



FY 18 Year End,
FY 19 Amendment,
FY 20 Budget Discussion
with Board of Supervisors

October 2, 2018



Agenda

- Review FY 18, FY 19, FY 20
 1. Strategic Plan Highlights
 2. Revenue / Expenditure FY 18 Summary and Analysis
 3. Fund Balance Discussion
 4. FY 19 and 20 notable items



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Mission:

Scott County Government

Is dedicated to Protecting, Strengthening and
Enriching

Our Community by delivering Quality Services
and

Providing Leadership with P.R.I.D.E



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Vision 2032

Scott County 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



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Goals 2022

Financially Responsible County Government

Local and Regional Economic Growth

High Performing Organization = Exceptional
County Services

Great Place to Live



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – Top:

- SECC Radio System ~ *Likely debt issuance*
- Commercial Backfill / Equalization Strategy and Plan ~ *Likely reduction of revenue*
- Comprehensive Salary and Benefits Study ~ *Unmeasured impacts to operating costs, COW 10/16/18*
- Mental Health Funding: Policy Strategy ~ *Likely increase property tax funding*
- Emergency Management Plan ~ *Unknown costs*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – High:

- Lead Abatement ~ *\$100,000 per year through prior year savings*
- County Economic Development Policy, Role, Incentives, TIF ~ *Economic Summit and future revenue growth*
- Audio / Visual Recording ~ *\$50,000 FY 19 Capital*
- Industrial Park Development ~ *Future revenue growth*
- Trail Connectivity Plan ~ *Revisit in next strategic plan*
- Future Land Use Map ~ *Approved / completed*
- Parkview Apartment (Rural Residential) / Building Ordinance / Guidelines ~ *Ongoing staff development*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – Moderate:

- Core County Service Inventory / Report ~ *Data collected, further discussion 10/16/18*
- Healthcare Cost Containment Strategy ~ *Revisit in next strategic plan*
- County Campus Security Audit / Plan ~ *Unknown Costs, likely increase*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Management Agenda – Top:

- Management / Employee Succession Planning Program ~ *Department training and Leadership classes complete*
- Risk Management Policy: Update ~ *Completed*
- Business Continuity of Operation Plan ~ *Unknown costs*
- Fleet Management Plan ~ *1st Full year complete*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Management Agenda – High:

- Credit Card Policy / Process ~ *FY 19-20 Project*
- Purchase Card Vendor Procurement ~ *FY 19 - 20 Project*
- Election Equipment and Space ~ *Complete*
- Parks Master Plan: Update ~ *Revisit in next strategic plan*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

FY 20 Budget or FY 19 Amendment:

SECC Capital / Debt – Radio Project	Refinance 2009 SECC Debt
Mental Health Funding	Capital Requests
Organization changes	Union Negotiations
Inflation	Salary Adjustment – Recommendation for FY 20
Strategic Plan Efforts	Jail / JDC Assessment study
Backfill dollars from state	Local Option Sales Tax



FY 18 Revenue Analysis – All Governmental Funds

	Change from Prior Year	Change from Original Budget
Property Tax and Penalties	\$ 1,461,211	\$ (205,346)
Other Taxes / TIF	(425,584)	(240,077)
Intergovernmental	(806,292)	(273,068)
Licenses and Permits	(8,800)	50,200
Charges for Services	484,529	474,231
Use of Property and Money	577,341	517,280
Fines, Forfeitures and Misc.	<u>(13,688)</u>	<u>392,272</u>
Subtotal	<u>1,268,717</u>	<u>715,492</u>
Other Financing Sources	<u>(667,010)</u>	<u>1,348,774</u>
Total Revenue Increase	<u>\$ 601,707</u>	<u>\$ 2,064,266</u>



General Fund Summary

	Original Budget	Amended Budget	Actual
Revenues	\$59,998,347	\$61,006,259	\$60,387,130
Expenditures	(56,085,517)	(56,741,229)	(54,108,390)
Net Transfers and other sources / uses	<u>(3,912,830)</u>	<u>(6,012,028)</u>	<u>(6,272,712)</u>
Change	-	(1,746,998)	6,028
Beginning Fund Balance	<u>11,964,259</u>	<u>14,064,211</u>	<u>14,064,211</u>
Ending Fund Balance	<u>\$11,964,259</u>	<u>\$ 12,317,213</u>	<u>\$14,070,239</u>

Revenues were \$619,129 under budget, or 99.9% of Budget.

Expenditures were \$2,632,839 under budget, or 95.3% of Budget.



