



FY 19 Year End,  
FY 20 Amendment,  
FY 21 Budget Discussion  
with Board of Supervisors

October 1, 2019



# Agenda

- Review FY 19, FY 20, FY 21
  1. Strategic Plan Highlights
  2. Revenue / Expenditure FY 19 Summary and Analysis
  3. Fund Balance Discussion
  4. FY 20 and 21 notable items



# Future Budget Issues for FY 21 Budget or FY 20 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 21 Budget or FY 20 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 21 Budget or FY 20 Amendment

## **County-Wide Goals 2022**

Financially Responsible County Government

Local and Regional Economic Growth

High Performing Organization = Exceptional

County Services

Great Place to Live

## **Department Goals, Outcomes, Tasks**



# Future Budget Issues for FY 20 Amendment

## FY 20 Amendment:

Mental Health services

Capital requests

Organization changes

Local Option Sales Tax

Inflation

Jail / Juvenile population /  
service adjustments

Strategic Plan Efforts

Unfunded mandates

Backfill dollars from state

Conservation services /  
revenues



# FY 19 Revenue Analysis – All Governmental Funds

|                              | Change from<br>Prior Year | Change from<br>Original Budget |
|------------------------------|---------------------------|--------------------------------|
| Property Tax and Penalties   | \$ 2,862,829              | \$ (45,028)                    |
| Other Taxes / TIF            | 88,761                    | (295,631)                      |
| Intergovernmental            | (507,037)                 | (105,655)                      |
| Licenses and Permits         | 36,501                    | 22,777                         |
| Charges for Services         | (212,344)                 | (92,163)                       |
| Use of Property and Money    | 651,445                   | 582,143                        |
| Fines, Forfeitures and Misc. | <u>91,696</u>             | <u>428,973</u>                 |
| Subtotal                     | <u>3,011,851</u>          | <u>495,416</u>                 |
| Other Financing Sources      | <u>1,911,019</u>          | <u>1,428,665</u>               |
| Total Revenue Increase       | <u>\$ 4,922,870</u>       | <u>\$ 1,924,081</u>            |



# General Fund Summary

|  | Original Budget     | Amended Budget       | Actual              |
|--|---------------------|----------------------|---------------------|
| Revenues                               | \$61,941,572        | \$62,473,324         | \$62,407,135        |
| Expenditures                           | (57,977,442)        | (59,624,126)         | (56,771,147)        |
| Net Transfers and other sources / uses | <u>(4,333,830)</u>  | <u>(6,283,384)</u>   | <u>(6,089,724)</u>  |
| Change                                 | (369,700)           | (3,434,186)          | (453,737)           |
| Beginning Fund Balance                 | <u>12,856,392</u>   | <u>14,034,487</u>    | <u>14,064,211</u>   |
| Ending Fund Balance                    | <u>\$12,486,692</u> | <u>\$ 10,600,301</u> | <u>\$13,580,751</u> |

Revenues were \$66,189 under budget, or 99.9% of Amended Budget.  
 Expenditures were \$2,852,979 under budget, or 95.2% of Amended Budget.



# FY 19 Revenue Analysis – General Fund

|                              | Change from Prior   | Change from Original Budget |
|------------------------------|---------------------|-----------------------------|
| Property Tax                 | \$ 1,954,697        | \$ (25,061)                 |
| Other Taxes / TIF            | 68,771              | (305,030)                   |
| Intergovernmental            | (209,974)           | 490,267                     |
| Licenses and Permits         | 38,754              | (12,808)                    |
| Charges for Services         | (361,537)           | (108,116)                   |
| Use of Property and Money    | 436,415             | 164,592                     |
| Fines, Forfeitures and Misc. | <u>92,878</u>       | <u>261,718</u>              |
| Total Revenue Increase       | <u>\$ 2,020,004</u> | <u>\$ 465,562</u>           |

# FY 19 – Salary and Benefit Detail Analysis – General Fund

| Object                             | Dollar Variance from Original Budget | Dollar Variance from Amended Budget |   |
|------------------------------------|--------------------------------------|-------------------------------------|---|
| Salaries                           | \$ 368,750                           | \$ 705,343                          |   |
| Taxes / Retirement / Bonus / Other | 194,970                              | 291,787                             |   |
| Health Benefits                    | <u>201,680</u>                       | <u>252,296</u>                      |   |
| Personnel Services                 | <u>\$ 765,400</u>                    | <u>\$ 1,249,426</u>                 | 3.36% savings of amended budget classifications |

Recommended to move \$100,000 to Health Fund to fund future claims or design changes.

