

FY19 Budget Work Session

February 6, 2018



Budget Work Session Overview

- Follow Up
- Revenue Analysis
- Operating Services
- Mental Health
- Rural Services
- Debt Service



Taxable Valuation Comparison

| | <u>January 1,2016</u> <u>For FY18</u> | <u>% of</u> <u>Total</u> | <u>January 1,2017</u> <u>For FY19</u> | <u>% of</u> <u>Total</u> | <u>Amount</u> <u>Change</u> | <u>%</u> <u>Change</u> |
|------------------------------------|------------------------------------------|-----------------------------|------------------------------------------|-----------------------------|--------------------------------|---------------------------|
| <u>COUNTY-WIDE</u> | | | | | | |
| Residential Property | 5,305,862,564 | 64.5% | 5,526,310,756 | 63.5% | 220,448,192 | 4.2% |
| Commercial Property | 1,873,083,824 | 22.8% | 2,058,107,250 | 23.7% | 185,023,426 | 9.9% |
| Multiresidential | 204,286,253 | 2.5% | 195,279,442 | 2.2% | (9,006,811) | -4.4% |
| Utilities | 374,014,313 | 4.5% | 388,373,917 | 4.5% | 14,359,604 | 3.8% |
| Industrial Property | 231,331,626 | 2.8% | 256,655,230 | 3.0% | 25,323,604 | 10.9% |
| Agricultural Land/Structures | <u>237,866,612</u> | <u>2.9%</u> | <u>274,390,250</u> | <u>3.2%</u> | <u>36,523,638</u> | <u>15.4%</u> |
| All Classes | 8,226,445,192 | 100.0% | 8,699,116,845 | 100.0% | 472,671,653 | 5.7% |
| <u>UNINCORPORATED AREAS</u> | | | | | | |
| Residential Property | 688,441,579 | 67.1% | 718,672,476 | 66.2% | 30,230,897 | 4.4% |
| Commercial Property | 46,943,150 | 4.6% | 47,679,697 | 4.4% | 736,547 | 1.6% |
| Multiresidential | 9,546,246 | 0.9% | 7,496,112 | 0.1% | (2,050,134) | -21.5% |
| Utilities | 73,326,539 | 7.1% | 73,472,809 | 6.8% | 146,270 | 0.2% |
| Industrial Property | 1,490,688 | 0.1% | 1,595,007 | 0.1% | 104,319 | 7.0% |
| Agricultural Land/Structures | <u>206,016,281</u> | <u>20.1%</u> | <u>237,428,470</u> | <u>21.9%</u> | <u>31,412,189</u> | <u>15.2%</u> |
| Total | 1,025,764,483 | 100.0% | 1,086,344,571 | 100.0% | 60,580,088 | 5.9% |
| Property in Cities | 7,200,680,709 | 87.5% | 7,612,772,274 | 87.5% | 412,091,565 | 5.7% |
| Property in Rural Areas | <u>1,025,764,483</u> | <u>12.5%</u> | <u>1,086,344,571</u> | <u>12.5%</u> | <u>60,580,088</u> | <u>5.9%</u> |
| Total | 8,226,445,192 | 100.0% | 8,699,116,845 | 100.0% | 472,671,653 | 5.7% |

Scott County's Assessment Growth in Residential Class – 100%

| | County Assessor | City Assessor | Total |
|----------------------------------|--------------------|--------------------|--------------------|
| New Construction | \$ 63,435,778 | \$ 44,510,977 | \$107,946,755 |
| Revaluation, net | 405,672,043 | 115,856,362 | 521,528,405 |
| Reclass, net | 6,371,267 | (320,929) | 6,050,338 |
| Building Removals | <u>(1,849,938)</u> | <u>(2,705,976)</u> | <u>(4,555,914)</u> |
| Assessment year 17 Net Change | <u>473,629,150</u> | <u>157,340,434</u> | <u>630,969,584</u> |
| Assessment year 15 change | \$325,632,640 | \$88,562,302 | \$414,194,942 |
| Assessment year 16 change | \$126,101,590 | \$44,300,589 | \$170,402,179 |



