

# FY 19 Budget Parameters with the Board of Supervisors

October 17, 2017



# Agenda

- Set parameters for department budget development



# Future Budget Issues for FY 19 Budget or FY 18 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 19 Budget or FY 18 Amendment

Incorporate Strategic Planning Goals into  
Departmental Budgets – FY 18 Amendment and  
FY 19 Budget



# Future Budget Issues for FY 19 Budget or FY 18 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 19 Budget or FY 18 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 19 Budget or FY 18 Amendment

## **Policy Agenda – Top:**

- SECC Radio System
- Commercial Backfill / Equalization Strategy and Plan
- Comprehensive Salary and Benefits Study
- Mental Health Funding: Policy Strategy
- Emergency Management Plan



# Future Budget Issues for FY 19 Budget or FY 18 Amendment

## **Policy Agenda – High:**

- Lead Abatement
- County Economic Development Policy, Role, Incentives, TIF
- Industrial Park Development
- Trail Connectivity Plan
- Future Land Use Map
- Rural Residential / Building Ordinance / Guidelines





# Future Budget Issues for FY 19 Budget or FY 18 Amendment

## **Policy Agenda – Moderate:**

- Core County Service Inventory / Report
- Healthcare Cost Containment Strategy
- County Campus Security Audit / Plan



# Future Budget Issues for FY 19 Budget or FY 18 Amendment

## Management Agenda – Top:

- Management / Employee Succession Planning Program
- Risk Management Policy: Update
- Business Continuity of Operation Plan
- Fleet Management Plan



# Future Budget Issues for FY 19 Budget or FY 18 Amendment

## Management Agenda – High:

- Credit Card Policy / Process
- Purchase Card Vendor Procurement
- Election Equipment and Space
- Parks Master Plan: Update



# Future Budget Issues for FY 19 Budget or FY 18 Amendment

## Department Goals

- Department Goals were defined in the March 2017 Strategic Plan
- May be modified based on new and current information.
- Tie to BFO's.



# Key County Financial Overview

- \*County Property Tax Trend (\$)– Scott County / All Counties
    - FY 12-FY 17-> 5 Year Average Change 0.73% / 2.98%
    - FY 14-FY 17-> 3 Year Average Change (-0.28%) / 2.93%
      - FY 18 Actual 2.9%
  - \*Taxable Valuation Trends – Scott County / All
    - FY 12-FY 17-> 5 Year Average Change 2.46% / 3.27%
    - FY 14-FY 17-> 3 Year Average Change 1.92% / 2.91%
      - FY 18 Actual – 3.0%
  - Prelim. Gross Valuation Growth 6.4% (Combined Assessor Valuation); Estimated Taxable Growth 4.8%;
    - FY 18 Actual – 2.1%
- \*ISAC 2017 County Financial Overview



# Economic and Per Capita Comparisons

County (population)	FY 17 Property and Utility Taxes*	3 Year Change %*	FY 18 Taxes Per Capita	FY 15 County Spending Per Capita^
Black Hawk - 5 <sup>th</sup>	\$35,986,515 - 6 <sup>th</sup>	2.27%	\$274 – 98 <sup>th</sup>	\$427 - 98 <sup>th</sup>
Dubuque - 7 <sup>th</sup>	\$32,408,040 - 8 <sup>th</sup>	3.45%	\$336 – 82 <sup>nd</sup>	\$578 - 86 <sup>th</sup>
Johnson - 4 <sup>th</sup>	\$55,214,097 - 3 <sup>rd</sup>	5.39%	\$397 – 66 <sup>th</sup>	\$563 - 88 <sup>th</sup>
Linn - 2 <sup>nd</sup>	\$65,955,112 - 2 <sup>nd</sup>	1.68%	\$300 – 90 <sup>th</sup>	\$494 - 93 <sup>rd</sup>
Polk - 1 <sup>st</sup>	\$160,866,696 - 1 <sup>st</sup>	4.50%	\$343 – 79 <sup>th</sup>	\$506 - 92 <sup>nd</sup>
Pottawattamie - 9 <sup>th</sup>	\$44,965,812 - 5 <sup>th</sup>	5.88%	\$451 – 54 <sup>th</sup>	\$787 - 62 <sup>nd</sup>
Scott - 3 <sup>rd</sup>	\$49,572,552 - 4 <sup>th</sup>	-0.28%	\$286 – 95 <sup>th</sup>	\$420 - 99 <sup>th</sup>
Woodbury - 6 <sup>th</sup>	\$32,630,699 - 7 <sup>h</sup>	2.94%	\$294 – 92 <sup>nd</sup>	\$483 - 94 <sup>th</sup>

\*ISAC 2017 County Financial Overview

^ISAC 2016 County Financial Overview

# Review Annual Comment on Scott County – Moody's Investor Services

- Rating Aa1 – No Outlook; credit position is very strong.
- Robust financial position, and an extensive tax base.
- 26.7% available fund balance as % of Operating Revenues (US Median 32.3%); down from 27.9% 2015
- 27.0% Net Cash Balances as % of Operating Revenues (US Median 36.5%) down from 31.7% 2015.
- Economy and tax base of county are healthy.
- Low debt and pension liabilities, which are in line with the assigned credit rating.
- Balanced financial operations demonstrate good financial management.

