



# FY 23 Year End, FY 25 Budget Discussion with Board of Supervisors

October 10, 2023



# Congratulations!

- Scott County earned the GFOA Triple Crown award for excellence 2016- 2022.
  - FY 2024 Budget 29<sup>th</sup> Award
  - FY 2022 ACFR 37<sup>th</sup> Award
  - FY 2022 PAFR 7<sup>th</sup> Award



# Agenda

1. Revenue / Expenditure FY 23 Summary and Analysis
2. Fund Balance Discussion
3. Budget issues for FY 24 Amendment



# Future Budget Issues for FY 25 Budget or FY 24 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

Professionalism \* Responsiveness \* Involvement \* Dedication \* Excellence



# Future Budget Issues for FY 25 Budget or FY 24 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 25 Budget or FY 24 Amendment

## **County-Wide Strategic Priorities**

Employees, Facilities, Organization Efficiency

PRIDE

## **Department Goals, Outcomes, Efficiencies, Costs**



# FY 23 Revenue Analysis – All Governmental Funds

	2023 Actual	Change from Prior Year	Change from Original Budget
Property Tax and Penalties	\$59,099,795	\$ 998,834	\$ (450,391)
Other Taxes / TIF	9,148,136	(119,832)	440,101
Intergovernmental	22,867,981	7,340,033	(8,961,585)
Licenses and Permits	894,545	39,007	135,950
Charges for Services	7,016,640	(505,066)	(103,445)
Use of Property and Money	3,354,731	3,308,442	3,020,276
Fines, Forfeitures and Misc.	<u>3,890,441</u>	<u>2,317,028</u>	<u>2,833,718</u>
Subtotal	<u>106,272,269</u>	<u>13,378,446</u>	<u>(3,085,376)</u>
Other Financing Sources (transfers)	<u>26,398,194</u>	<u>4,809,034</u>	<u>(1,706,876)</u>
Total Revenue and Sources	<u>\$132,670,463</u>	<u>\$ 18,187,480</u>	<u>\$ (4,792,252)</u>

## **Budget and Planning Impact:**

The County's Governmental Funds operating revenues increased from prior year by \$13.3 M, but was \$3.1 M lower than budget.

The negative original budget variance is derived from decreased ARPA intergovernmental revenues and rebounds of general revenues.



# General Fund Summary

	Original Budget	Amended Budget	2023 Actual
Revenues	\$77,251,508	\$80,520,788	\$80,207,694
Expenditures	(71,672,464)	(74,179,075)	(68,062,498)
Net Transfers and other sources / uses	<u>(7,046,600)</u>	<u>(11,165,191)</u>	<u>(11,291,356)</u>
Change	(1,467,556)	(4,823,478)	853,840
Beginning Fund Balance	<u>14,877,740</u>	<u>19,629,618</u>	<u>19,629,618</u>
Ending Fund Balance	<u>\$13,410,184</u>	<u>\$ 14,806,140</u>	<u>\$20,483,458</u>

Revenues were \$313,094 over amended budget, or 99.6% of amended budget.

Expenditures were \$3,609,966 under original budget; \$6,116,577 under amended budget, or 91.75% of amended budget.