Scott County's Assessment Growth in Commercial Class – 100%

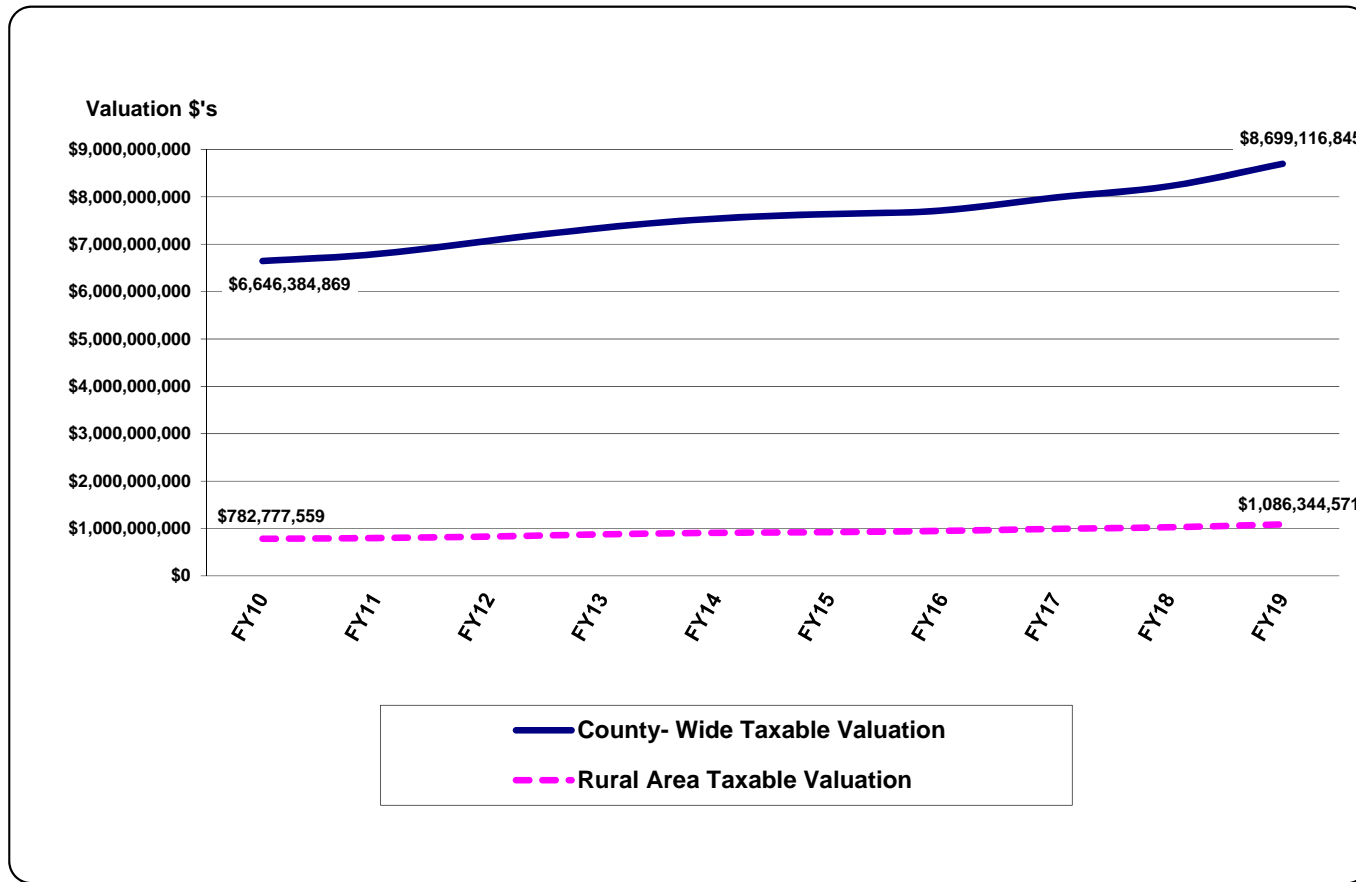
| | County Assessor | City Assessor | Total |
|---------------------------|-------------------|--------------------|--------------------|
| New Construction | \$ 16,462,930 | \$ 103,275,784 | \$119,738,714 |
| Revaluation, net | 2,438,518 | 66,236,157 | 68,674,675 |
| Reclass, net | (1,245,660) | 12,668,592 | 11,422,932 |
| Building Removals | <u>(144,510)</u> | <u>(8,315,031)</u> | <u>(8,459,541)</u> |
| Net Change | <u>17,511,278</u> | <u>173,865,502</u> | <u>191,376,780</u> |
| Assessment year 15 change | \$(105,215,707) | \$(133,949,815) | \$(239,165,522) |
| Assessment year 16 change | \$801,700 | \$66,711,287 | \$67,512,987 |