FY 18 Revenue Analysis – General Fund

	Change from Prior	Change from Original Budget
Property Tax	\$ 1,793,402	\$ (218,746)
Other Taxes / TIF	(388,527)	(334,295)
Intergovernmental	(566,349)	(49,022)
Licenses and Permits	(14,990)	12,363
Charges for Services	491,360	471,471
Use of Property and Money	389,738	303,177
Fines, Forfeitures and Misc.	<u>(65,029)</u>	<u>213,834</u>
Total Revenue Increase	<u>\$ 1,639,605</u>	<u>\$ 398,782</u>

FY 18 – Salary and Benefit Detail Analysis – General Fund

Object	Dollar Variance from Original Budget	Dollar Variance from Amended Budget	
Salaries	\$ 549,315	\$ 855,102	
Taxes / Retirement / Bonus / Other	223,710	253,696	
Health Benefits	<u>345,892</u>	<u>437,873</u>	Transfer to Health fund
Personnel Services	1,118,917	1,546,671	4.3% of amended budget classifications
FY 18 Budget Assignments	<u>(415,000)</u>	<u>(415,000)</u>	
Adjusted Personnel Services Savings	<u>\$ 703,917</u>	<u>\$ 1,131,671</u>	3.1% of amended budget classification

FY 18 – Significant Favorable General Fund Budget Variances

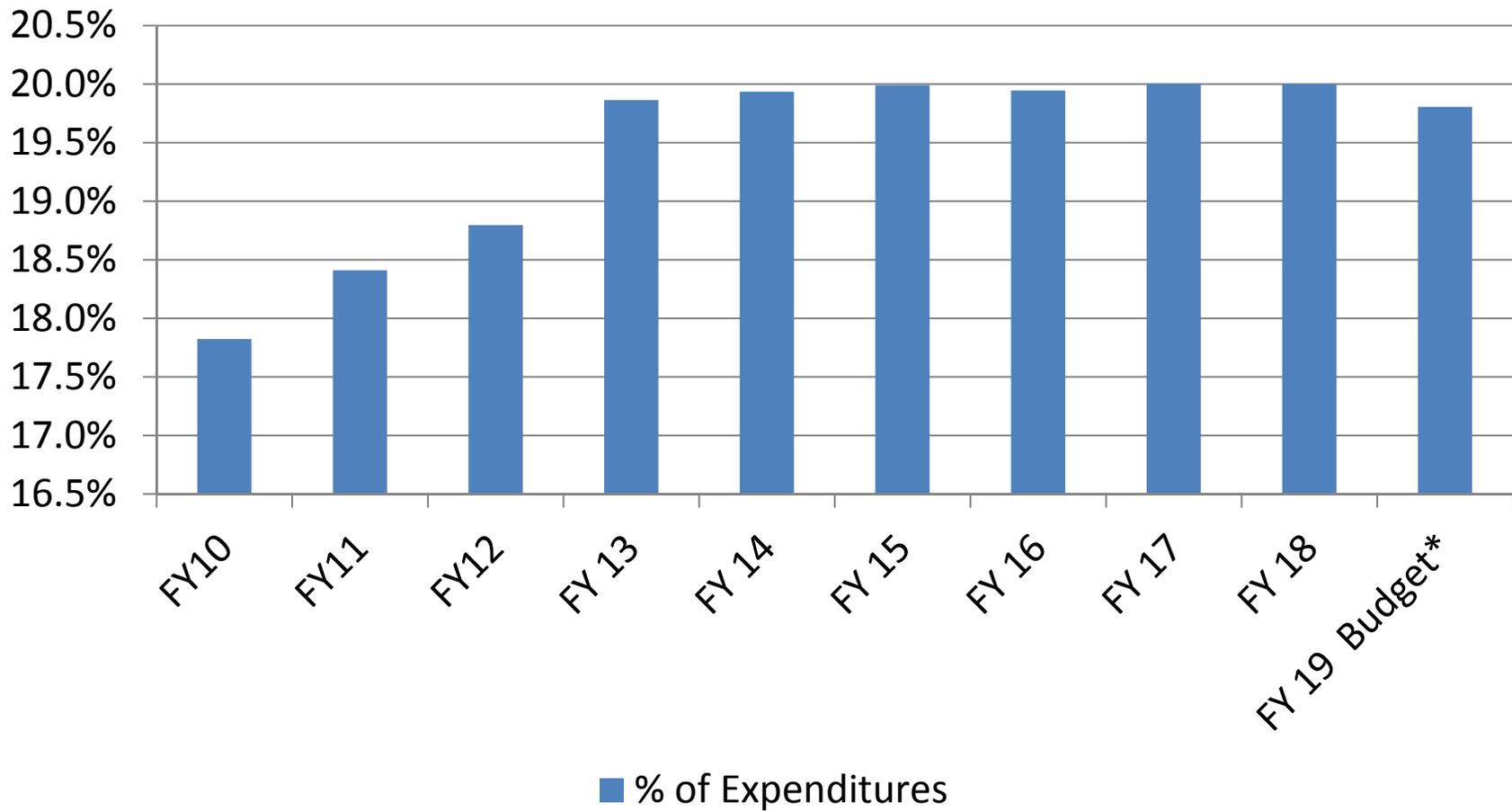
Object	Dollar Variance from Original	Dollar Variance from Amended	% Budget Savings Classification
Line Items Under \$100,000 Savings (74 / 73 Accounts- \$9,932 / \$8,336 average per account)	\$ 734,985	\$ 608,549	3.80%
Maintenance	-	132,367	
Supplies	109,231	124,138	
Professional Services	-	104,952	
Workers Comp Claims	-	116,162	
Contribution to Agencies	214,203	-	
Service Contracts	<u>(200,209)</u>	<u>-</u>	
Subtotal	<u><u>\$ 858,210</u></u>	<u><u>\$1,086,168</u></u>	5.29%
All Departments	19 G/L Accounts over budget	14 G/L Accounts over budget	



