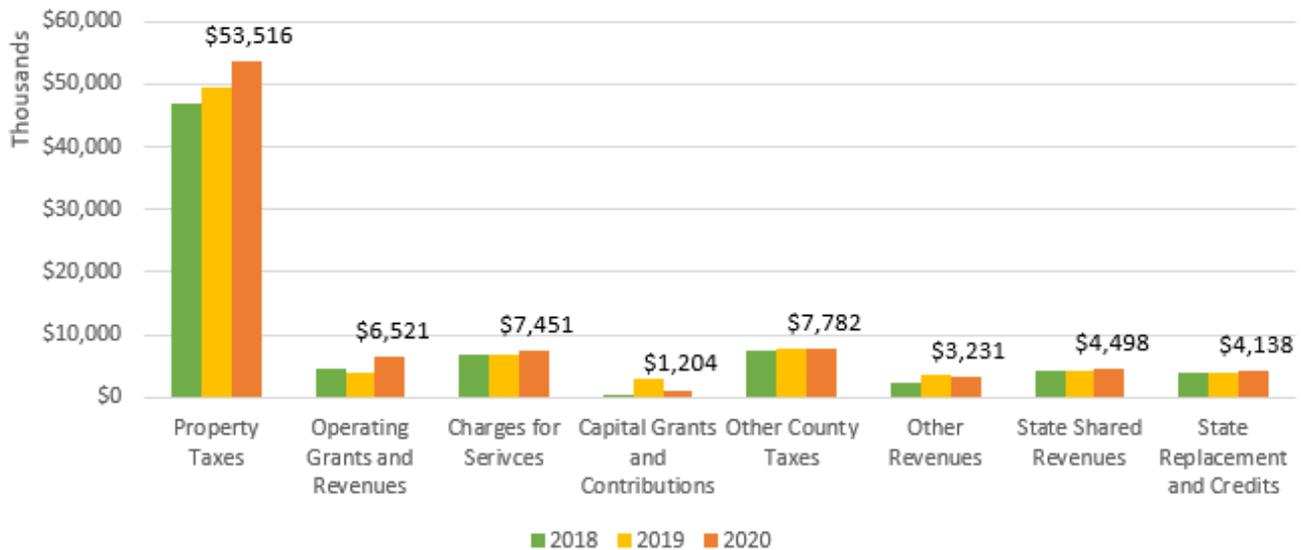


Financial Results

Revenue Analysis:

The County revenues grew to \$88,341,000 compared to \$82,890,000 in the prior year. Property taxes grew by 7.8% due to county wide valuation increases and the rate increase, while operating grants increased by 67.3% due to COVID-19 CARES funding. The County recognized \$1.2 million in capital contributions for West Lake restoration, flood mitigation, and road improvements. Other County Taxes increased 0.1%, mostly from flat Local Option Sales Taxes. Charges for Services increased 9.6% mostly due to public safety activities. The County remains highly dependent on property taxes levied.

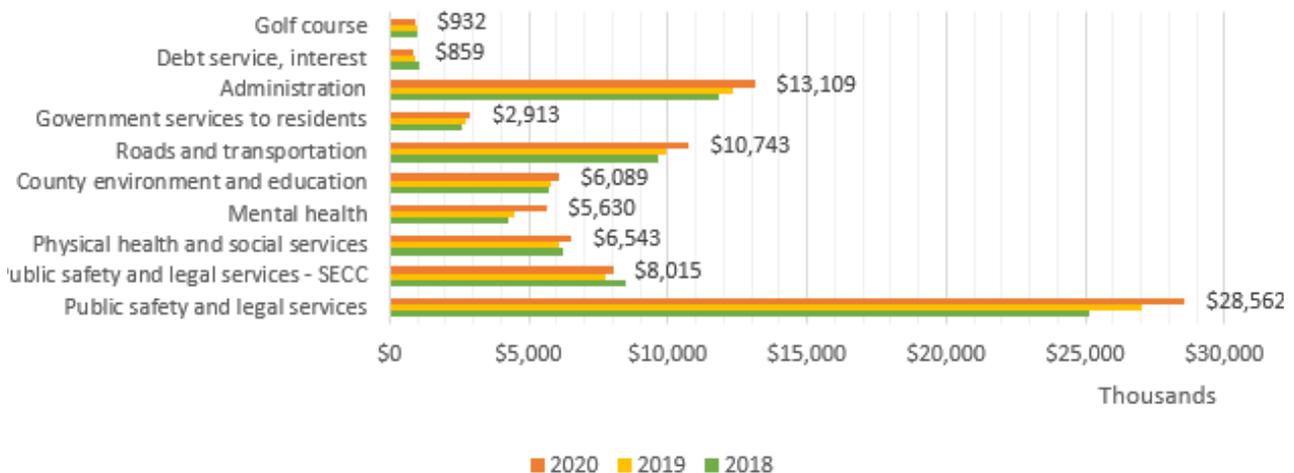
GOVERNMENT-WIDE REVENUES
(2020 values listed in thousands)