Ten Year Taxable Value Comparison

- County -
Wide
3.09%
average
per year
over 10
year
period

-- Rural -
3.06%
average
per year
over 10
year
period



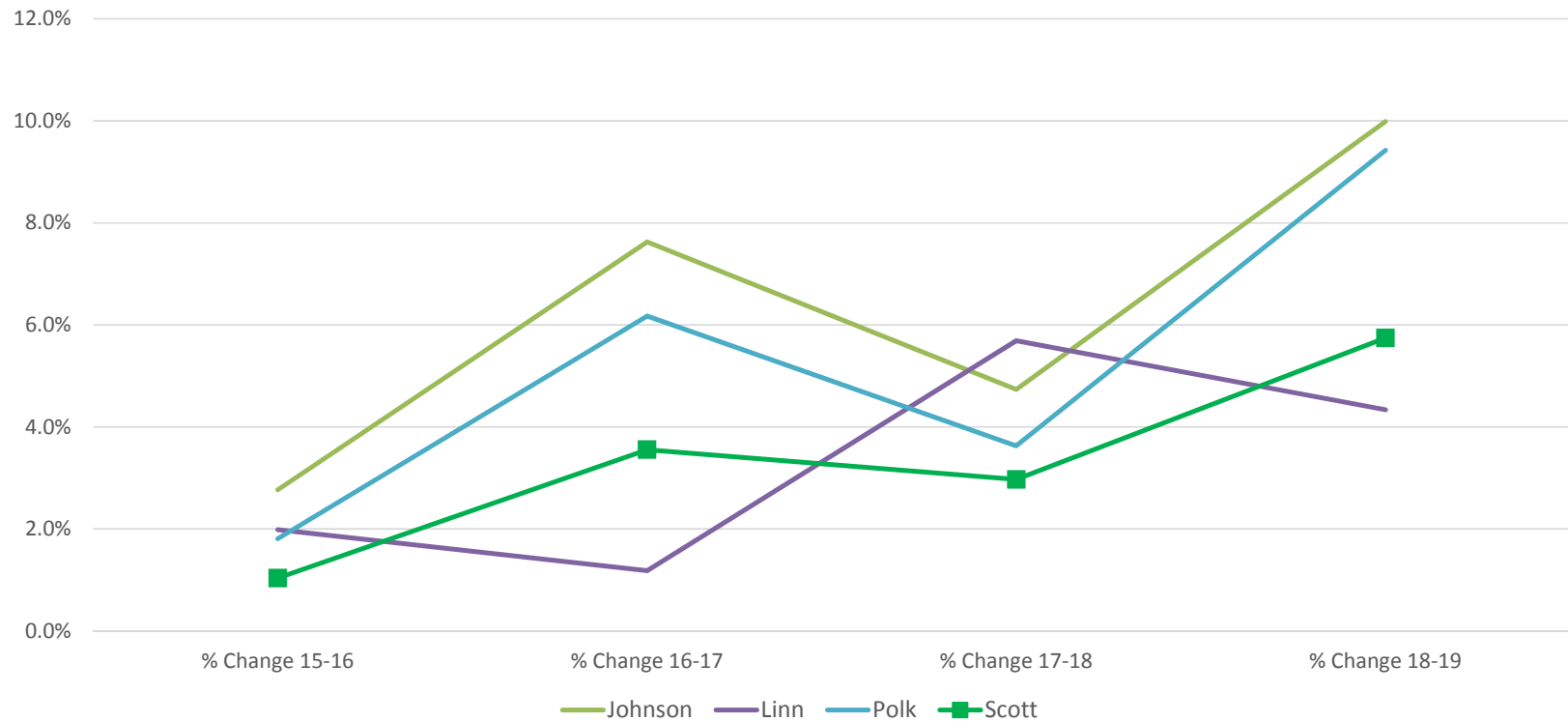
Taxable Value Comparison

| County | FY 15 Taxable Valuation | FY 16 Taxable Valuation | % Change 15-16 | FY 17 Taxable Value | % Change 16-17 | FY 18 Taxable Value | % Change 17-18 | FY 19 Taxable Value | % Change 18-19 |
|--------------|-------------------------|-------------------------|----------------|------------------------|----------------|------------------------|----------------|------------------------|----------------|
| Black Hawk | \$4,945,265,665 | \$4,967,304,596 | 0.4% | \$5,100,593,464 | 2.7% | \$5,378,351,049 | 5.4% | \$5,424,625,811 | 0.9% |
| Dubuque | \$4,067,534,569 | \$4,143,892,246 | 1.9% | \$4,356,456,863 | 5.1% | \$4,471,481,617 | 2.6% | \$4,810,031,285 | 7.6% |