Unrestricted / Unassigned General Fund Balance

	<u>Unrestricted / Unassigned Fund Balance</u>	<u>GF Expenditures</u>	<u>% of Expenditures</u>
FY08	\$5,845,193	\$44,266,321	13.2%
FY09	\$5,956,480	\$44,638,584	13.3%
FY10	\$7,618,061	\$42,743,169	17.8%
FY11	\$9,247,282	\$50,231,644	18.4%
FY12	\$9,477,799	\$50,424,989	18.8%
FY13	\$10,041,990	\$50,556,803	19.9%
FY14	\$9,832,639	\$49,324,036	19.9%
FY15	\$10,098,835	\$50,502,192	20.0%
FY16	\$10,212,287	\$51,202,838	19.9%
FY17	\$10,474,822	\$52,370,585	20.0%
FY18 w/o Assign.	\$13,318,364	\$54,108,390	24.6%
FY18 w/ Assignments	\$10,821,678	\$54,108,390	20.0%
FY19 Budget	\$11,482,501	\$57,977,442	19.8%
FY20 Projection			?

Unrestricted / Unassigned as a Percent of Expenditures



General Fund Balance Components

Account	2018 Amount	2018 %		2017 Amount	2017 %
Restricted	637,475	4.53%		637,475	4.53%
Nonspendable	114,402	0.81%		93,657	0.67%
Assigned	2,496,687	17.74%		2,858,257	20.32%
Unassigned	<u>10,821,677</u>	<u>76.91%</u>		<u>10,474,822</u>	<u>74.48%</u>
Total	<u>\$ 14,070,241</u>	<u>100.00%</u>		<u>\$ 14,064,211</u>	<u>100.00%</u>



Assignment of Fund Balance

Account	2018 Amount
Liability Claims	\$ 254,474
Health Benefits	415,000
Strategic Plan Elements	349,500
Capital Projects	<u>1,477,312</u>
Total	<u>\$ 2,496,687</u>

- Strategic Planning Elements: Lead Abatement Project; Salary Study; Economic Summit; Emergency Operations / Continuity of Operations, Jail / JDC Needs Assessment



Mental Health Funding

- SF 504 and HF2456 placed numerous restrictions and goals on the County and the Region.
 - 20% Fund Balance for Region and individual counties by 2020
 - Numerous new Core Services
 - If over funded the cash flow reduction will be deducted from maximum levy in 2022
 - Now required to budget transfers to fiscal agent.



Mental Health Funding

	FY 2018	FY 2019	FY 2020
Tax Levy Revenue Capacity	\$3,308,032	\$4,112,052	\$5,308,750
Scott County Expenditures	\$3,731,087	\$4,555,905	\$4,555,905*
Allocated Expenditures	\$4,699,773	\$5,991,980	\$5,351,279*
	FY 18 Actual	FY 18 Revised Estimate	FY 19 YTD (8/31)
County Fund Balance	\$674,417	\$230,255	\$727,419
Allocated Fund Balance 26.9% ownership	\$2,123,076	\$2,123,076^	\$1,501,377
Fund Balance %	60%	50%	25%*