Expense Analysis:

The County expenditures increased \$5.4 million to \$83,395,000 from \$77,957,000, mostly within the public safety and legal services and mental health functions of the government. These increases are from general salary and benefit increases within all functions and placement of adults and juveniles out of county, and additional contributions to the Eastern Iowa Mental Health and Disabilities Region.

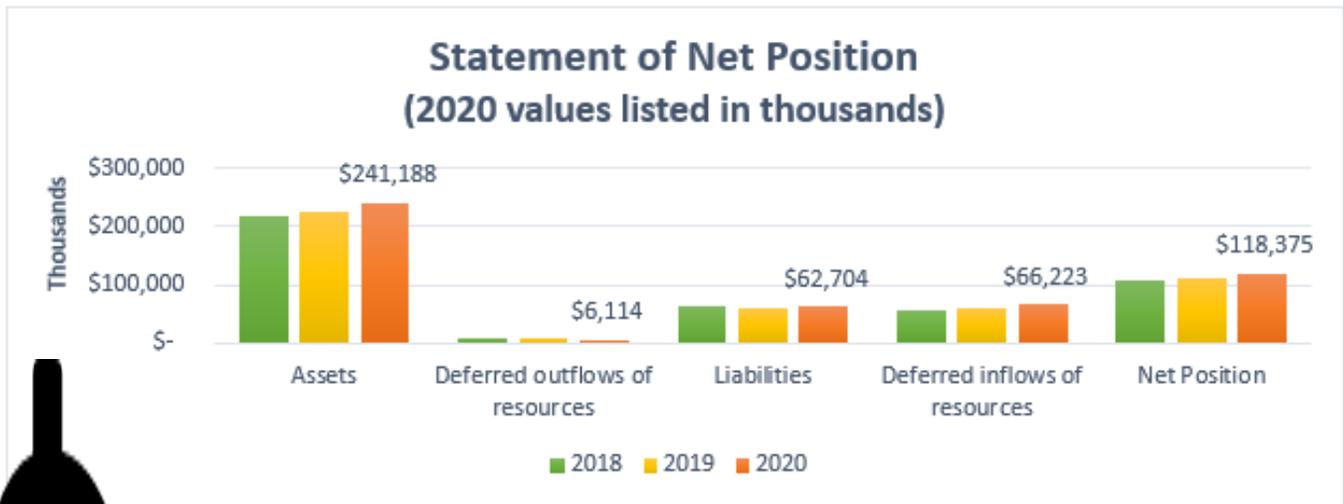
GOVERNMENT-WIDE EXPENSES
(2020 values listed in thousands)



Where we Stand at Year - End

Net Position:

Net Position may serve as an indicator of a government's financial position. The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$118,375,000, or net position. The largest portion of the county's net position (83%) reflect its investment in capital assets (e.g. infrastructure, land, buildings, intangible-software, and machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The total general obligation bonded debt increased by \$2.9 million after the county issued debt to support the Scott Emergency Communication Center radio tower and radio infrastructure plan and refunding the 2009 debt. The county uses capital assets to provide services to citizens; consequently, these assets are not



Matching the Budget to Results:

Scott County adopts a balanced budget in the general fund to fund 16 departments and multiple authorized agencies. Each department is responsible for citizen services or supporting functions and develops yearly outcomes. The county's capital and departmental plans support the County's strategic plan and goals. This "Budgeting for Outcomes" process matches defined goals and outcomes to budget dollars by program area. The county will amend their budget request two to three times a year to provide flexibility in meeting those outcomes.

Is a Budget Flexible??

