

A financial YEAR IN REVIEW

Fiscal Year Ended June 30, 2019

December 20, 2019

Dear Scott County Residents,

We are pleased to present *A Financial YEAR IN REVIEW*, our **Popular Annual Financial Report (PAFR)** for the fiscal year ending June 30, 2019. 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.

While the main purpose of this report is to provide financial information, it is also intended to 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. On page five you will find our Mission Statement, Strategic Plan and Vision for 2032. Our P.R.I.D.E. philosophy has been a part of the Scott County culture for over 25 years. As we move toward our 2022 goals and our vision for 2032 we invite you to join us on our journey. In this PAFR, we will flip through the calendar and point out some highlights of this fiscal year, including some weather related challenges. We had an extra-long and snowy winter and then spring brought us a record breaking number of days above flood stagebut it didn't start off that way, our fiscal year begins July 1, 2018 ...it was a warm July day, a high of 84 degrees....

Tony Knobbe, Chairman, Scott County Board of Supervisors

Mahesh Sharma, Scott County Administrator

David Farmer, Budget & Administrative Services Director

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2019 Scott County Board of Supervisors



Supervisor
John Maxwell

Vice-Chair
Ken Beck

Chairman
Tony Knobbe

Supervisor
Brinson Kinzer

Supervisor
Ken Croken

The Board of Supervisors meets bi-weekly in the Scott County Administrative Center Board Room. For meeting information including agendas, packets, and minutes, go to www.scottcountyiowa.com/board-meetings

The Board of Supervisors serves as the administrative and policy-making body for the county. Among its functions are:

- adopt a budget,
- levy taxes to raise revenues for county purposes,
- approve zoning changes and plats for new subdivisions,
 - establish and vacate public highways,
 - appoint boards and commissions,
- make official canvass of the votes for all 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
Michael
Walton



Auditor
Roxanna
Moritz



Recorder
Rita
Vargis



Sheriff
Tim
Lane



Treasurer
Mike
Fennelly

The 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. The office counsels and advises the elected officials and departments. The Attorney's Office advises the police 24/7 and provides legal training to law enforcement and other agencies.

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 for the Board of Supervisors and prepares payroll for employees - full time, part time, seasonal, as well as poll workers during general elections.

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 Division.

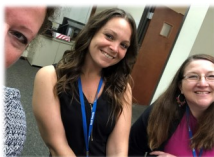


Treasurer Mike Fennelly
sworn in on January 2nd

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 plate/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
Human Resources
Information Technology
Juvenile Detention
Planning & Development
Secondary Roads



For a full description of the services these offices provide, please check out the county's website

www.scottcountyiowa.com or 563-326-8611



Scott County P.R.I.D.E

P.R.I.D.E. been part of the
Scott County culture for over 30 years!!



Scott County's 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.

Professionalism * Responsiveness
Involvement * Dedication * Excellence

Scott County has a **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.

These goals will help the County reach the vision for 2032:

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

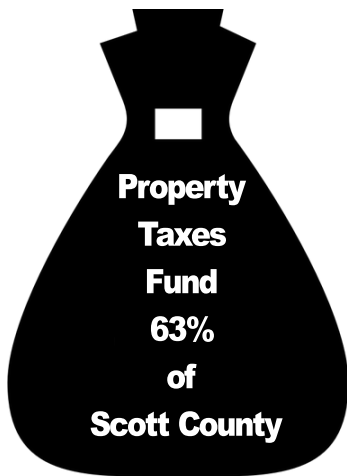
and a LIVEABLE COMMUNITY FOR ALL.