| Johnson | \$6,367,938,433 | \$6,544,202,001 | 2.8% | \$7,043,217,201 | 7.6% | \$7,376,701,554 | 4.7% | \$8,113,469,216 | 10.0% |
| Linn | \$9,737,184,734 | \$9,930,551,791 | 2.0% | \$10,047,848,988 | 1.2% | \$10,619,575,628 | 5.7% | \$11,079,863,194 | 4.3% |
| Polk | \$19,037,362,338 | \$19,381,581,836 | 1.8% | \$20,577,800,323 | 6.2% | \$21,324,706,399 | 3.6% | \$23,334,064,120 | 9.4% |
| Scott | \$7,635,626,321 | \$7,714,829,376 | 1.0% | \$7,989,058,189 | 3.6% | \$8,226,445,192 | 3.0% | \$8,699,116,845 | 5.7% |
| Story | \$4,419,345,369 | \$4,537,591,534 | 2.7% | \$4,685,720,943 | 3.3% | \$4,748,875,595 | 1.3% | \$4,543,923,725 | 6.5% |
| Woodbury | \$3,581,822,782 | \$3,639,890,644 | 1.6% | \$3,920,009,384 | 7.7% | \$4,044,411,049 | 3.2% | \$4,360,794,578 | 7.8% |

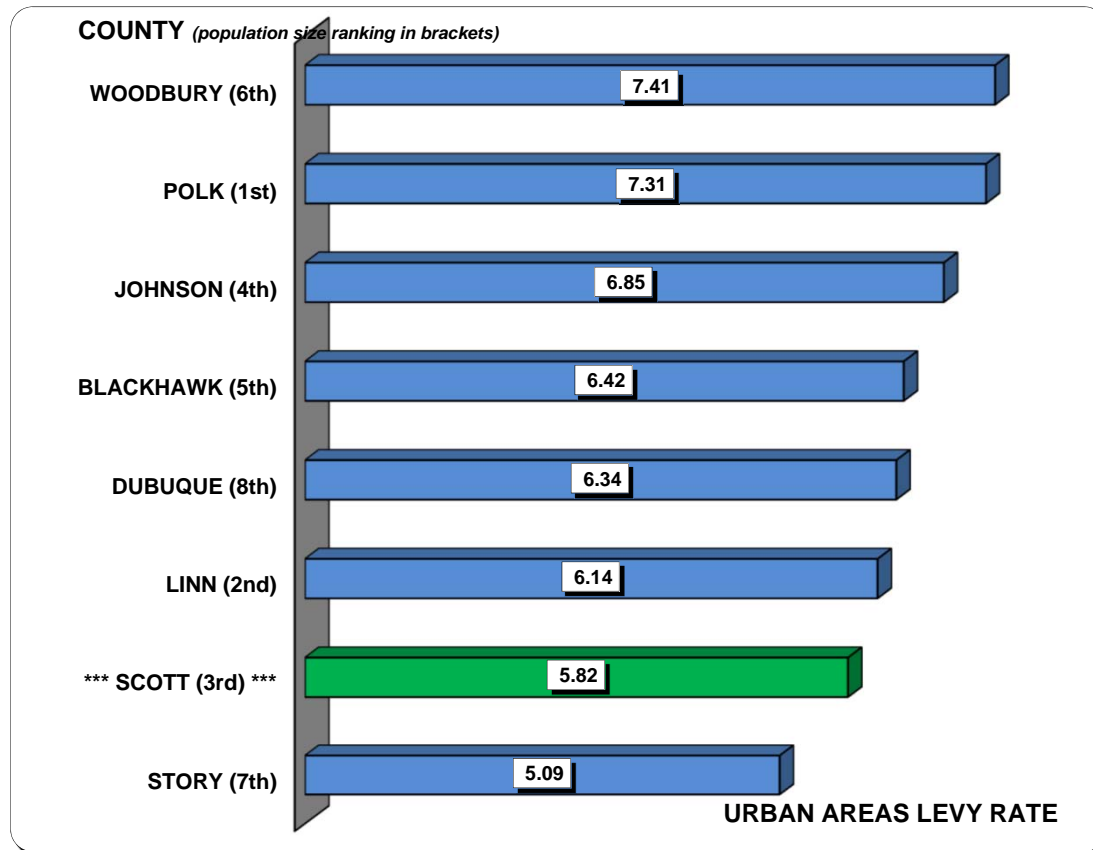
Compared to the other seven metropolitan counties. Scott County ranked 7th, 5th, 6th, and 6th in taxable growth over the past four years.