* Estimated; ^ Carried forward

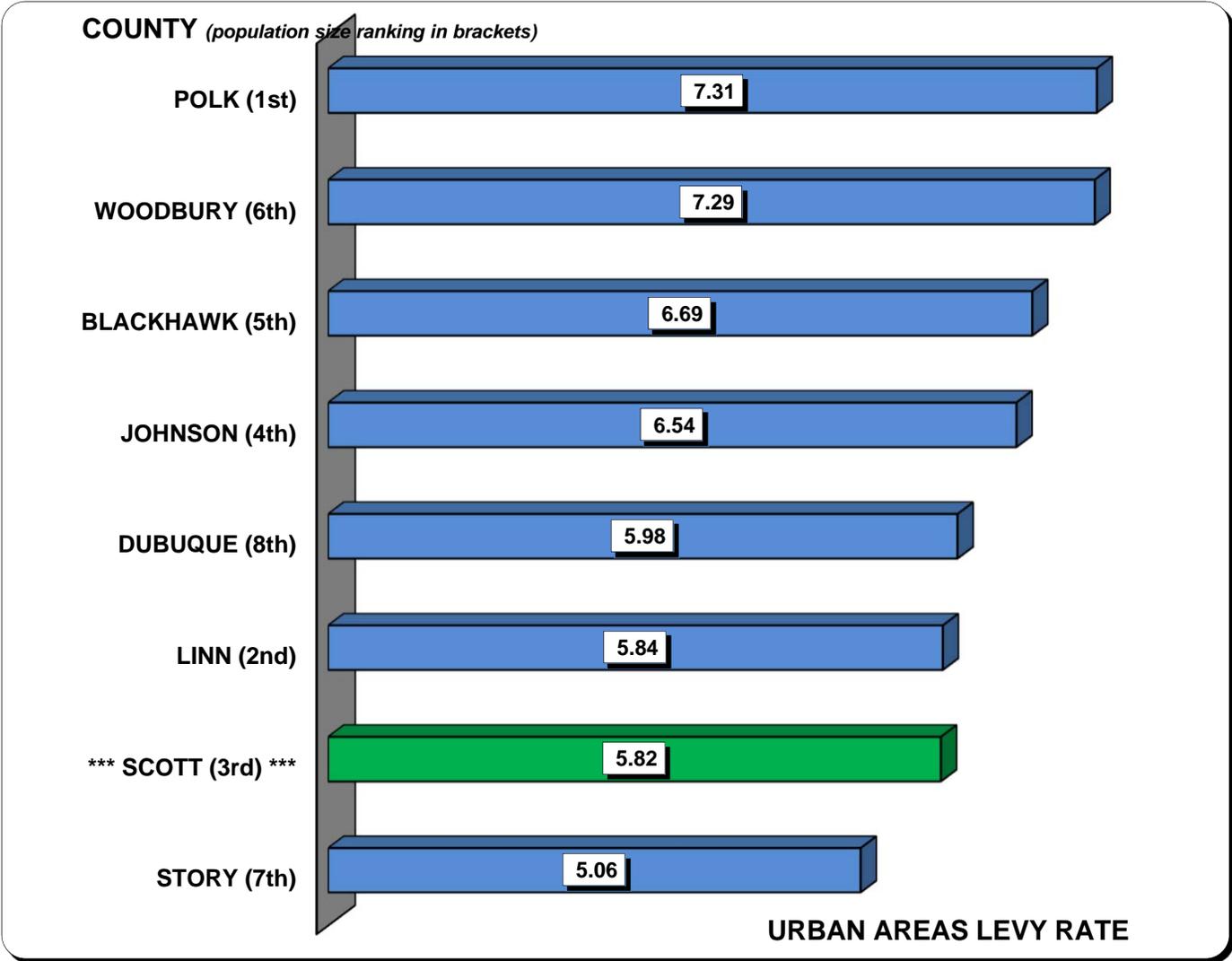
Capital Fund

- Capital Funds Equity

	FY 18 Projected	FY 18 Actual
General CIP	\$4,723,508	\$5,642,164
Vehicle	347,046	417,774
Electronic Replacement	-	-
Conservation CIP	467,458	2,371,199
Conservation Equipment	<u>509,448</u>	<u>683,501</u>
Total	\$6,047,460	\$9,114,638