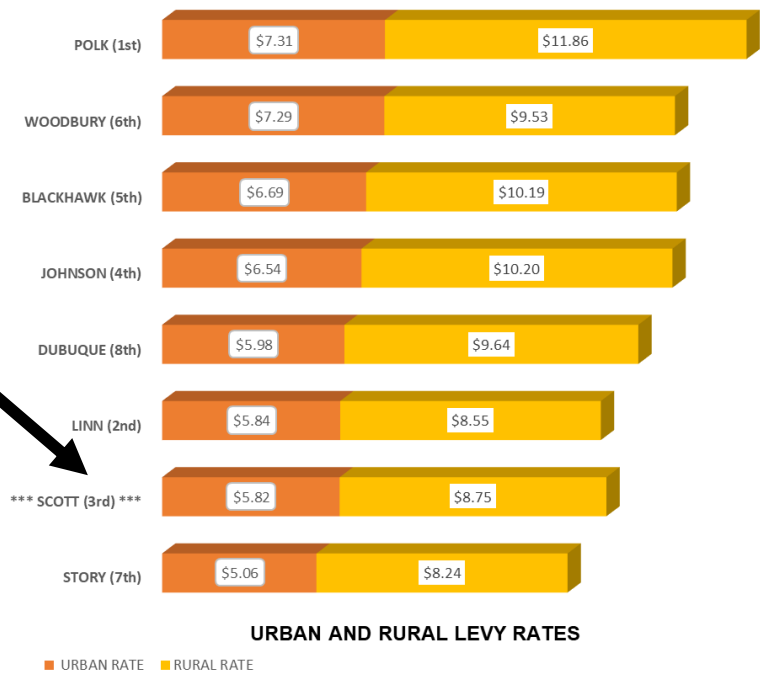
Property Taxes

Tax Levy

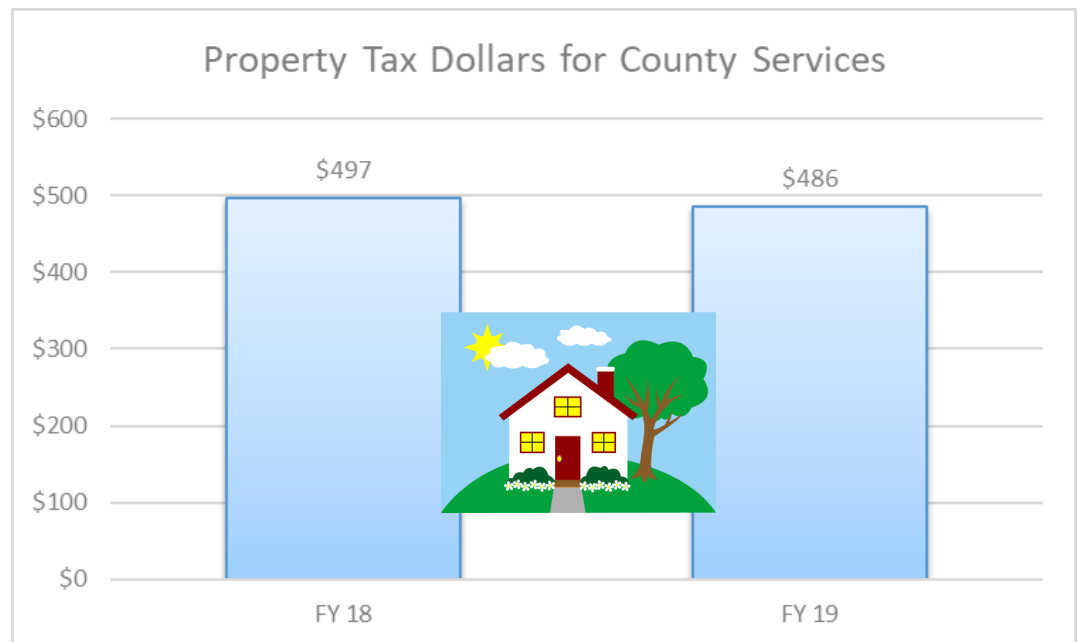
For FY19, Scott County's urban property tax rate was the *2nd lowest* of the eight largest counties in Iowa. The County has been able to maintain or lower the levy for eight consecutive years. The FY19 property tax per capita is \$302.