Top 4 Growth Comparison

Change in Taxable Growth - Top Four Counties by Valuation

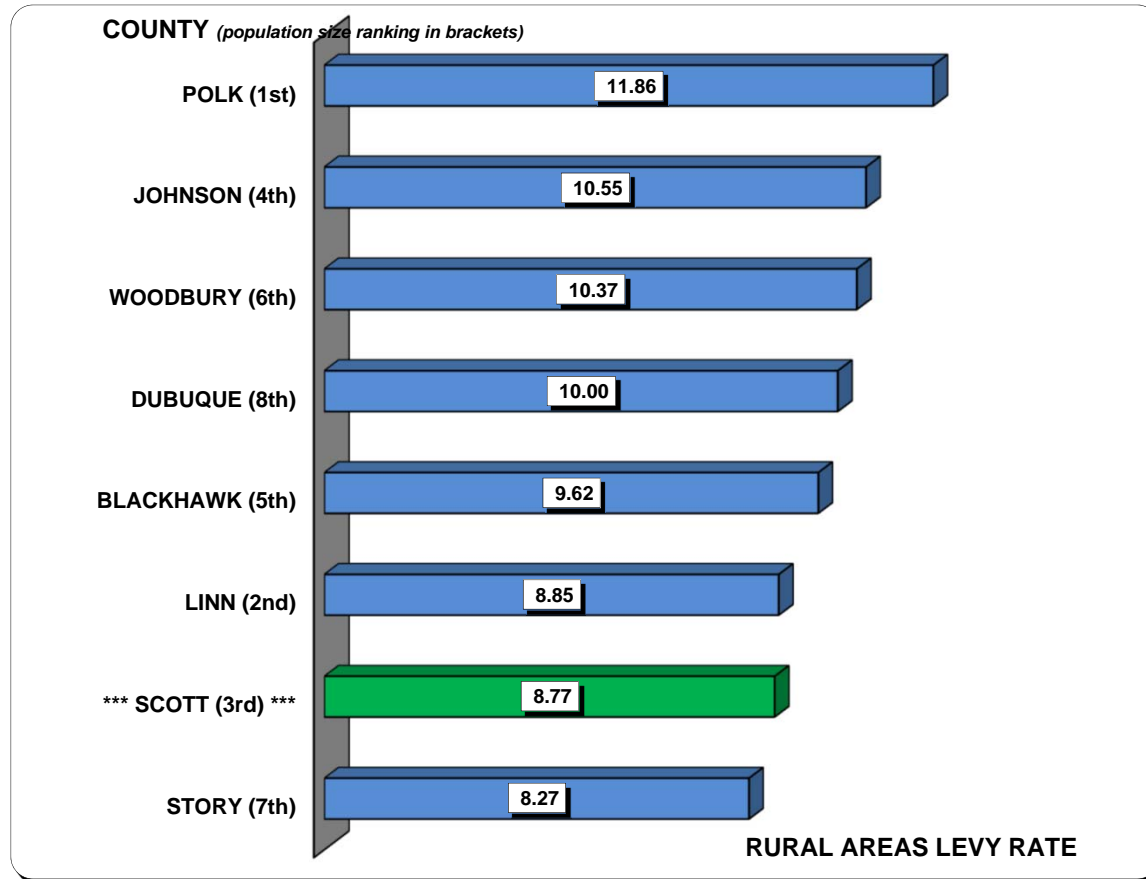


FY18 URBAN AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



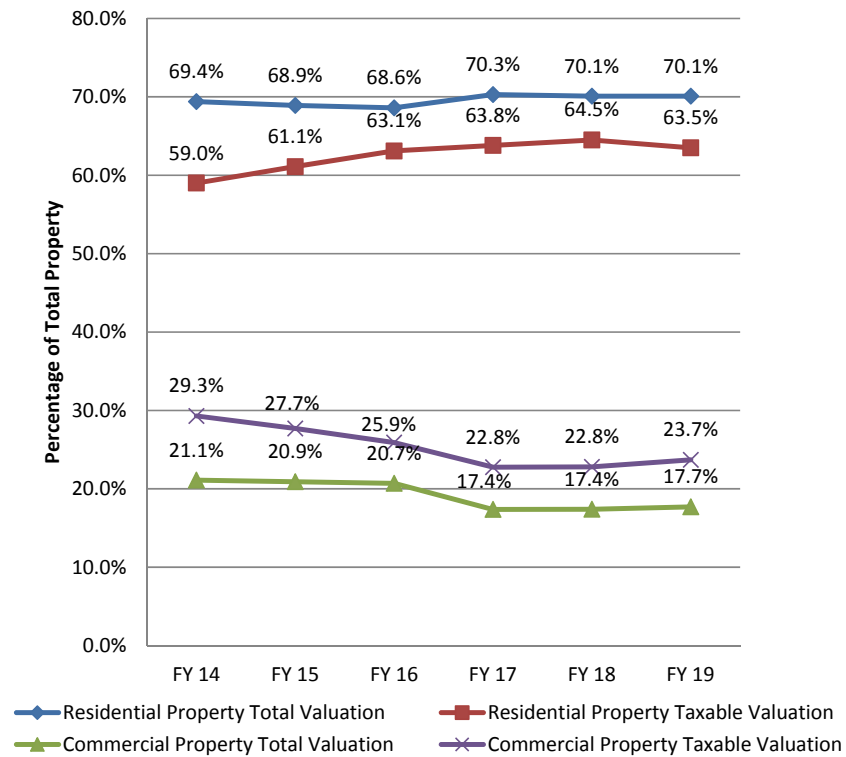
While ranking 3rd in size Scott County ranks 2nd **LOWEST** among the eight largest metropolitan Iowa Counties in the urban areas tax levy rate amount for Fiscal Year FY18.

FY18 RURAL AREAS TAX LEVY RATE FOR THE EIGHT LARGEST METROPOLITAN IOWA COUNTIES



While ranking 3rd in size Scott County ties for the 2nd *LOWEST* levy among the eight largest metropolitan Iowa Counties in the rural areas tax levy rate amount for Fiscal Year FY18.