As 2020 has shown, our best laid original plans and priorities will change.

To provide current and future flexibility for the County, we will rely on the budget plan, interim reporting, available fund balance and the direction from department heads and the Board of Supervisors.

As of June 30, 2020 the County held 20% reserve of yearly general fund expenditures for future use and funding.

This will provide continued flexibility as we move into fiscal year 2021.

Scott County FY20 Highlights



Following a train derailment in LeClaire, Scott County IT/ GIS was able to reach to heights and capture this shot (with a drone)! The picture made the Associated Press.

*Fortunately,
No one was injured!*



Juvenile Detention Center expanded its **Auto Theft Accountability program** to include property offenses. This is a victim-offender mediation program as an alternative to juvenile court charges for first time offenders involved with the theft of an automobile or another serious crime in which there is no identifiable victim. This program keeps juveniles out of the facility and provides reformative justice.

MOBILE CRISIS OUTREACH 1-844-430-0375

Mobile crisis is now available in Scott County. This program helps reduce the number of calls that police and fire need to respond to. Trained mental health professional will go out to these calls, which provides more appropriate resources to the situation. These health professionals will assess the situation—attempt to stabilize and diffuse the crisis— and provide counseling as needed.



Many County departments worked long and hard doing flood clean up - from major park and roads clean-up, to downtown campus hosting farmers markets. Other departments worked tirelessly with FEMA providing documentation for reimbursement, and still others helped citizens with flood buyouts. It was a major event that affected nearly all Scott County citizens and employees. Everyone worked together through this challenging flood event and clean -up.

Wheelchair Charging Stations were added to several county buildings. The public are welcome to use these charging stations.



Scott County FY20 Highlights

Scott County continues a major West Lake Restoration Project valued at \$4.2 million dollars over fiscal years 2019-2022. The project will revitalize and improve water quality and recreational opportunities, shorelines stabilization, 4 ponds and fish habitat. This project also updates the ADA compatible fishing dock.



In other Conservation News: **Bald Eagle Loft Cabin** at Scott County Park is open for business!

In August 2019, the County issued \$12,680,000 in General Obligation Communication and Refunding Bonds to support the Scott Emergency Communication Center 911 Radio Infrastructure and new radios.

This was a joint project with Rock Island County.

This project was awarded the **Government Finance Officers Association 2020 winner of Awards for Excellence in Government Finance** for creative solution to a common challenge!



Like much of the country, Scott County experienced protests in 2020. The Sheriff's Office worked with other local agencies to respond accordingly. Above is a picture of a gathering at the Scott County Courthouse.

Most events were peaceful, however that was not the case for some. The Board of Supervisors enacted a curfew that was in effect for several days.



The Administrative Center has been undergoing a major window replacement and cladding (siding) project.



The County prepared the public for a safe primary election and November 2020 general election through the use of social distancing, masks, mail-in voting and communication about safe practices while voting.

Flexibility:

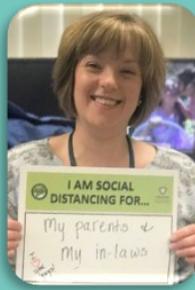
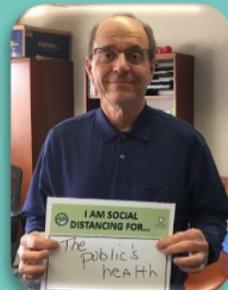
The willingness to change or compromise; the ability to be easily modified.

Starting around March, County Employees, who are *normally* flexible and adapt to change regularly, were *really* put to the test! (*as was everyone*) Here are a few examples of how the county really **flexed their flexibility**, to accommodate the need to stay safe, while meeting the needs of the public. We also show how we try to have fun and hope you enjoy a few candid shots.

Stretching legs while staying safe



Decorating to show community allegiance



Distancing for many reasons



Every person on this page is a member of the Health Department

Scott County Health Department

1. Has been amazing.
2. Is part of the Quad Cities COVID-19 Coalition – with the goal of slowing the spread of the virus and avoiding overwhelming the local health care system.
3. Has robust online communication and media briefings.
4. Is responsible for Covid-19 Case Management and Contact Training.
5. Is providing telehealth and has immunization and STD clinics.
6. Connects providers to PPE, personal protective equipment.
7. *And much more...*

COVID-19 Precautions at the Scott County Jail

Jail Medical Staff have created new policies to manage the COVID-19 pandemic's effects on inmates, staff, and visitors:

- Temperature screenings of all new arrest in pre-booking.
- Symptom screening of all staff and external visitors.
- 14-day quarantine for all new inmates.
- Mandatory PPE for medical, correctional and custodial staff .
- Increased COVID-19 signage at Jail entrances
- Among other new procedures...