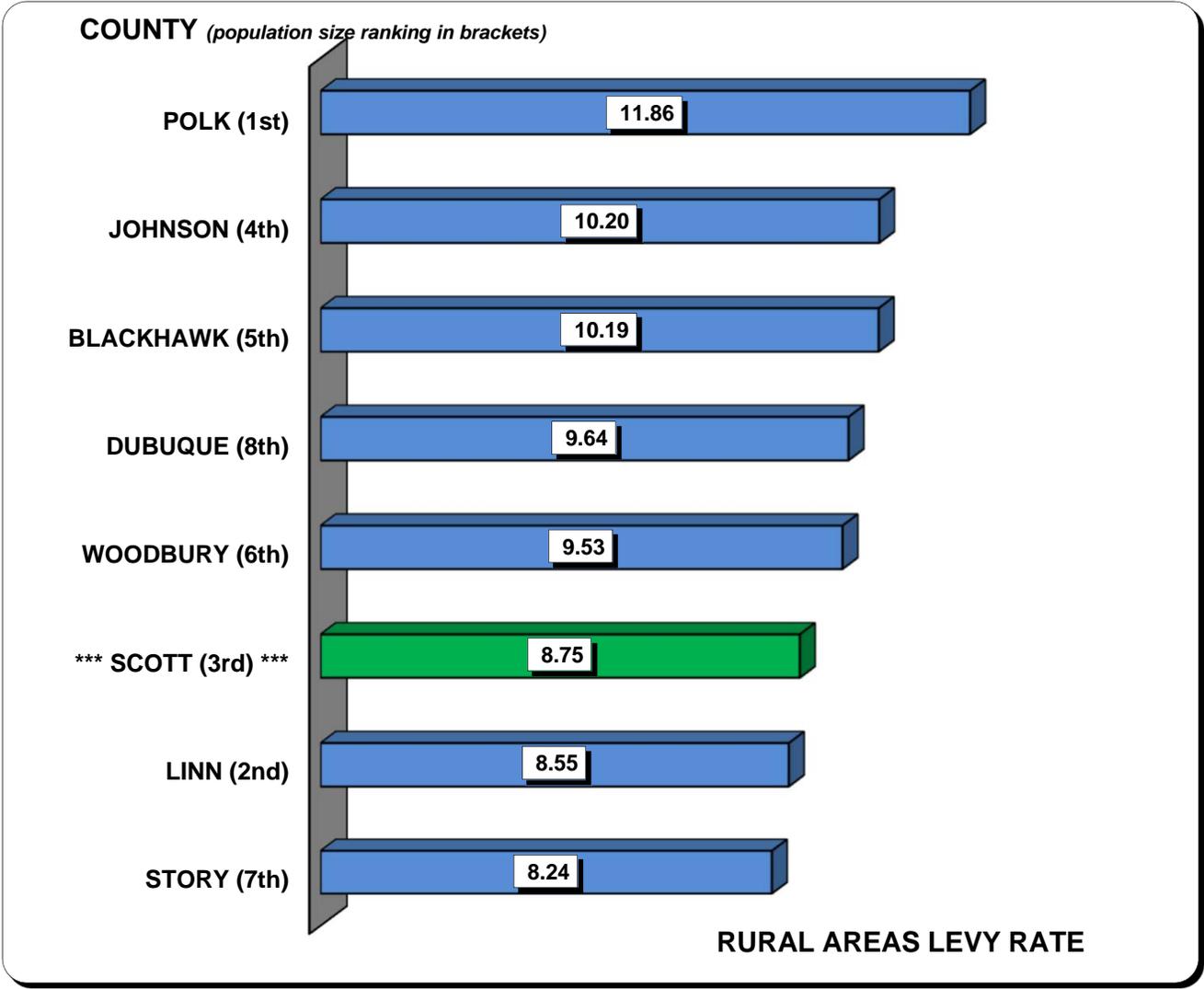
- Variance due to project savings (actual); set asides for progress as of Budget Amendment February 2019, WLP Grant / Under expenditure; interest income

FY19 URBAN AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



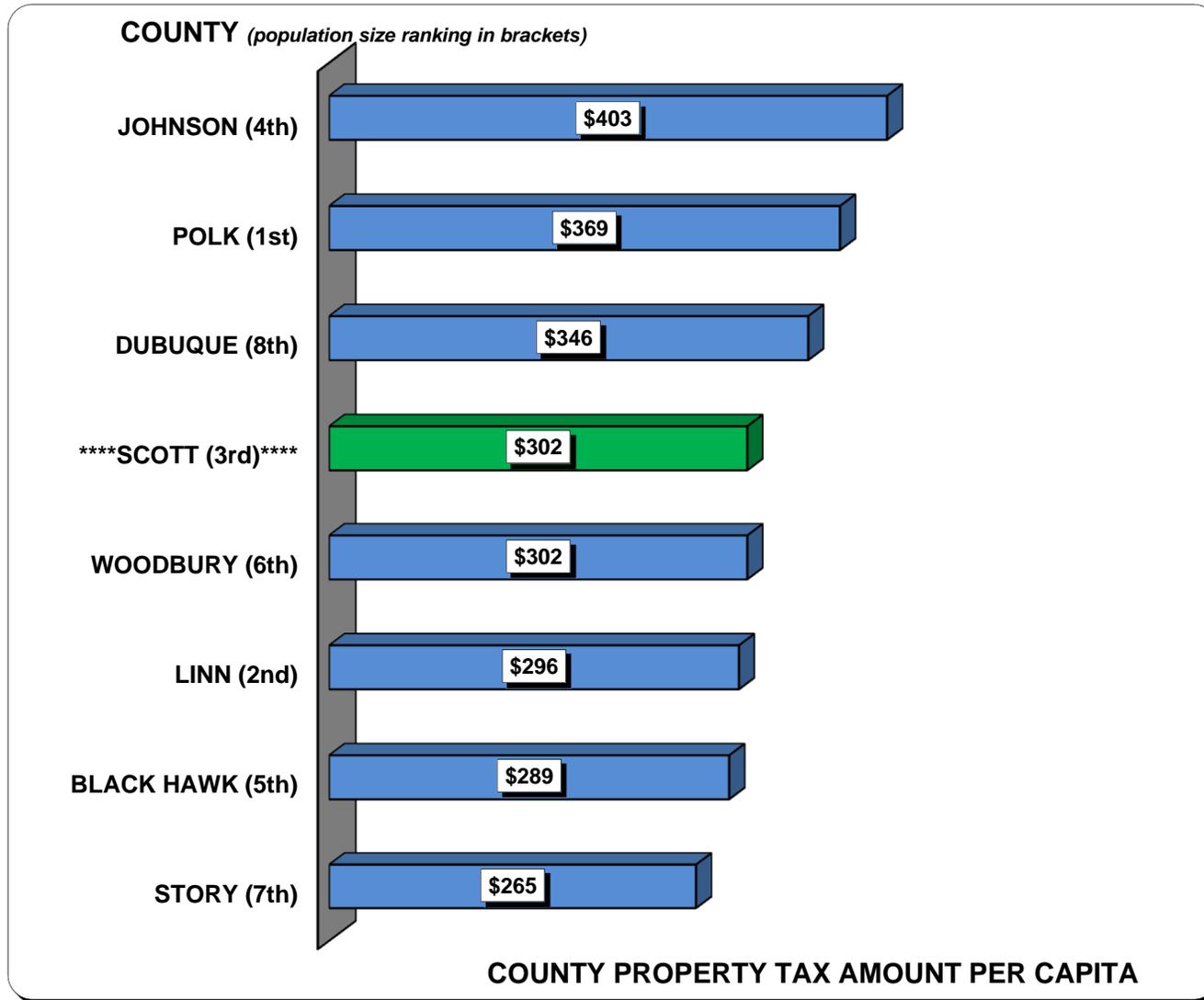
While ranking 3rd in size Scott County ranks 2nd **LOWEST** among the eight largest metropolitan Iowa Counties in the urban areas tax levy rate amount for Fiscal Year FY19.