Shift in Tax Burden by Class

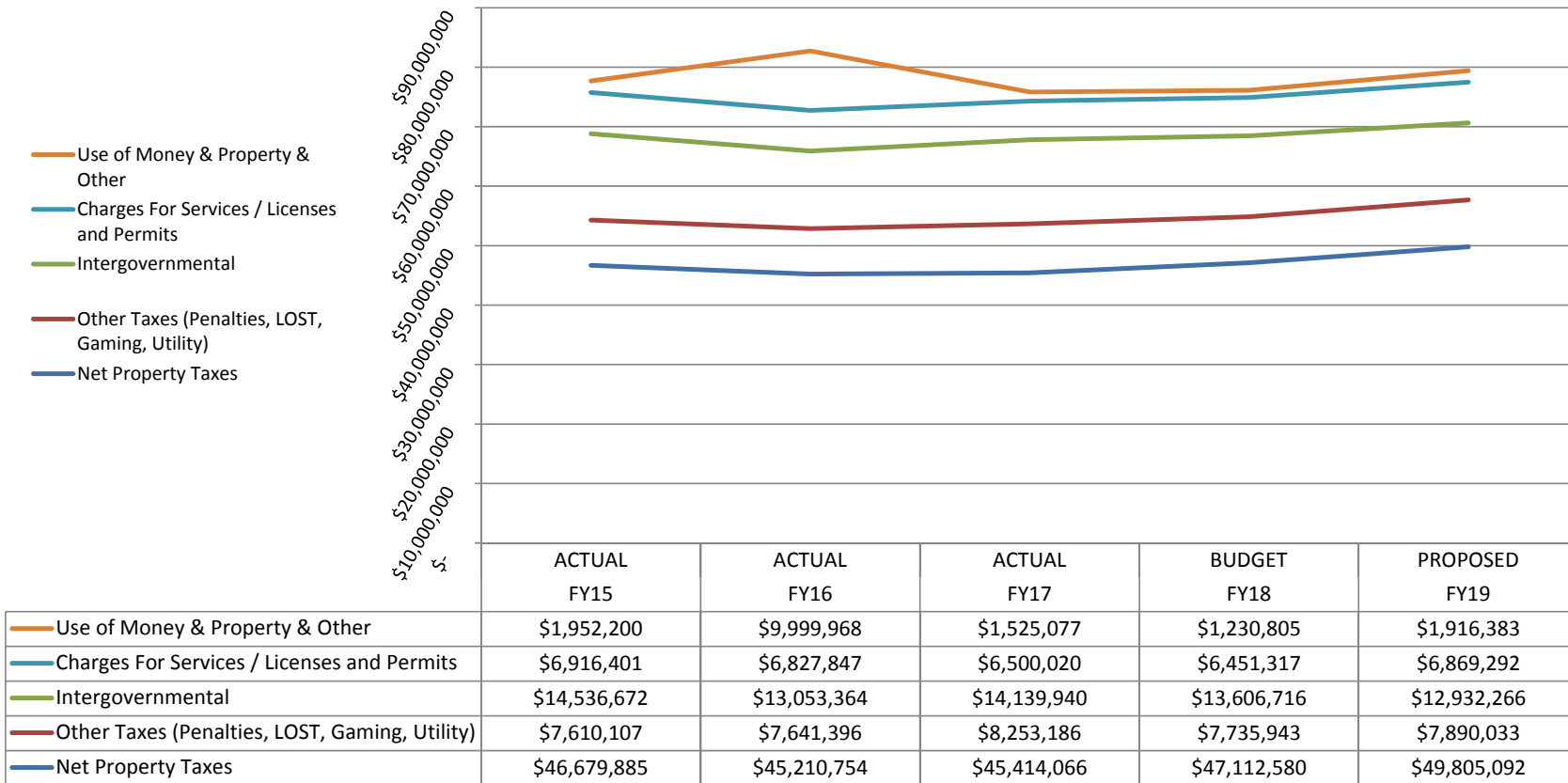


State Assessment Limitations

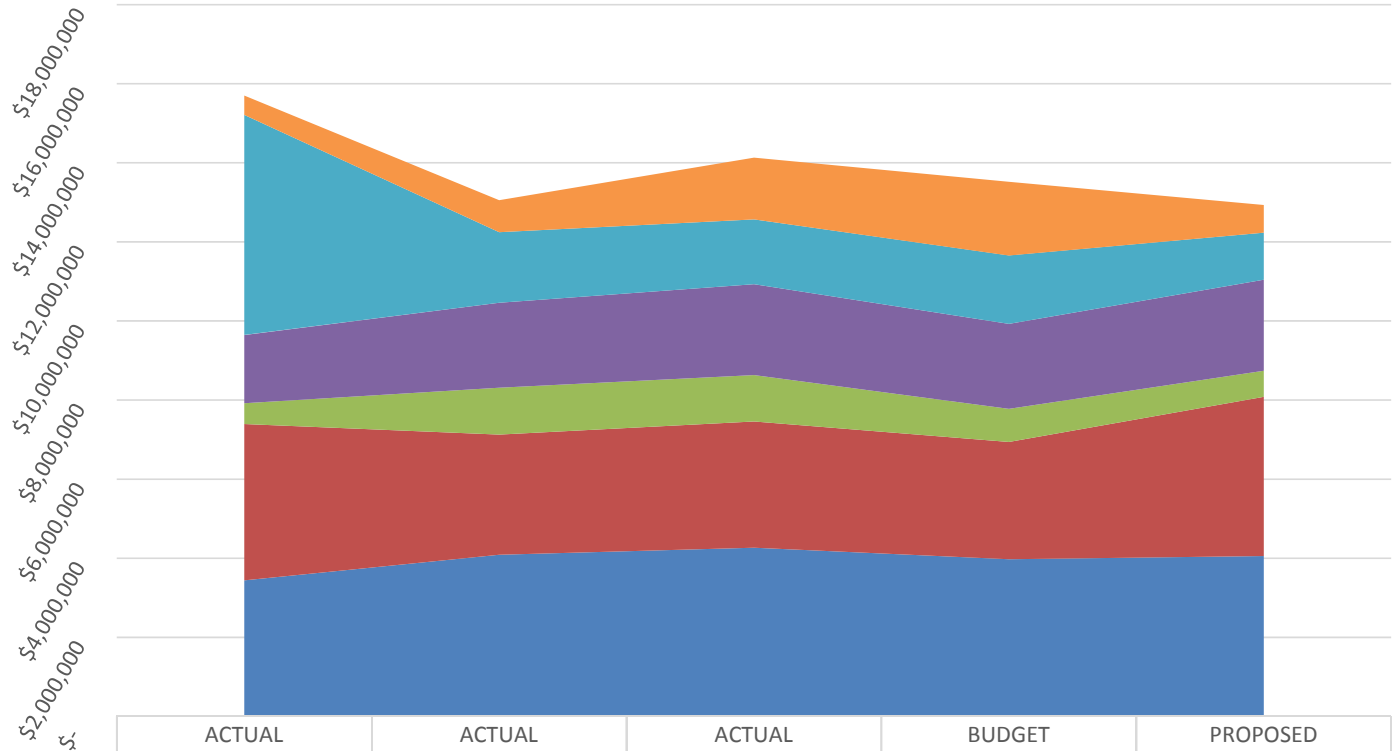
| Assessment Year | Agricultural | Residential | Multi-Residential | Commercial | Industrial | Railroads |
|-----------------|--------------|-------------|-------------------|------------|------------|-----------|
| 2015 | 46.1068% | 55.6259% | 86.2500% | 90.0000% | 90.0000% | 90.0000% |
| 2016 | 47.4996% | 56.9391% | 82.5000% | 90.0000% | 90.0000% | 90.0000% |
| 2017 | 54.4480% | 55.6209% | 78.7500% | 90.0000% | 90.0000% | 90.0000% |