Masking UP!!



Other COVID-19 Changes

- Masks on
- 6 feet apart
- Virtual Meetings
- Staggered start and end times
- Maximum 2 in the elevator at a time
- Working remotely when possible and having new cuddly co-workers

Building Open by Appointment Only

More business completed on-line and by phone



On-Line Meetings...



And On-line Classes



Awards - Disclosures- Credit Rating!

AWARD FOR PAFR REPORTING:

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Scott County, Iowa for its Popular Annual Financial Report for the fiscal year ended June 30, 2019. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Scott County, Iowa has received a Popular Award for fiscal year ended 2019. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and are submitting it to GFOA to determine its eligibility for another Award.

We proudly display our GFOA Award.



Interested in *more*
financial detail??

Please see
**Scott County's
Comprehensive
Annual Financial
Report
(CAFR)**

You can find the CAFR online at
[www.scottcountyiowa.gov/
administration](http://www.scottcountyiowa.gov/administration).

Please direct any budget questions to
David Farmer, Budget & Administrative
Services Director

REPORT DISCLOSURES:

The Statement of Activities and Statement of Net Position are prepared on the accrual basis of accounting for the year ended June 30, 2020. Information summarized on these pages is from the Financial Section of the Scott County Comprehensive Annual Financial Report (CAFR). The CAFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP). Information is presented in greater detail in the CAFR which is available from the Scott County Administration Office and [online](#). The budgeted revenue and expense summaries include governmental funds **only** of Scott County and not those of the blended component units: Emergency Management Agency (EMA), Public Safety Authority (PSA), Scott County Library System and Scott Emergency Communication Center (SECC).

CREDIT RATING:

Scott County Iowa's general obligation credit rating is Aa1, the second highest rating possible. The rating allows the county to obtain lower interest rates on bond issuances and save taxpayers money. Moody's cited a number of factors for the credit rating upgrade in November 2015 in its report, including:

- Healthy financial operations and demonstrated ability to adjust operations to meet budgetary constraints. **(FLEXIBLE!)**
- Modest debt levels that are expected to continue given an accumulation of designated reserves for future capital projects.
- Proactive management practices and annual budgets that are consistently balanced or produce a positive balance.



Glossary of Terms

Appropriation: An authorization made by the governing body to establish legal authority for officials to obligate and expend resources.

Assessed Value: A value that is established for real estate or other property by a government as a basis for levying taxes.

Audit: A comprehensive investigation of the manner in which the government's resources were actually utilized. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its stated goals.

Authorized Agencies: A recognized non-profit agency receiving County funding and following the County's required Budgeting for Outcomes (BFO) budgeting requirements. **** See Below**

Balanced Budget: A balanced budget in the public sector is achieved when the government equates the revenues with expenditure over business cycles. In other words, a government's budget is balanced if its income is equal to its expenditures. The use of assigned or restricted fund balance is permitted to fund non-recurring expenditures.

Budgeting for Outcomes: A budgeting process that identifies the results citizens want to achieve and focuses on outcomes or future conditions the government wants to achieve through identified services levels.

Debt Services: The County's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Deferred Inflow of Resources: The amount of assets that has been recognized but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used pay liabilities of the current year. Includes property tax receivable not collected within 60 days after year end.

Deferred Outflow of Resources: Represents a consumption of net position that applies to a future consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then. Consists of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

FLEXIBILITY: The willingness to change or compromise; the ability to be easily modified.

General Fund: The fund used to account for activities of a government that are carried out primarily to provide services to citizens and that are financed primarily through taxes and intergovernmental revenues.

GFOA: Government Finance Officers Association of the United States and Canada.

Levy: The amount of taxes imposed by the government.

Levy Rate: The rate used in calculating taxes based upon the value of property, expressed in an amount per thousand dollars of assessed value.

Net Investment in Capital Assets: Equals capital assets net of accumulated depreciation and any outstanding borrowing used for their acquisition.