## FY 19 – Significant General Fund Budget Variances

| Object  | Dollar Variance<br>from Original | Dollar Variance<br>from Amended | % Budget<br>Savings<br>Classification |
|---|----------------------------------|---------------------------------|---------------------------------------|
| Line Items Under \$100,000  |                                  |                                 |                                       |
| <b>Savings</b> (68 / 66 Accounts- \$9,267 / \$12,998 average per account) | \$ 630,160                       | \$ 857,906                      | 3.82%                                 |
| Contingency   | 205,000                          | -                               |                                       |
| Maintenance   | -                                | 121,847                         |                                       |
| Kitchen Supplies  | -                                | 129,163                         |                                       |
| Professional Services   | 336,307                          | 324,087                         |                                       |
| Extradition of Prisoners  | (268,772)                        | -                               |                                       |
| Service Contracts   | (347,838)                        | 104,777                         |                                       |
| Utilities   | -                                | 100,362                         |                                       |
| Liability Claims  | (104,198)                        | 109,986                         |                                       |
| Contribution to Agencies  | 135,312                          | -                               |                                       |
| Commissary Inmate Surcharge   | <u>(128,777)</u>                 | <u>(128,777)</u>                |                                       |
| <b>Subtotal</b>   | <b><u>\$ 457,194</u></b>         | <b><u>\$1,619,351</u></b>       | <b>7.25%</b>                          |
| All Departments   | 20 G/L Accounts over<br>budget   | 12 G/L Accounts over<br>budget  |                                       |

# Unrestricted / Unassigned General Fund Balance

|                     | <u>Unrestricted /<br/>Unassigned Fund<br/>Balance</u> | <u>GF Expenditures</u> | <u>% of Expenditures</u> |
|---------------------|---|------------------------|--------------------------|
| 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                | \$10,821,990  | \$54,144,143           | 20.0%                    |
| FY19 w/o Assign.    | \$12,815,986  | \$56,771,147           | 22.6%                    |
| FY19 w/ Assignments | \$11,354,229  | \$56,771,147           | 20.0%                    |
| FY20 Budget         | \$10,014,586  | \$61,029,067           | 16.4%                    |
| FY20 Estimate       | \$11,354,301  | \$61,029,067           | 18.6%                    |
| FY21 Projection     |   |                        | ?                        |

# General Fund Balance Components

| Account      | 2019 Amount          | 2019 %         |  | 2018 Amount          | 2018 %         |
|--------------|----------------------|----------------|--|----------------------|----------------|
| Restricted   | 637,475              | 4.69%          |  | 771,661              | 5.50%          |
| Nonspendable | 127,289              | 0.94%          |  | 187,308              | 1.33%          |
| Assigned     | 1,461,757            | 10.76%         |  | 2,253,528            | 16.06%         |
| Unassigned   | <u>11,354,229</u>    | <u>83.61%</u>  |  | <u>10,821,677</u>    | <u>77.11%</u>  |
|              |                      |                |  |                      |                |
| Total        | <u>\$ 13,580,750</u> | <u>100.00%</u> |  | <u>\$ 14,034,487</u> | <u>100.00%</u> |

Any change in restricted equity is recommended to be offset by assigned fund balance.



# Assignment of Fund Balance

| Account                 | 2019 Amount         |
|-------------------------|---------------------|
| Liability Claims        | \$ 281,685          |
| Strategic Plan Elements | 220,000             |
| Health Insurance        | 100,000             |
| Capital Projects        | <u>860,072</u>      |
|                         |                     |
| Total                   | <u>\$ 1,461,757</u> |

- Strategic Planning Elements: Lead Abatement Project; Emergency Operations / Continuity of Operations Study, Park View study



# Mental Health Funding

- SF 504 and HF2456 placed numerous restrictions and goals on the County and the Region.
  - 40% Fund Balance for Region and individual counties by 2022
  - Numerous new Core Services / Child Services
  - If over funded the cash flow reduction will be deducted from maximum levy in 2024
  - Now required to budget transfers to fiscal agent.