- <https://tax.iowa.gov/sites/files/idr/documents/2017AssmtLmtOrder.pdf>

Five Year Revenue Source Summary



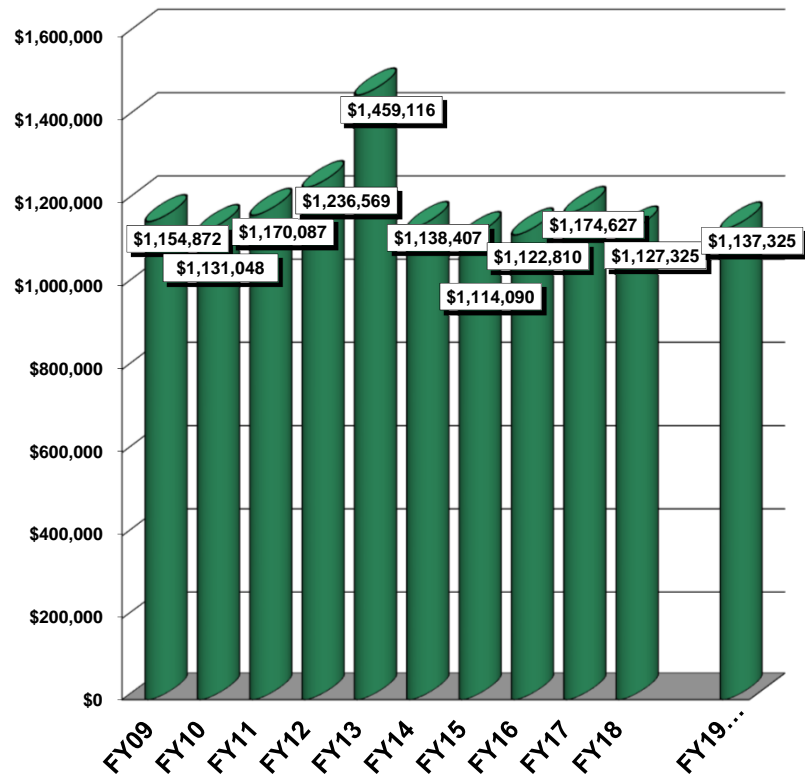
Changing Intergovernmental Revenues



| | ACTUAL FY15 | ACTUAL FY16 | ACTUAL FY17 | BUDGET FY18 | PROPOSED FY19 |
|-----------------------------------------|----------------|----------------|----------------|----------------|------------------|
| Contr & Reimb from Other Govts | \$491,925 | \$808,512 | \$1,564,274 | \$1,862,805 | \$699,477 |
| Other State Credits | \$5,563,033 | \$1,780,811 | \$1,636,379 | \$1,726,349 | \$1,189,066 |
| State Credits Against Levied Taxes | \$1,725,323 | \$2,150,371 | \$2,299,759 | \$2,150,368 | \$2,299,660 |
| State / Federal Pass Through Grants | \$527,873 | \$1,186,366 | \$1,170,841 | \$840,468 | \$659,820 |
| State / Federal Grants & Reimbursements | \$3,955,790 | \$3,041,809 | \$3,194,048 | \$2,965,286 | \$4,030,300 |
| State Shared Revenues | \$3,438,603 | \$4,085,495 | \$4,267,366 | \$3,974,086 | \$4,053,440 |