FY19 RURAL AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



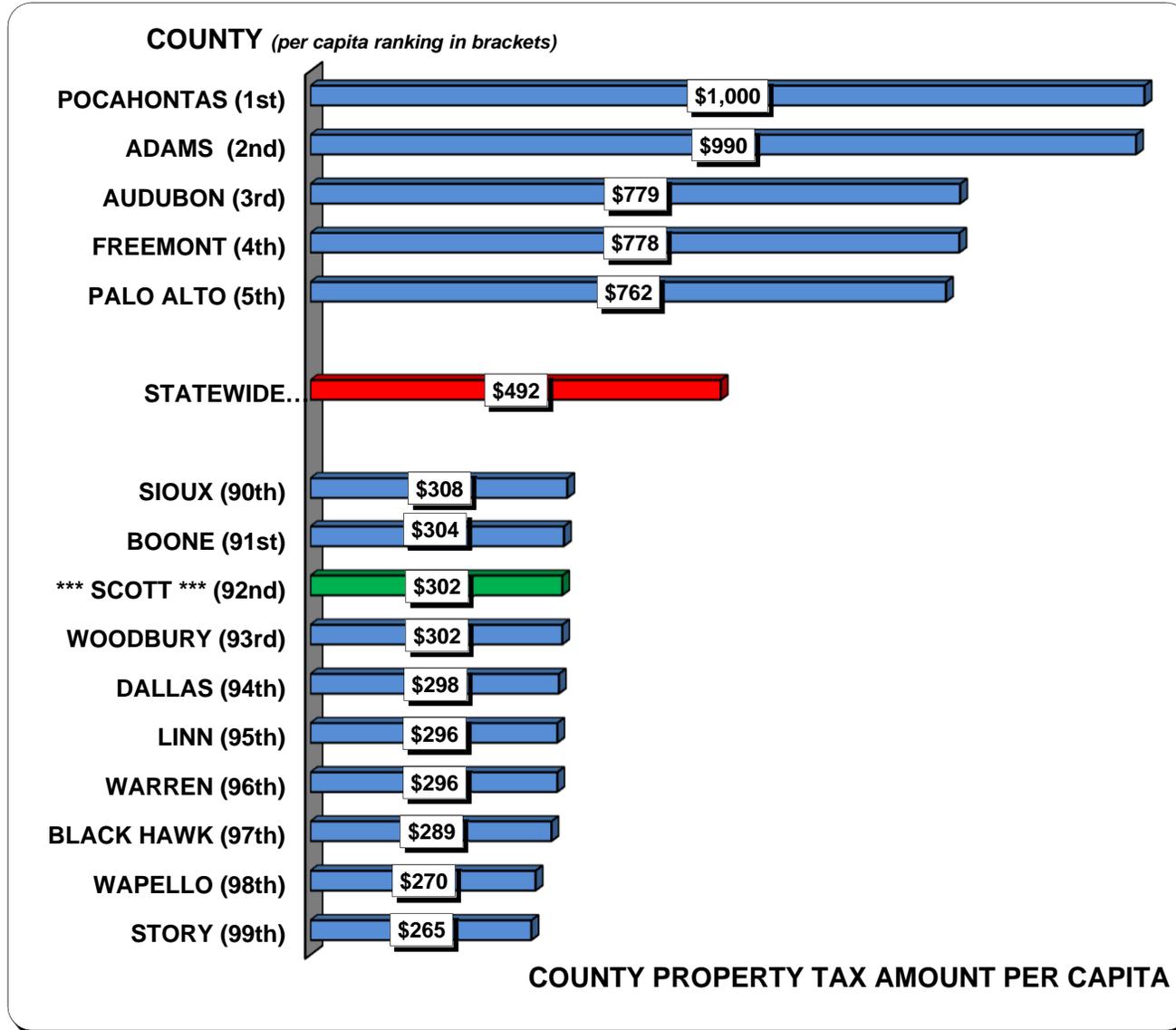
While ranking 3rd in size Scott County ranks the 3rd lowest levy among the eight largest metropolitan Iowa Counties in the rural areas tax levy rate amount for Fiscal Year FY19.