# Mental Health Funding

|   | FY 2019      | FY 2020                | FY 2021          |
|---|--------------|------------------------|------------------|
| Tax Levy Revenue Capacity               | \$4,112,052  | \$5,308,750            | \$5,308,750*     |
| Scott County Expenditures (no transfer) | \$4,751,974  | \$4,144,015            | \$4,456,470*     |
| Allocated Expenditures                  | \$7,223,954  | \$6,425,615            | \$6,167,670*     |
|   | FY 19 Actual | FY 20 Revised Estimate | FY 19 YTD (8/31) |
| County Fund Balance                     | \$531,297    | \$1,335,679            | \$731,270        |
| Allocated Fund Balance 32.4% ownership  | \$464,655    | \$142,435*             | \$459,606        |
| Fund Balance %                          | 14%          | 20%*                   | 19%              |

\* Estimated

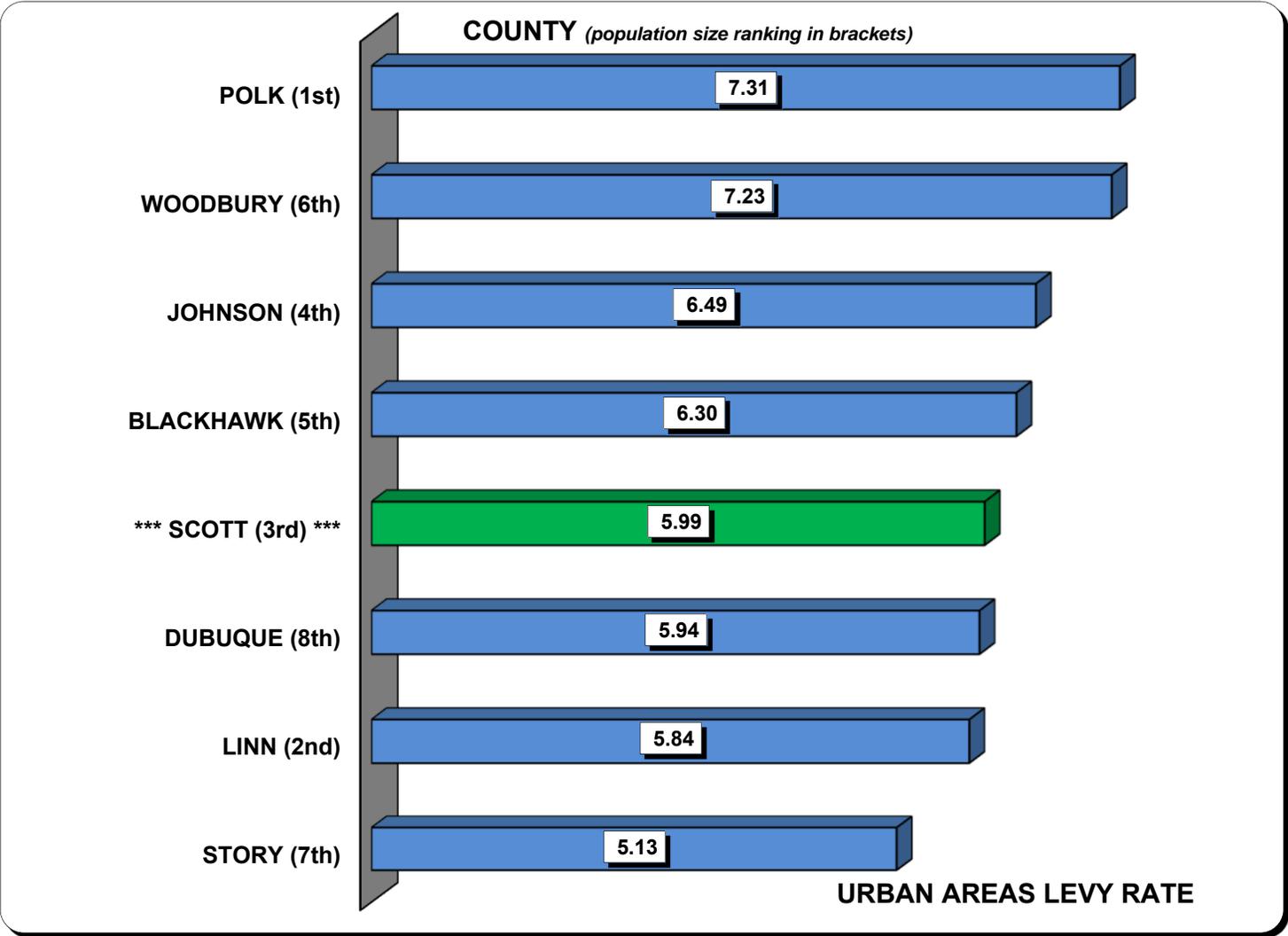
# Capital Fund

- Capital Funds Equity

|                        | FY 19 Projected | FY 19 Actual   |
|------------------------|-----------------|----------------|
| General CIP            | \$5,337,852     | \$6,237,862    |
| Vehicle                | 419,774         | 552,609        |
| Conservation CIP       | 1,463,101       | 1,753,550      |
| Conservation Equipment | <u>553,997</u>  | <u>701,545</u> |
| Total                  | \$7,774,704     | \$9,245,566    |

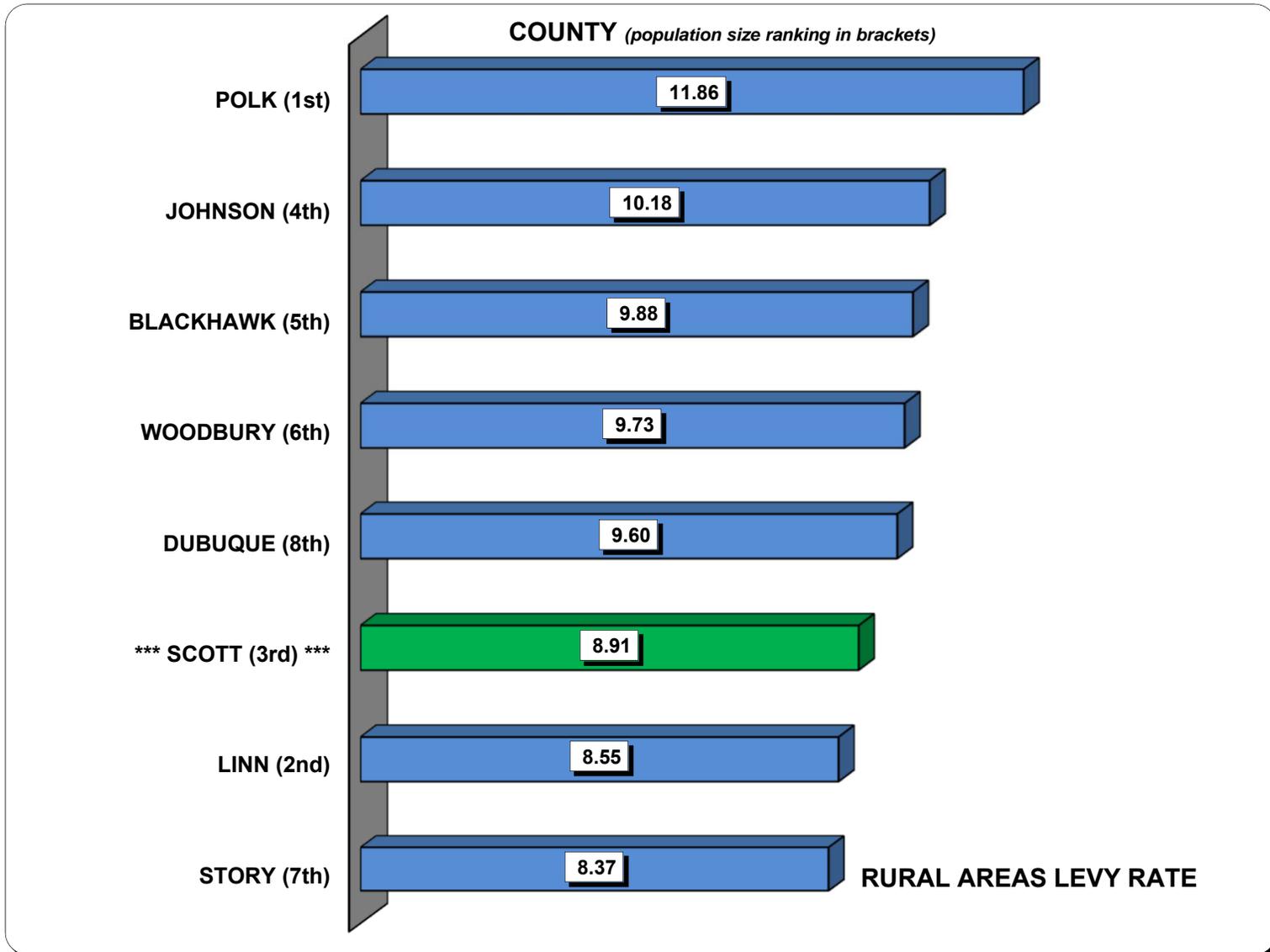
- Variance due to project savings (actual); set asides for progress as of Budget Amendment February 2019, WLP Grant / Under expenditure; interest income / sale of assets