# FY 23 Revenue Analysis – General Fund

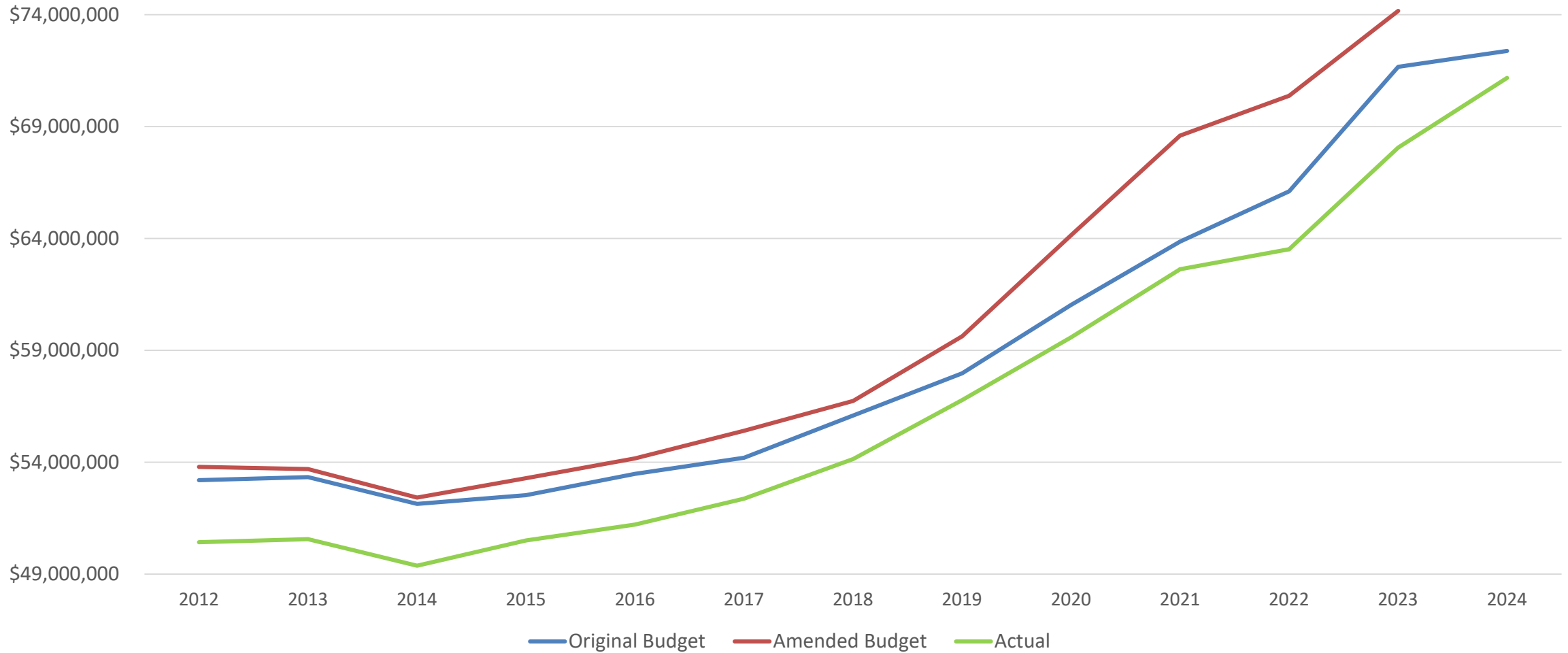
	2022 Actual	2023 Original Budget	2023 Actual	Change from Prior	Change from Original Budget
Property Tax	\$48,672,215	\$53,416,466	<b>\$52,980,656</b>	\$ 4,308,441	\$ (435,810)
Other Taxes / TIF	8,056,275	7,727,401	<b>8,067,392</b>	11,118	339,991
Intergovernmental	7,458,150	7,576,881	<b>7,736,610</b>	278,459	159,729
Licenses and Permits	821,563	728,595	<b>835,033</b>	13,470	106,438
Charges for Services	7,232,592	6,501,037	<b>6,779,148</b>	(453,444)	278,111
Use of Property and Money	132,670	287,505	<b>1,794,608</b>	1,661,939	1,507,103
Fines, Forfeitures and Misc.	<u>1,280,560</u>	<u>1,013,623</u>	<b><u>2,014,247</u></b>	<u>733,687</u>	<u>1,000,624</u>
Total Revenue Increase	<u>\$73,654,025</u>	<u>\$77,251,508</u>	<b><u>\$80,207,694</u></b>	<u>\$6,533,670</u>	<u>\$2,956,186</u>

# Expenditures – General Fund

	Original Budget	Amended Budget	2023 Actual	% Expended Final Budget
Salaries	\$32,762,560	\$33,753,351	<b>\$31,163,250</b>	92.3%
Benefits	13,816,384	13,842,785	<b>12,054,214</b>	87.1%
Capital Outlay	196,853	166,653	<b>169,395</b>	101.6%
Purchase Services & Expenses	22,780,390	23,766,152	<b>22,064,485</b>	92.8%
Supplies & Materials	<u>2,116,277</u>	<u>2,650,134</u>	<b><u>2,611,154</u></b>	98.5%
Subtotal Expenditures	71,672,464	74,179,075	<b>68,062,498</b>	91.7%
Transfers	<u>10,609,070</u>	<u>14,727,661</u>	<b><u>14,849,821</u></b>	100.0%
Total Expenditures and Transfers	<u>\$82,281,534</u>	<u>\$88,906,736</u>	<b><u>\$82,912,319</u></b>	92.3%