COUNTY (population size ranking in brackets)



Scott County Taxes Paid by Homeowner



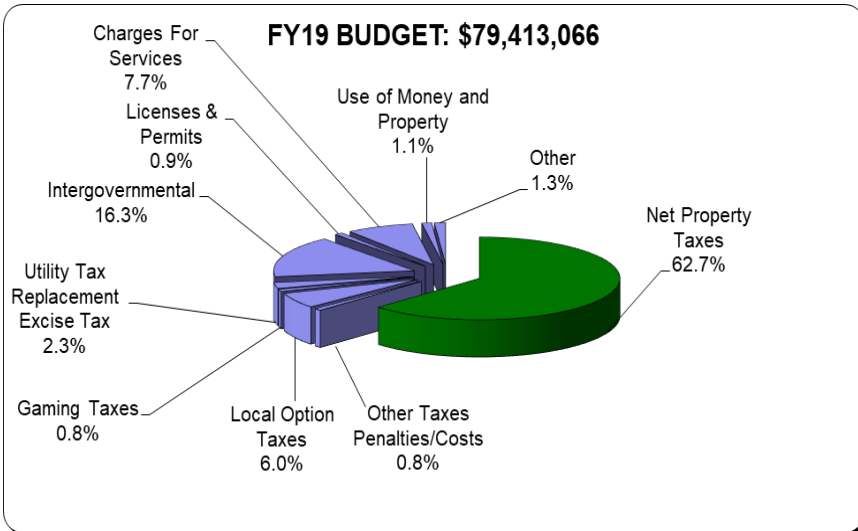
For FY19, County urban tax rates remained at \$5.82 per \$1,000 of taxable valuation. The chart above is based on a home assessed at \$150,000. The cost of County services for residential class of property decreased \$11 per year for a house with a fair market value of \$150,000.

The County's taxable valuation was \$8.7 billion and an increase of 5.7% over the prior year. The top ten taxpayers represent 6.9% of the County valuation.

Budget Financial Review



Where the Money Comes From



Fiscal Year 2019 Budgeted Revenues

FY19 BUDGET Rounded

Net Property Taxes	\$49,805,000
Other Taxes Penalties/Costs	658,000
Local Option Taxes	4,750,000
Gaming Taxes	670,000
Utility Tax Replacement Excise Tax	1,812,000
Intergovernmental	12,932,000
Licenses & Permits	734,000
Charges For Services	6,135,000
Use of Money and Property	895,000
Other	<u>1,022,000</u>

TOTAL

\$79,413,000

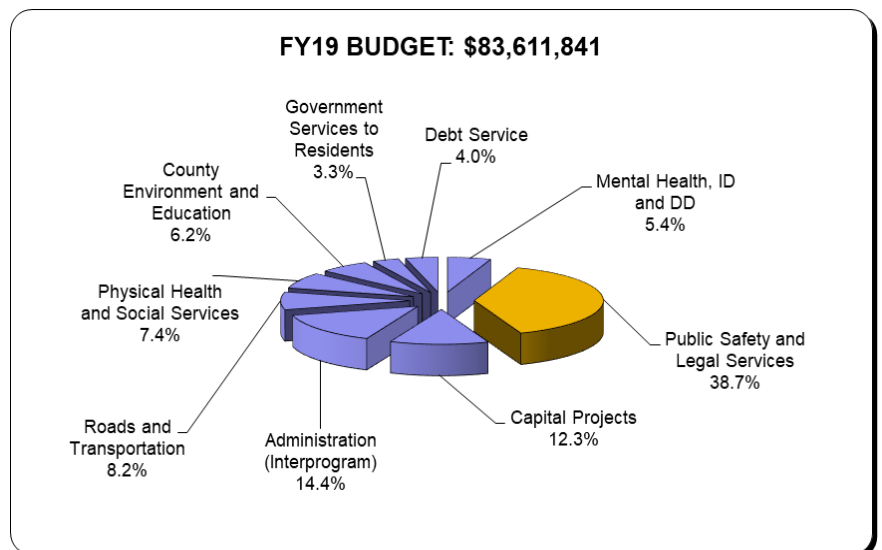
Budget Analysis

The County's revenue budget grew 4.3%, mostly due to property tax assessment growth within the county. Additional revenues were planned from increasing interest rates and investment income and general charges for services. The County's expenditure budget grew 6.6% due to planned capital projects, public safety, conservation, direct services to residents and supporting services.