# FY20 URBAN AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



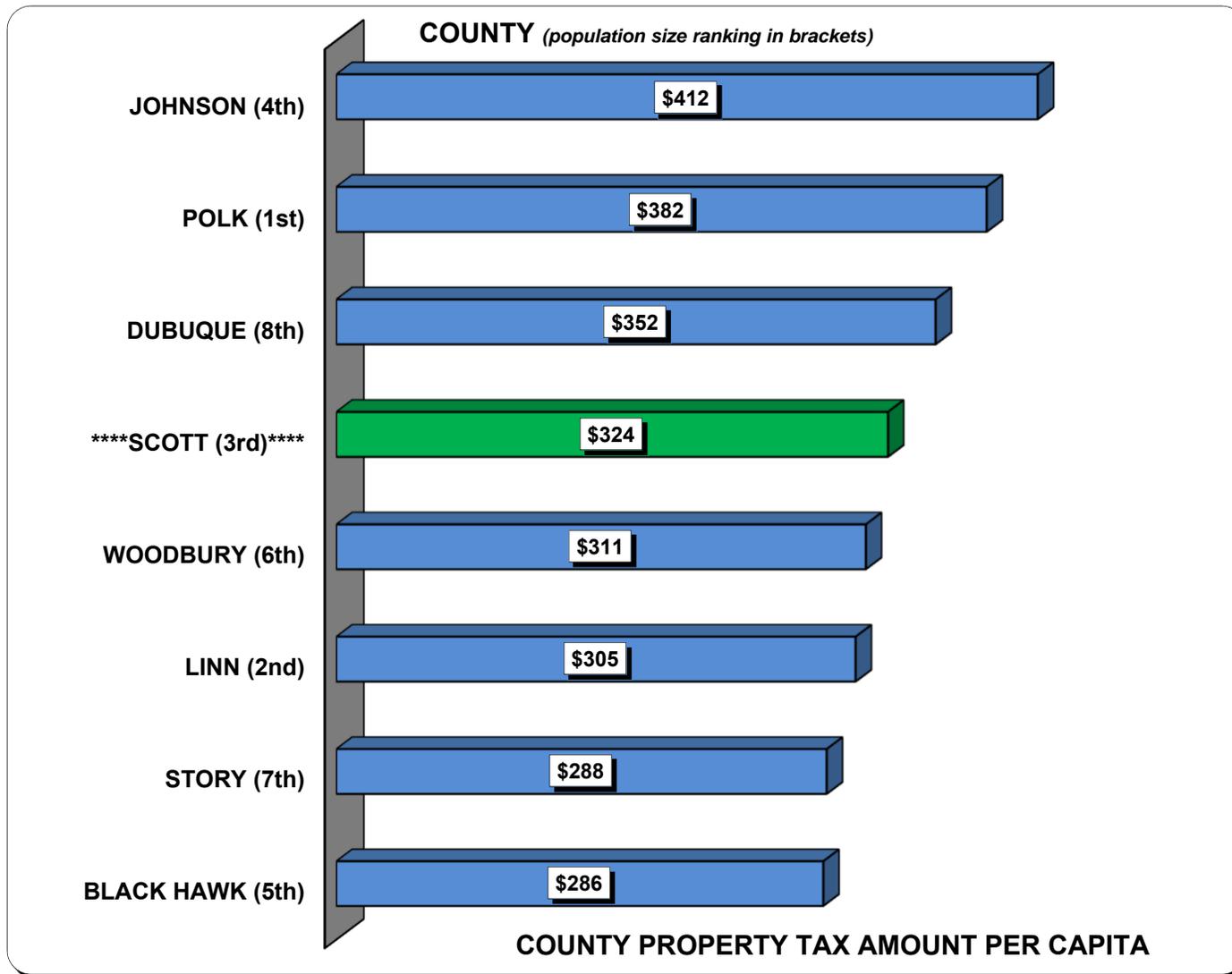
While ranking 3rd in size Scott County ranks *4<sup>th</sup> LOWEST* among the eight largest metropolitan Iowa Counties in the urban areas tax levy rate amount for Fiscal Year FY20.