Expenditures were 94.9% of original budget and 91.7% of amended budget. Salaries and Benefits are 90.8% of the final budget. Discretionary spending was 93.5% of amended budget.

# Multi-Year History of Expenditures



The County has averaged 96.4% of original budget and 93.5% of amended budget.

# Unrestricted / Unassigned General Fund Balance

	<u>Unrestricted / Unassigned Fund Balance</u>	<u>GF Expenditures</u>	<u>% of Expenditures</u>
FY19	\$11,354,228	\$57,237,072	20.0%
FY20	\$11,916,336	\$59,581,698	20.0%
FY21	\$12,525,469	\$62,627,342	20.0%
FY22	\$12,702,548	\$63,510,480	20.0%
FY23 w/o Assign.	\$19,681,488	\$68,062,498	28.9%
FY23 w/ Assignments	\$13,612,501	\$68,062,498	20.0%
FY24 Budget	\$11,665,867	\$72,388,136	16.1%
FY25 Projection			15.0 – 20.0%

**County Policy 33:**  
General Fund  
minimum unassigned  
fund balance 15%.

County has used  
**assigned fund  
balance** to  
supplement capital  
program and reduce  
real estate tax  
reliance for County  
Capital Program.

20% is equal to 2.5  
months reserve to  
carry county from  
June 30 – September  
30.

# General Fund Balance Components

Account	2023 Amount		2022 Amount
Restricted	\$649,549		\$575,807
Nonspendable	152,420		138,969
Assigned	6,068,988		6,210,090
Unassigned	<u>13,612,501</u>		<u>12,702,538</u>
Total	<u>\$ 20,483,458</u>		<u>\$ 19,627,404</u>

Unassigned fund balance recommended to be 20% of Budgetary Expenditures as of June 30, 2023.

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

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



# Assignment of Fund Balance

Account	2023 Amount
Liability Claims	\$ 352,088
Strategic Plan Elements	-
Health Insurance	-
Capital Projects	<u>5,716,900</u>
Total	<u>\$ 6,068,988</u>

The 2024 Budget estimated \$3.8 Million assigned as of June 30, 2023. Increase helps offset future capital plan.



# Capital Fund

- Capital Funds Equity

	FY 23 Projected (March)	FY 23 Actual
General CIP	\$8,277,545	\$9,866,442
Bond Issuance	-	1,059,342
Vehicle	349,908	362,957
Conservation CIP	908,753	1,103,781
Conservation Equipment	<u>1,105,927</u>	<u>1,030,202</u>
Total	\$10,642,133	\$13,422,724

**Capital Fund Balance is 11% restricted** to SECC Radio and Tower Project. General CIP and Vehicle sub-funds are for FY 24-29 Capital Plan.

Funding is reliant on property tax support, gambling taxes and intergovernmental grants.

Assignment of \$5.7 M of General Fund Balance and \$ 6.1 M of ARPA grant will fund upcoming projects.

- Variance due to SECC Radio Tower progression; YJRC progression; project savings (actual); set asides for progress as of March 2023 Budget Amendment; delays of certain projects.

# ARPA Fund

- \$8.7 M expended in FY 2023
  - \$1.8 M for housing programming
  - \$6.8 M for Capital Projects
- \$23.8 M to be expended 2024 – 2026
- No changes to current project plans





# OPIOID Funds

- \$1.6 M available
- \$5.3 M additional proceeds to be received over life of the project
- Work study group to bring recommendations to 2024 budget amendment



# Upcoming

- Next meeting – 10/12/23 – Board Meeting
  - Review current economic indicators
  - Identification of Board Goals through strategic plan
  - Identification of Departmental Budget Guidelines
  - Budget Schedule