Where the Money Goes

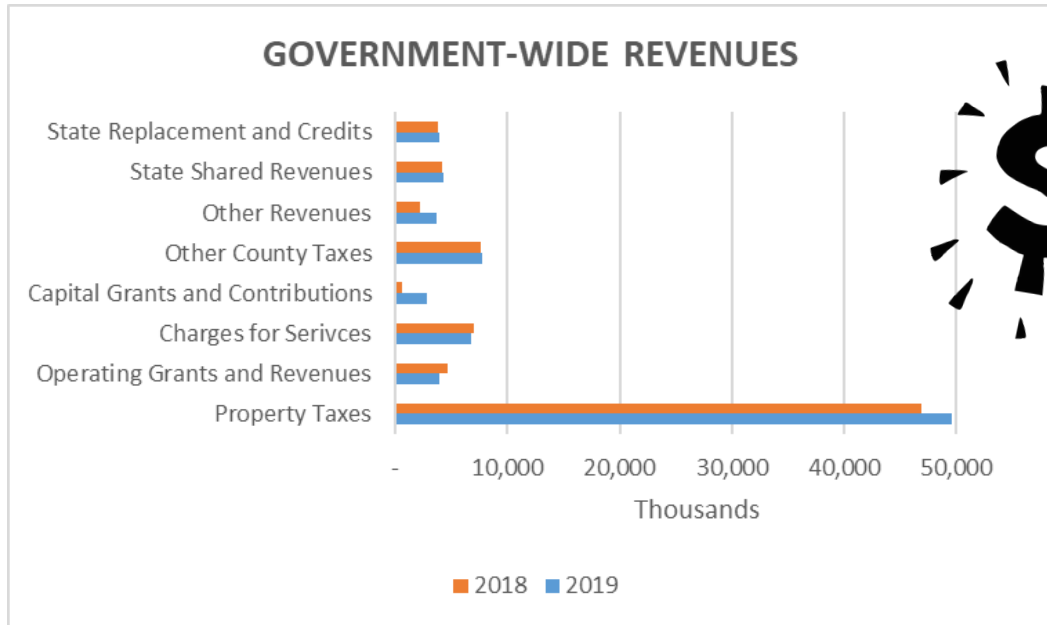
Fiscal Year 2019 Budgeted Expenditures	FY19 BUDGET Rounded
Mental Health, ID and DD	\$4,555,000
Public Safety and Legal Services	32,353,000
Capital Projects	10,275,000
Administration (Interprogram)	12,034,000
Roads and Transportation	6,838,000
Physical Health and Social Services	6,188,000
County Environment and Education	5,225,000
Government Services to Residents	2,758,000
Debt Service	<u>3,386,000</u>
TOTAL	<u>\$83,612,000</u>



Let's Analyze How We Did

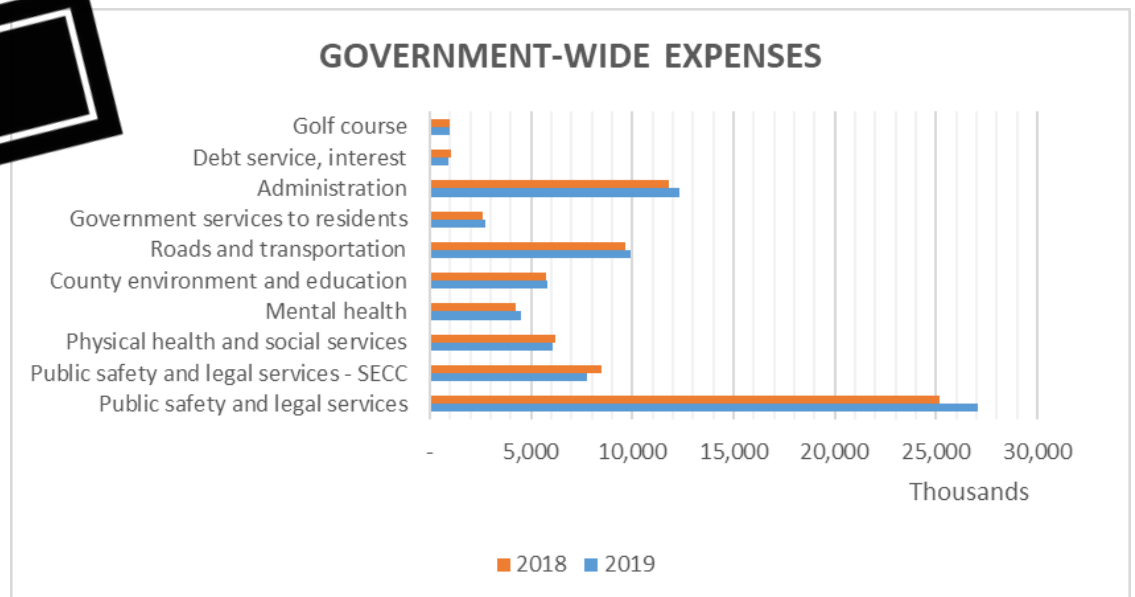
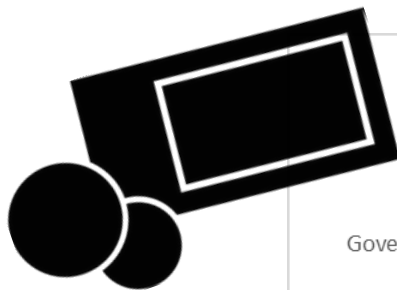
Revenue Analysis:

Revenue Analysis: The County revenues grew to \$82,890,000 compared to \$76,866,000 in the prior year. Property taxes grew by 5.8% due to County wide valuation increases, while operating grants declined by 16.7%. The County recognized \$2.3 million in capital contributions for road infrastructure improvements. Other County Taxes increased 2.4%, mostly from increased Local Option Sales Taxes. Charges for Services decreased 2.5% due to decreased Sheriff Service fees and Conservation usage fees. The County remains highly dependent on property taxes levied.



Expense Analysis:

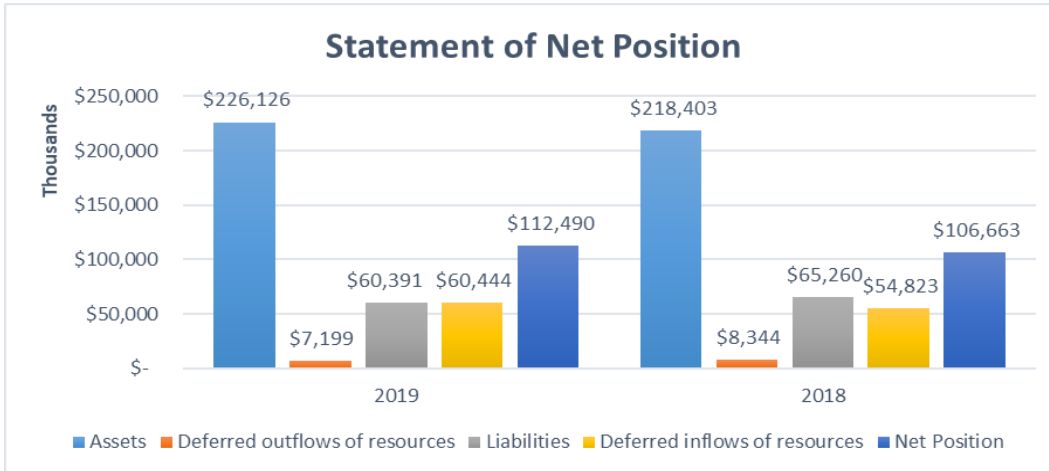
Expense Analysis: The County expenses increased \$2.1 million to \$77,957,000 from \$75,864,000, mostly within the Public Safety and Legal Services and Administration (Interprogram) functions of the government. The general salary and benefit increases within all functions and placement of detained adults and juveniles out of county has contributed to the increases.



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 \$112,490,000, or net position. The largest portion of the county's net position (81%) 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 **decreased** by \$3,080,000.

The county uses capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Fiscal Year Calendar

Starts in July and ends June 30th. This shows the various roles that contribute to the budget, including the Citizens of Scott County.