## FY20 RURAL AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



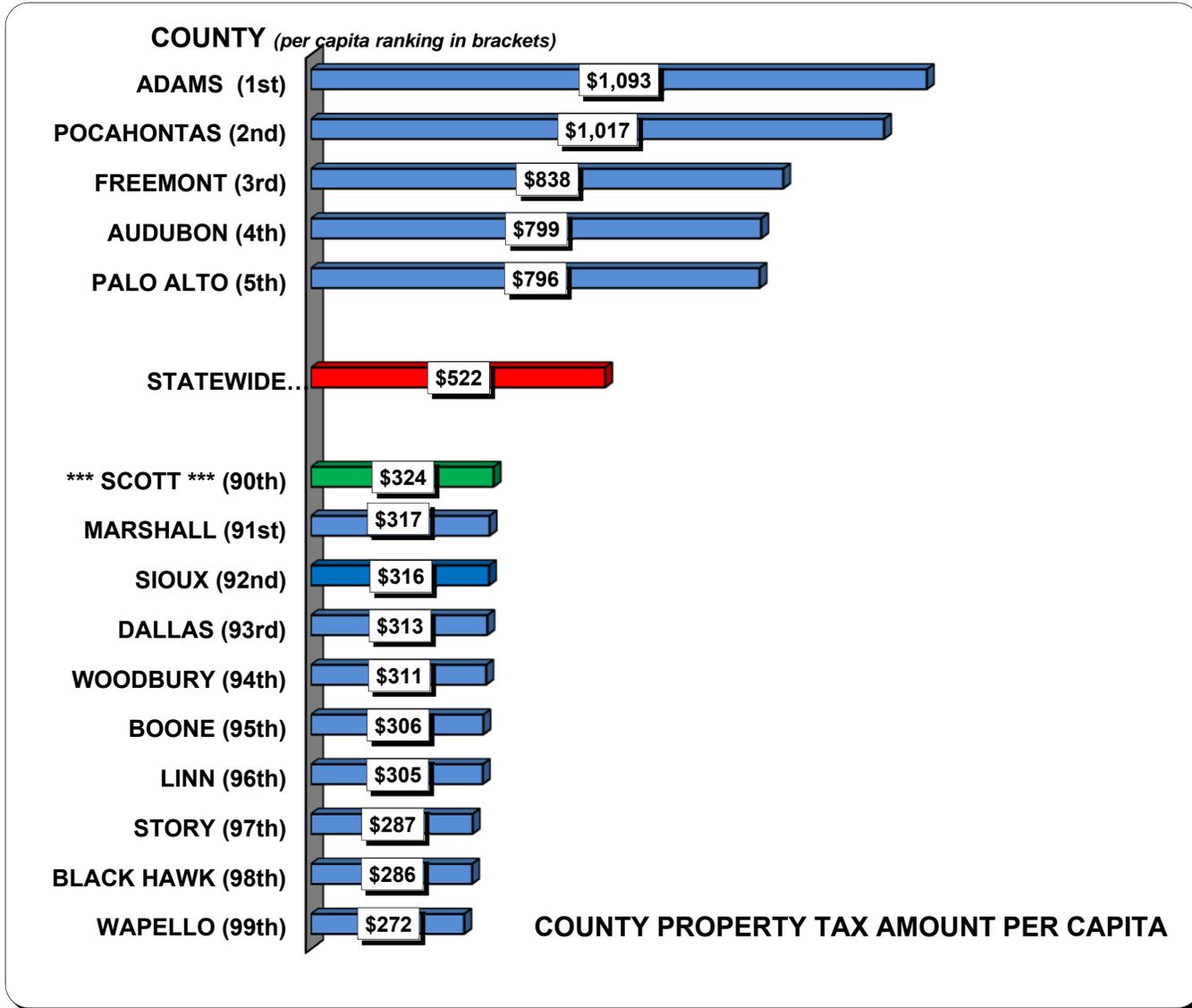
While ranking 3rd in size Scott County ranks the 3<sup>rd</sup> lowest levy among the eight largest metropolitan Iowa Counties in the rural areas tax levy rate amount for Fiscal Year FY20.