Property Tax: Taxes levied according to the property's taxable value and the tax rate.

Restricted Net Position: Assets are reported as restricted when there are limitations imposed on their use by legislation, creditors, grantors, or laws or regulations of other governments.

Rollback: The reduction of taxable value of property as computed annually by the State of Iowa.

Unrestricted Net Position: Represents the difference between Assets and Deferred Outflows of Resources and Liabilities and Deferred Inflows of Resources not restricted for use.

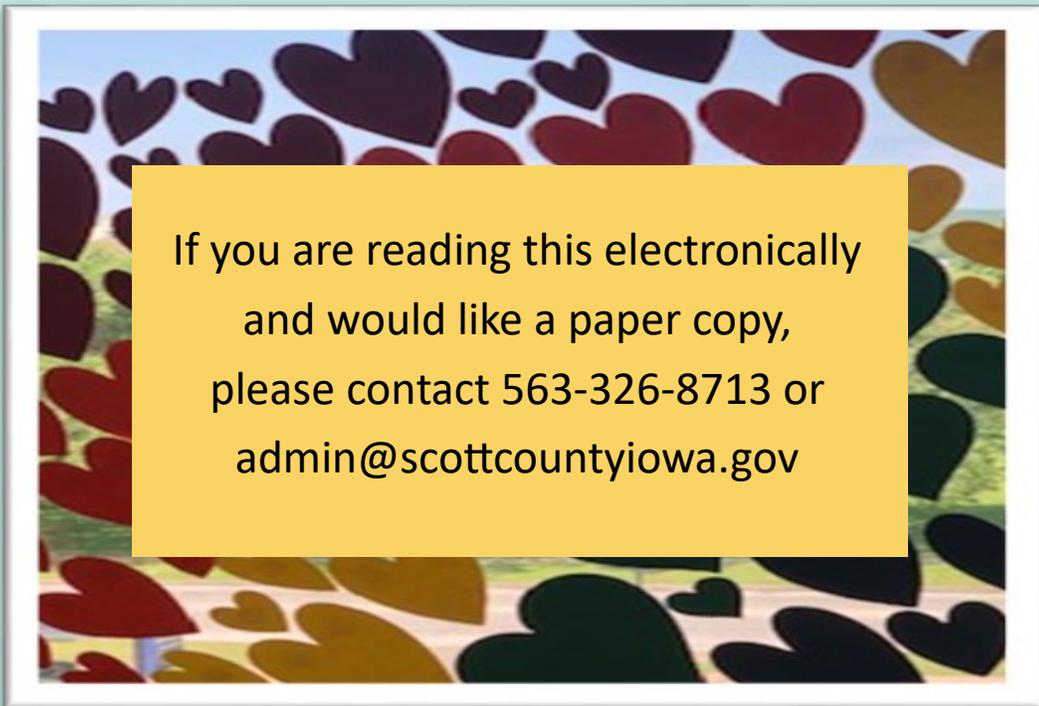
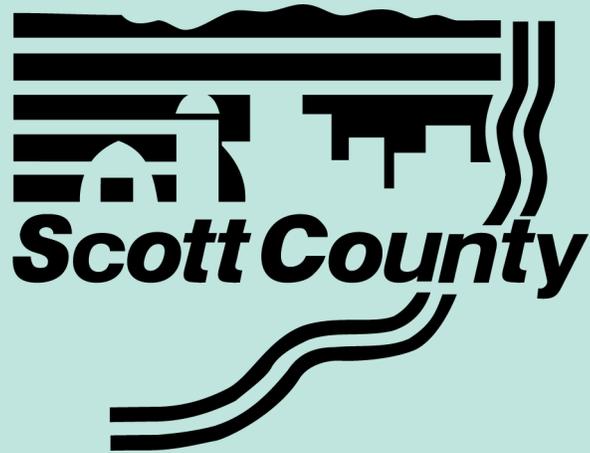
** Authorized Agencies



Need to contact Scott County, Iowa??

563-326-8611

Monday thru Friday 8:00 a.m. to 4:30 p.m.



If you are reading this electronically and would like a paper copy, please contact 563-326-8713 or admin@scottcountyiowa.gov



<https://www.scottcountyiowa.gov/subscribe>

Don't miss any meetings or events, click this calendar!

SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	www.scottcountyiowa.gov/calendar					