FY19 COUNTY PROPERTY TAX AMOUNT PER CAPITA FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



While ranking 3rd in size Scott County ranks 5th *LOWEST* among the eight largest metropolitan Iowa Counties in the County property tax per capita amount for Fiscal Year FY19. These figures are based on 2017 est. census data.

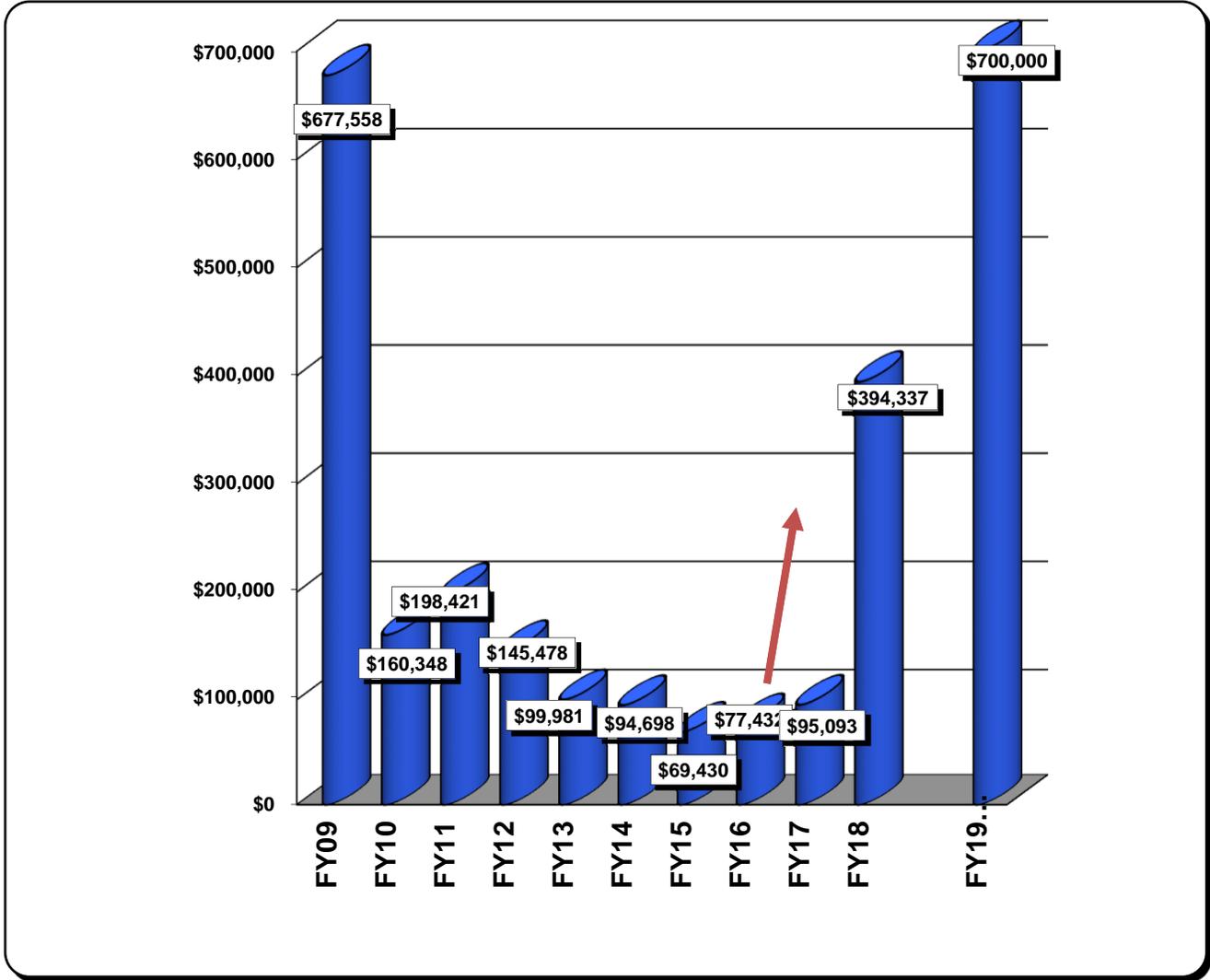
FY19 COUNTY PROPERTY TAX AMOUNT PER CAPITA WHERE SCOTT COUNTY RANKS AMONG ALL 99 COUNTIES



Scott County has the 8TH *LOWEST* county property tax amount per capita of *all ninety-nine* Iowa counties for Fiscal Year FY19.