## 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.

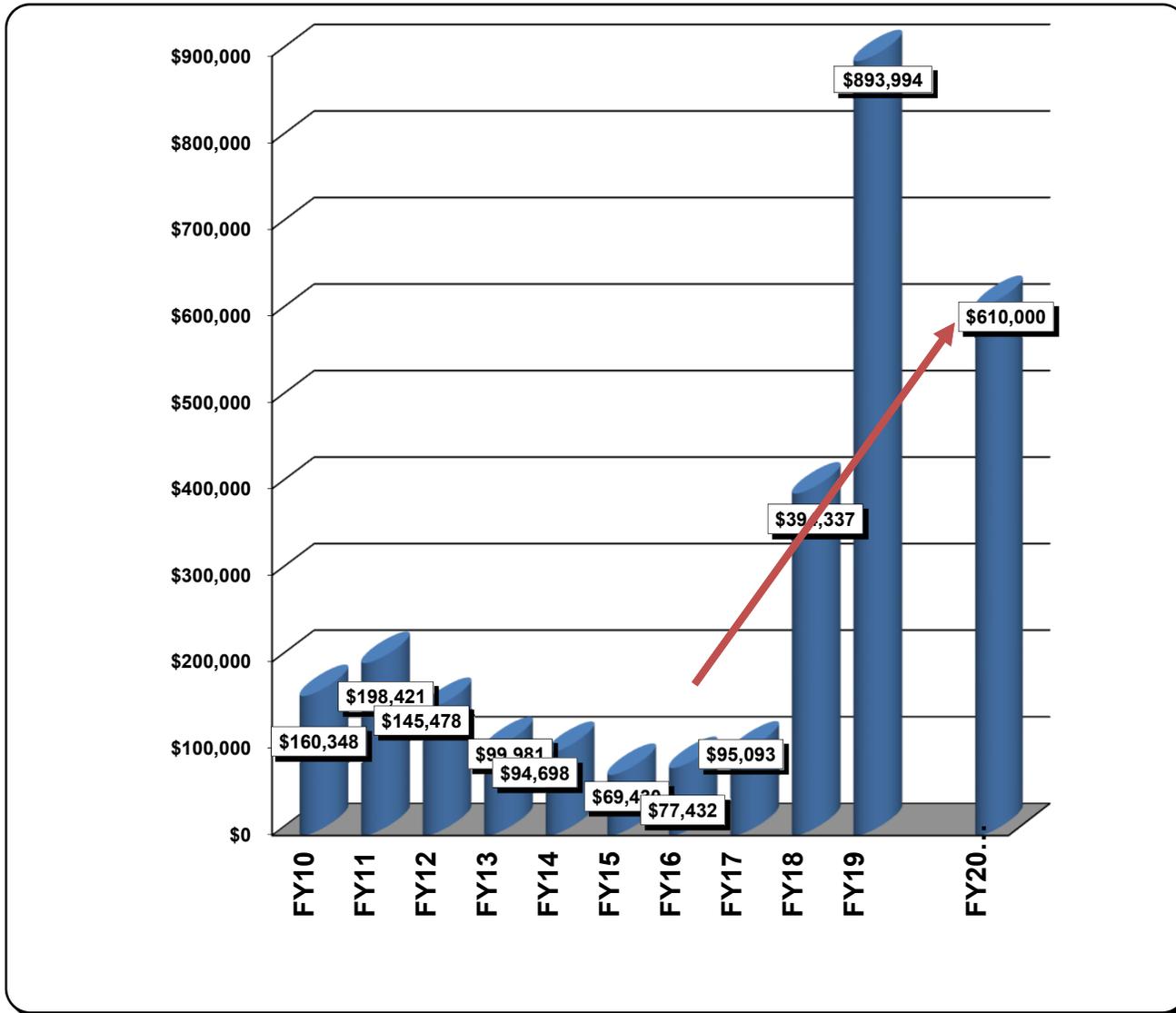
## FY20 COUNTY PROPERTY TAX AMOUNT PER CAPITA WHERE SCOTT COUNTY RANKS AMONG ALL 99 COUNTIES



Scott County has the 10TH *LOWEST* county property tax amount per capita of *all ninety-nine* Iowa counties for Fiscal Year FY20.