Issuer Comment Report – April 21, 2017; Median- US Local Government  
General obligation Debt Rating Methodology

# Budget Strategic Flexibility FY 19 - FY 23

- Develop strategy to absorb property tax backfill reduction of \$1.6 million over 5 years.
  - State has not finalized if adjustments will occur in property tax backfill.
  - FY 15 Budgeted \$848,760 and received \$850,437
  - FY 16 Budgeted \$1,503,985 and received \$1,676,853
  - FY 17 Budgeted \$1,403,654 and received \$1,504,872
  - FY 18 Budget \$1,563,249; distributed in two installments during the fiscal year.
- Analysis of taxable property tax growth compared to: wages, benefits, SECC levy indicates a tax levy, and valuation base growth;
  - 3.38% or more, then the County can accommodate a backfill reduction over 4 years.
- Variance in growth, expenditures, or rollback term, will force adjustment through current taxes or available fund balance.





# FY19 Budget Preparation

- All Budgeting For Outcome pages to include County Board Goal
  - Financially Responsible
  - Economic Growth
  - Performing Organization
  - Great Place to Live
- All BFO Pages to include County Business Type
  - Foundation
  - Core
  - Quality of Life
  - Community Add On



# FY19 Budget Preparation

- **Personnel**

- Estimate longevity based projected step increases; Budget merit at 4.25% until top of pay point; and COLA 2% - 2.25% depending on group.
- Budget Health Costs 8.0% for January 2019 increase (maintain Health/Dental Insurance Fund Balance at 3 months). Budget Health Costs 8% increase for January 2019.

- **Non-Personnel**

- Budget 0% departmental growth from FY18 + Adjustments for BOS Strategic Plan elements within departmental budgets, highlight within departmental analysis.
- Review individual line items in departments to recommend funding shifts
- FY 17 Operating Budget, all funds, 93.56% of amended budget.
- FY 17 General Fund Purchased Services - 89%; Supplies and Materials - 89% of original budget, but some departments over 100%



# FY19 Budget Preparation

- **Authorized Agencies**
  - **Require County Contribution FY19 Budgets at 0% growth. Review agencies that have new funding sources.**
  - **New process for fiscal year 2020.**
  - New Budget Evaluation Tool: matching entity's mission to Scott County mission; Program Goals to County Goals; County Service Responsibility; Residents Served; Performance Measurement Outcomes; and Performance Effectiveness.
  - Scott County's 2018 Budget provides \$10,033,539 in support for authorized agencies
    - Performance block grants of \$1,489,235
  - Any new outside requests for fiscal year 2019 must be received in writing by **December 1, 2017**. Follow up meetings will be scheduled accordingly.



# FY19 Budget Preparation

- **Capital Budget**

- Property tax transfer at \$2,767,830 (General, Vehicle, Electronic Equipment), 5 year capital plan, and include general fund transfer of \$1,070,198 from FY17 assignment.
- Look for ways to reduce operating costs in line items that are equipment replacement or other capital improvement.
- Requests to include assessment of all project costs and operating costs adjustments; project description; need; and any outside funding



# FY19 Budget Preparation

- **Program Guidelines for departments and current funded agencies**
  - Departments may submit new programs for consideration.
  - Programs must have offsetting revenue and/or show operating costs savings or other program reduction.
  - Capital costs must have outside participation identified in proposal.
  - Program must show benefit to community and include measurement.



# FY 19 Budget Preparation

- Presentation to Departments and Authorized Agencies October 20, 2017 9:00 AM



# SCOTT COUNTY FY18 BUDGET PREPARATION CALENDAR OF EVENTS

- October 3, 2017            Work Session with Board of Supervisors and County Administrator/Budget Director on FY19 Budget
- October 17, 2017        Work Session with Board of Supervisors and County Administrator/Budget Director on FY19 Budget
- October 20, 2017        FY19 Budget Orientation Session for County Departments and Authorized Agencies
  
- **November 17, 2017**      ***FY19 Budget Submissions, FY18 Budget Amendment Submissions, FY19 County Departments BFO Submissions, Capital Improvement Forms Due***
  
- *NO BUDGET CHANGES WILL BE ACCEPTED AFTER NOVEMBER 17*
  
- January 4, 2018            Department Capital Review
- January 12, 2018        File Budget Estimate (based on budget requests) with County Auditor
- January 30, 2018        Special COW Presentation of County Administrator's FY19 Budget Recommendations
- January 31, 2018        Publish the FY19 Budget Estimate and FY18 Budget Amendment in the North Scott Press
- January 31, 2018        Publish the FY19 Budget Estimate and FY18 Budget Amendment in the Quad City Times
- February 6, 2018        Board of Supervisors Budget Review
- February 8, 2018        Set Public Hearing for FY19 Budget Estimate and FY18 Budget Amendment
- February 13, 2018       Board of Supervisors Budget Review
- February 20, 2018       Board of Supervisors Budget Review
- February 22, 2018       Public Hearing on Budget Estimate 5:00 p.m.
- February 22, 2018 or    Adoption of FY18 Budget Plan at 5:00 p.m.
- March 8, 2018
- March 15, 2018        File Budget Forms with State Office of Management