	Board of Supervisors	County Administration	Citizens and State	Departments and Authorized Agencies
July	New Fiscal Year Begins July 1, 2018 to June 30, 2019			
August	Strategic Planning			
September	Identification of specific areas to be reviewed in upcoming budget process. Short and long term goals.			Develop initial revenue estimates
October	Set Budget Parameters			Develop and submit operating and capital requests
November	←	Development of Salary and Benefit Estimates	Discussions with Board and County Administration for new funding requests	↓
December		Development of Capital requests and planning		
January		Presentation of Administrations recommendation of the proposed budget		
February	Board reviews operating and capital budgets		Public Hearing on Proposed and Amended Budget	
March	Adoption of Budget by resolution. Strategic Planning		Certification by Auditor and State Department of Management	
April		Prepare final budget document. Review budget amendment needs		
May	Adopt Budget Amendment by resolution	Propose budget amendment for current year	Public Hearing on Amended Budget	
June	Set appropriations and authorized position levels for ensuing fiscal year			

1st Quarter : July – August – September

July 1 kicks off the Scott County fiscal year

Payee Program:

Scott County Community Services provides trustee programming for over 400 residents. The program is designed to provide fiduciary resources to individuals determined by the Social Security Administration to be unable to manage monetary benefits. The program was recently audited by the Social Security Administration and found *no deficiencies!* In fact, many of the processes and procedures were sampled as a best practice.

Scott County Conservation:

The Scott County Park System, including Scott County and West Lake Parks, Pioneer Village, Wapsi River Environmental Center and more, receives over 1/2 million visitors annually. In addition to hosting thousands of campers each year, these beautiful parks provide a variety of activities to choose from, from golfing and picnicking to kayaking and crafting. Scott County Conservation also hosts events like the disc golf championships and the Quad Cities Triathlon.

The page background is the newly renovated Scott County Park Pool.

Conservation Projects:

FY19 was the beginning of Scott County Conservation Board & Iowa DNR plans to renovate the West Lake Complex to improve water quality and recreational opportunities. Construction began on a state of the art waste treatment plant, and a major lake restoration project (West Lake). The lake restoration will improve this community asset for years to come.

Picture of West Lake drained and waste treatment plant above

2nd Quarter : October – November – December

Winter is Coming:

As the weather turned colder, the County helped connect individuals with local partners including Community Action of Eastern Iowa. The partnership helps with winter heating bills, food pantry needs (24 hours a day, 7 days a week) or a hot meal for those that do not have shelter or use food pantries.

Lead Paint:

In October, The Board of Supervisors received a report of "Lead Paint Hazards in Scott County". The collaborative report between the Health Department and Augustana College identified potential hotspots of lead paint hazards and potential opportunities to address these community hazards. The County committed to funding \$100,000 annually from prior year budgetary savings to lead this community effort.

PHAB Accreditation

Scott County Health Department was very proud to announce that in November 2018 they achieved national accreditation through the Public Health Accreditation Board. Public Health accreditation is a voluntary process undertaken by health departments to measure their performance against a set of nationally recognized standards. The goal is to improve and protect the health of the public by advancing the equality and performance. This was a huge project and many Health Department Staff worked tirelessly to achieve this accreditation.



Budget calendar and parameters

The budget calendar and parameters were adopted by the Board of Supervisors in October to begin planning the 2020 budget. The fiscal year 2018 audit was presented to the Board of Supervisors in December. The County's commitment to financial accountability includes applying to the Government Financial Officers Association program for budget, comprehensive annual financial reporting and popular annual financial reporting.

3rd Quarter : January – February – March



New Calendar Year:

As we flip the calendar to 2019 we will find a change to the Scott County Board of Supervisors. Supervisors Ken Croken (above left) and John Maxwell (above right) were sworn in on January 2nd. In addition, Mike Fennelly was sworn in for the first time as Scott County Treasurer, succeeding Bill Fennelly who was Treasurer from 1995 to 2019.

Budget Adoption:

On February 21, 2019, the Scott County Board adopted the 2020 budget of \$89.5 million. (Budget Calendar begins July 1)

Economic Summit:

The County held an Economic Summit, February 28, 2019 at the Quad Cities Waterfront Convention Center. The summit focused on both rural and urban economic development issues and was attended by 125 guests and featured 16 speakers, which included a keynote speech from Debi Durham, Director, Iowa Economic Development Authority.