# INTEREST INCOME

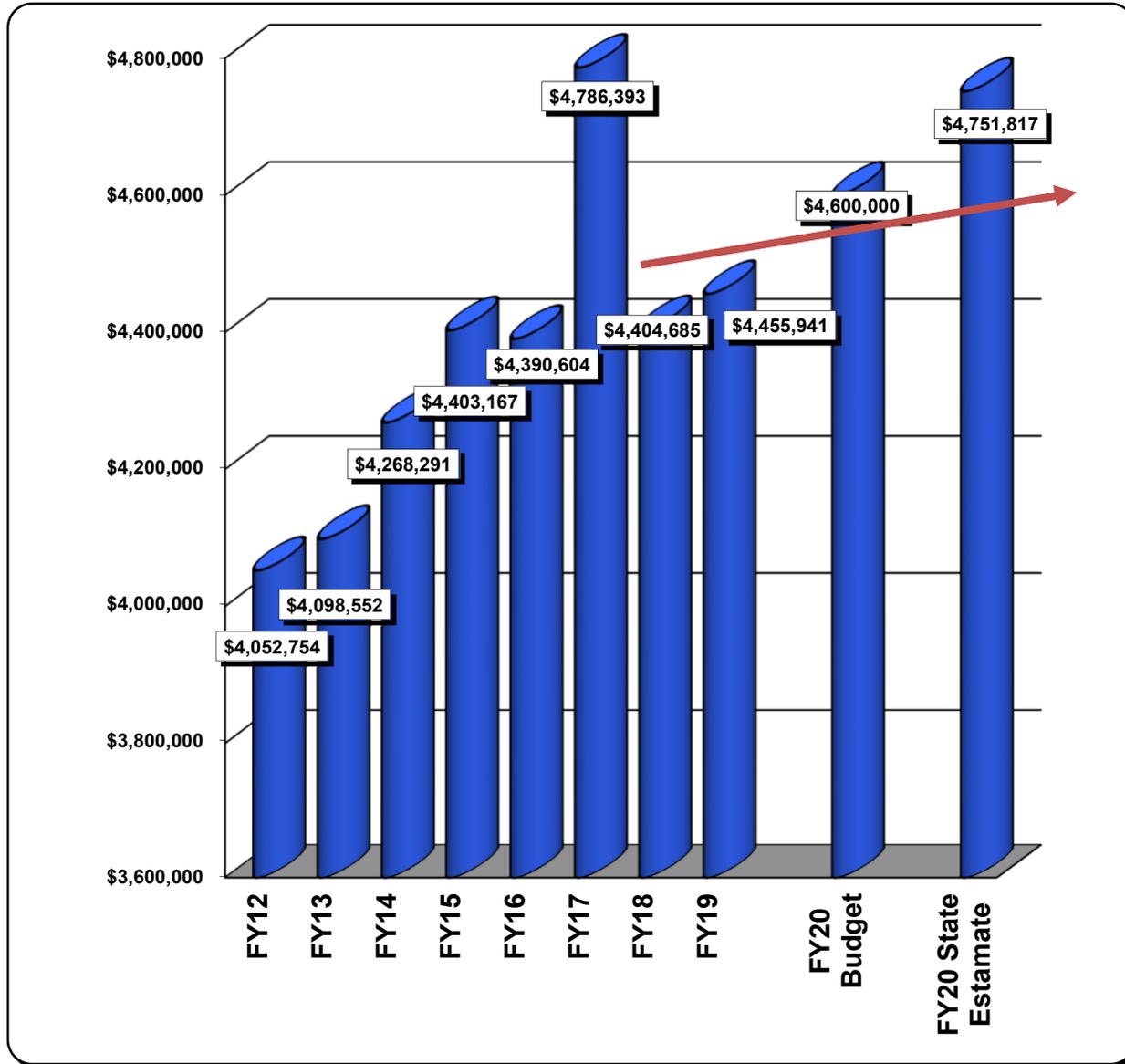
## TEN YEAR COMPARISON and FY18 BUDGET AMOUNT



This graph shows the wild ride of interest rates' impact on investment earnings by the County during the last ten years. Currently rates were at almost zero, but climbing. The FY29 weighted rate was 2.1480%

# 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 internet sales tax has added new growth to the tax relief.

# Upcoming

- Next meeting – 10/15/18 – 8:00 Committee of the Whole
  - Identification of Other Board Goals
  - Identification of Departmental Budget Guidelines
  - Budget Schedule