INTEREST INCOME

TEN YEAR COMPARISON and FY18 BUDGET AMOUNT

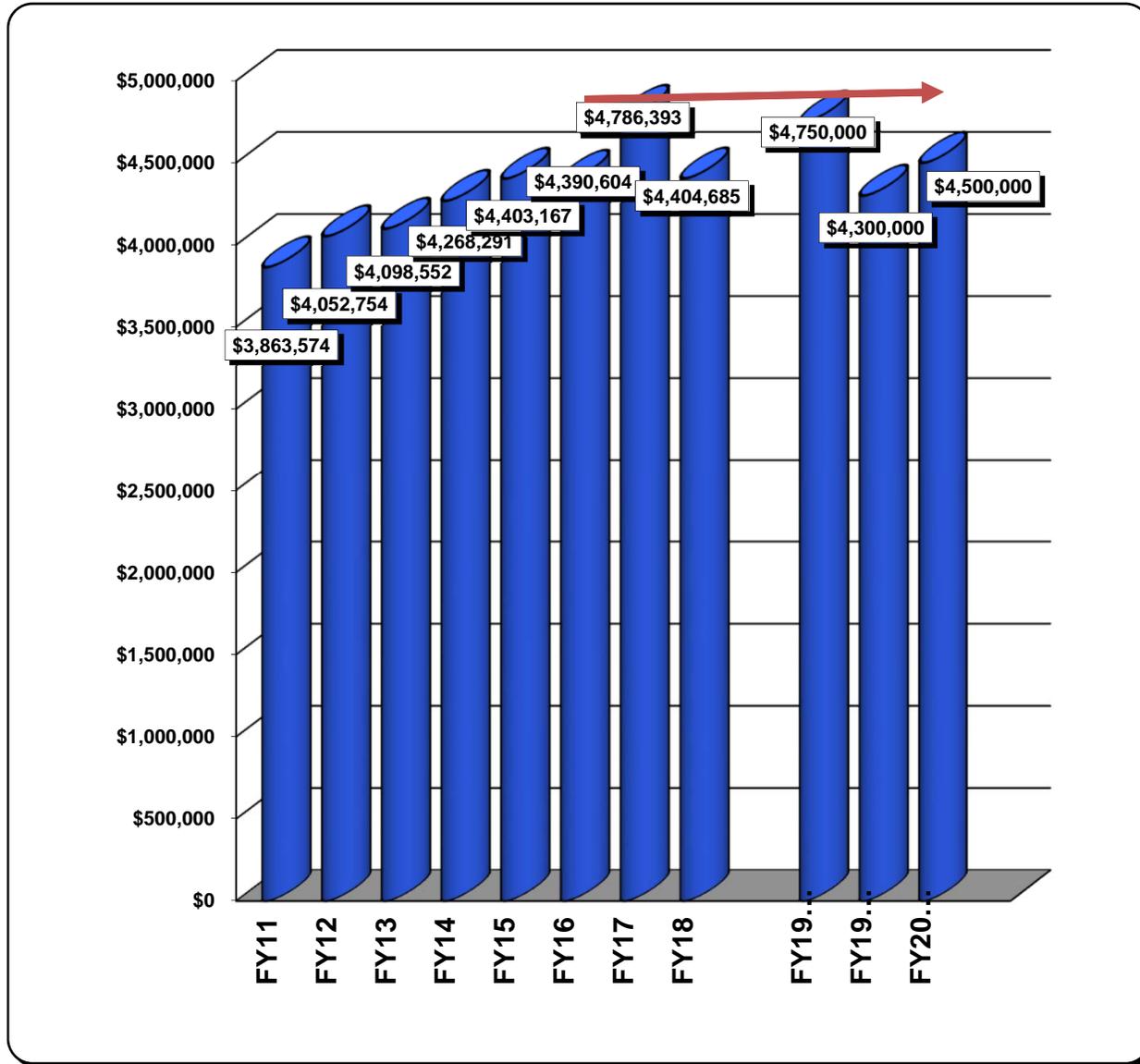


This graph shows the wild ride of interest rates' impact on investment earnings by the County during the last ten years. Currently rates are at almost zero, but climbing.

FY09 - 1.69 %	FY11 - .4707%	FY 13 - .1947%	FY 15 - .1594%	FY 17 - .3379%
FY10 - .3811%	FY 12 - .3573%	FY 14 - .1583%	FY 16 - .1666%	FY 18 - 1.1230%

SALES TAX

TEN YEAR COMPARISON and FY19 BUDGET AMOUNT



Sales Tax is used for property tax relief. This revenue source is different from others, as we experienced the highest level for this revenue in 10 years in FY 17, however, the state of Iowa is projecting flat growth due to applicability of tax law changes.

Other Issues

- Next meeting – 10/16/18 – 8:00 Committee of the Whole
- Identification of Other Board Goals
- Identification of Departmental Budget Guidelines