Supervisor Ken Beck to the right.



The Golden Trophies:

In March, the Board of Supervisors marked the end of a *long, cold* winter by highlighting the efforts of Facility and Support services for keeping the parking lots and sidewalks clear of snow and ice; the Secondary Roads crew for keeping roads clear and safe; and the fleet maintenance for keeping supporting vehicles up and running for the entire county. And the golden "trophy" belongs to.....



4th Quarter : April – May – June

Health Department Celebration:

4th Quarter started off with a wonderful celebration of the Scott County Health Department's 50th Anniversary on April 2, 2019. The Health Department has seen many public threats since it was established in 1969, including measles, pertussis, AIDS, West Nile Virus, anthrax and the Ebola virus. The Health Department has been responding to public health concerns and protecting Scott County citizens since its inaugural year.

	1969	2019
Population:	25,000	170,000
Programs:	8	25+
Budget:	\$108,000	\$6,196,192
Income:	\$12,147	\$2,003,720
Staff:	12	50+

Check out how statistics have changed in 50 years.



Auto Theft Accountability:

A new auto theft accountability program began May 1, 2019. This program is designed to target first time offenders and provide accountability for the harm they have brought upon their victim and the community. This program was established in response to a *dramatic* increase in auto thefts that had a direct impact on the Juvenile Detention Center as the average daily population doubled, causing costs to rise significantly as well. The National Association of Counties NACo recently highlighted this program in their [November 25th Newsletter \(page 14\)](#).

Record Flooding:

Between March and June there were **103** days above flood stage, a new record. The County helped the flood fighting efforts by preparing sandbags for local citizens and communities, staffing the County wide Emergency Operations Center and debris clean up. Scott County's repair and restoration efforts exceeded \$150,000. This page is a picture of some of the downtown Davenport flooding.

Planning for the Future:

Scott County planned for a new debt issuance to provide funding to the Scott Emergency Communication Center (SECC) to fund infrastructure improvements and retire old debt. The \$11 million capital project is being planned with our neighboring County of Rock Island, Illinois. The new joint system will improve public safety communications throughout the region. The debt issuance saved \$1.1 million in future cash flows of debt payments.

Outstanding Achievement in Popular Annual Financial 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, 2018. 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 2018. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.



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, 2019. 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).

Interested in *more* financial detail??

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

You can find the CAFR online at
www.scottcountyiowa.com/administration.

Direct any budget questions to David Farmer, Budget & Administrative Services Director
563-326-8651 or david.farmer@scottcountyiowa.com

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**

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.

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.

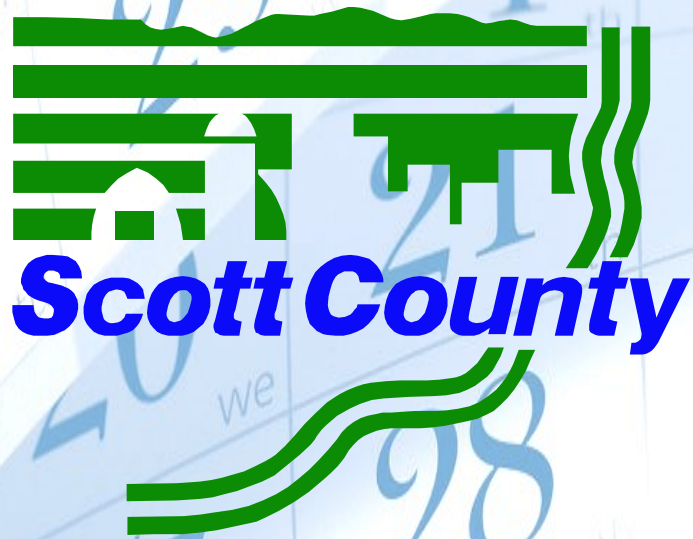


Need to contact Scott County, Iowa??

563-326-8611

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





[Link here for the Scott County Calendar](http://www.scottcountyiowa.com/calendar)

(www.scottcountyiowa.com/calendar)


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