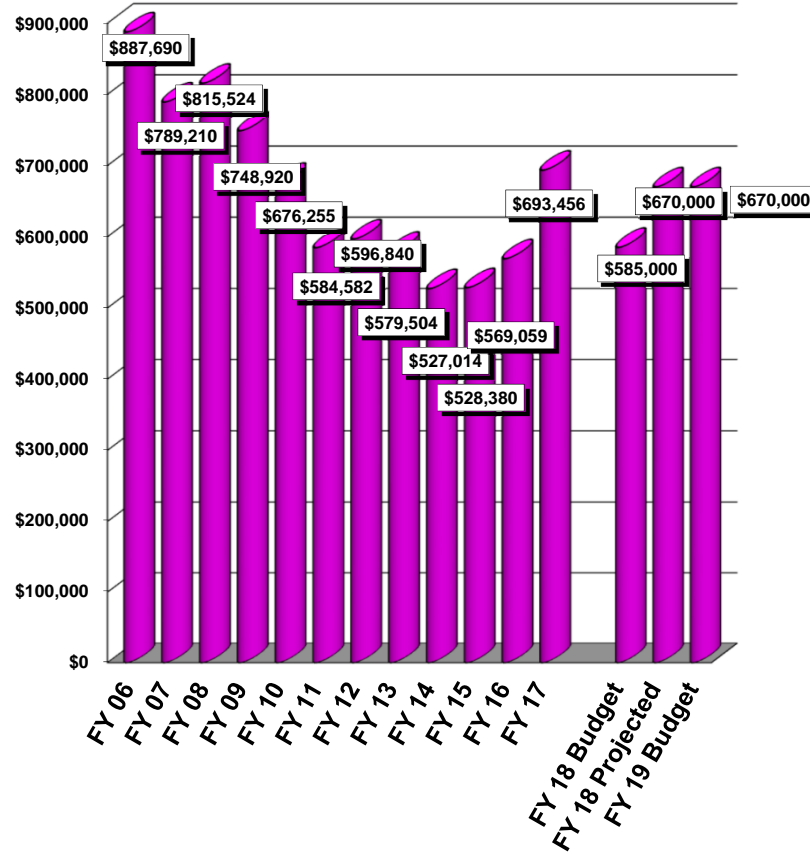
Recorder Income

FY 13 reflects law change for marriage licenses

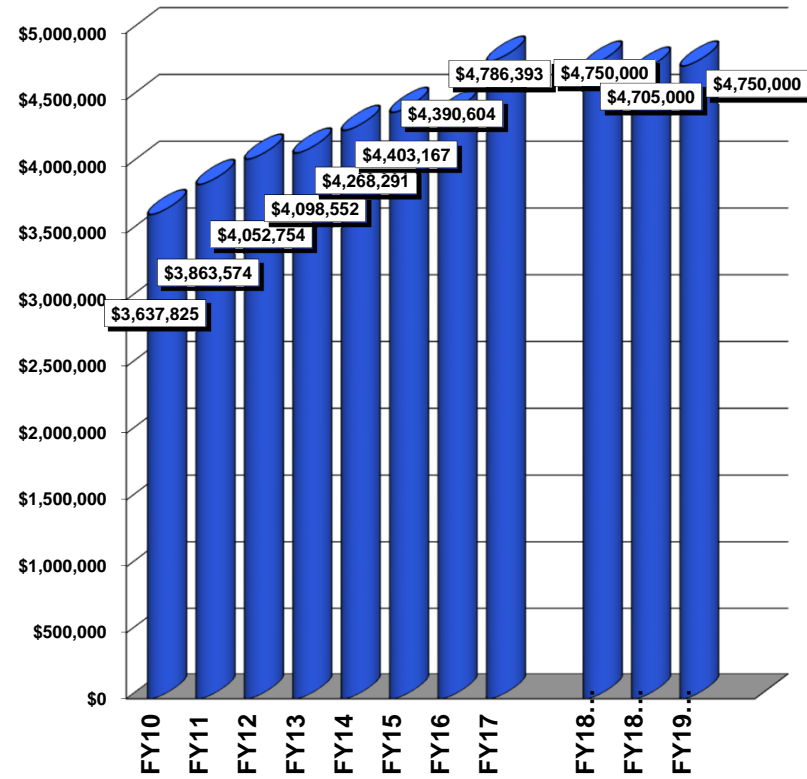


Gaming Revenue

FY 17
reflects
land based
casinos



LOST Revenue



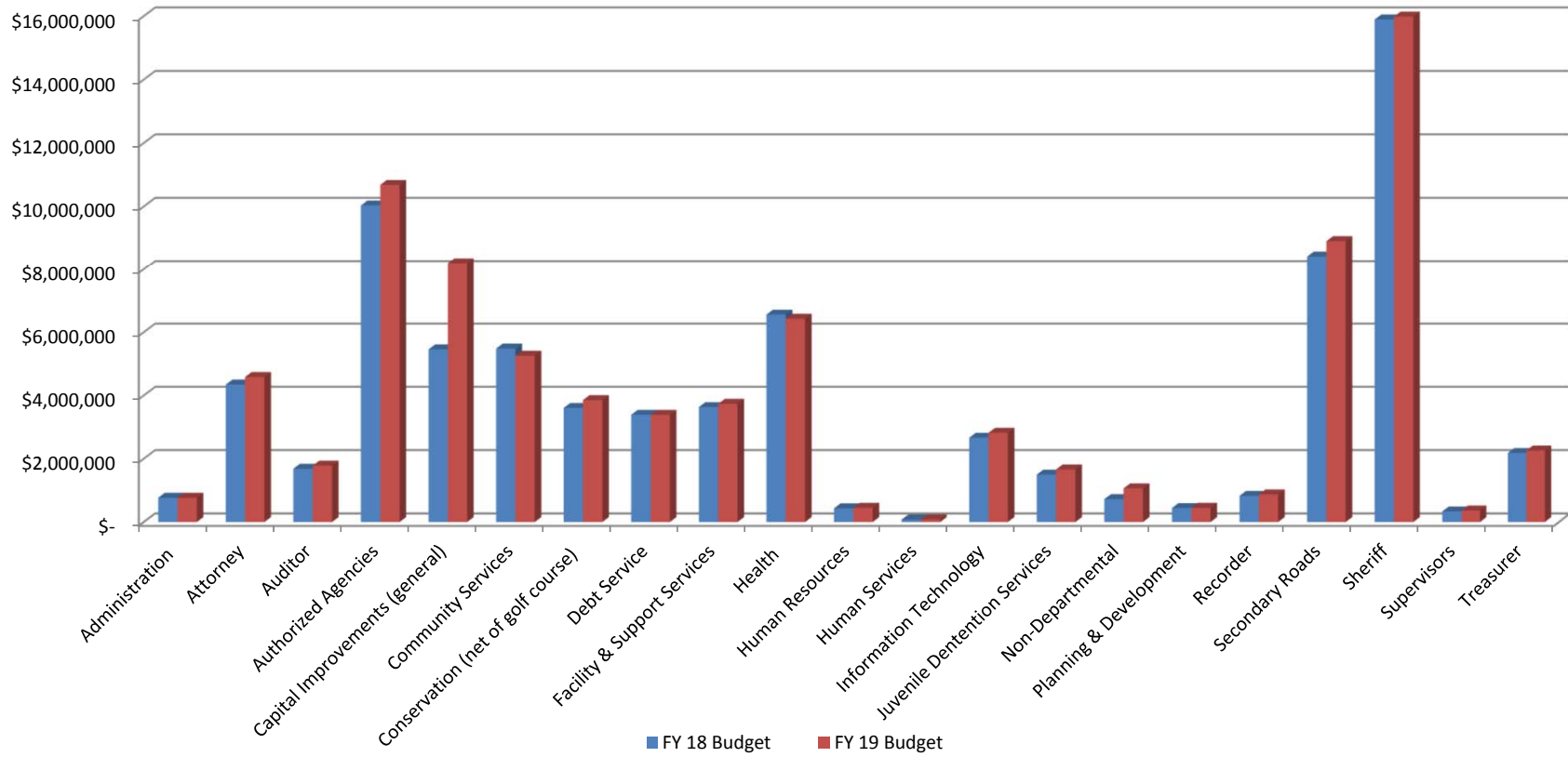
Economic and Per Capita Comparisons – FY 16 and FY 15

| County (population) | FY 16 Property and Utility Taxes | FY 16 Taxes Per Capita | FY 15 County Spending Per Capita |
|---------------------------------|--------------------------------------|--------------------------------|----------------------------------|
| Black Hawk - 5 th | \$36,499,488 - 6 th | \$275 - 97 th | \$427 - 98 th |
| Dubuque - 7 th | \$30,853,078 - 7 th | \$320 - 88 th | \$578 - 86 th |
| Johnson - 4 th | \$52,077,617 - 3 rd | \$366 - 71 st | \$563 - 88 th |
| Linn - 2 nd | \$65,138,324 - 2 nd | \$299 - 92 nd | \$494 - 93 rd |
| Polk - 1 st | \$151,869,894 - 1 st | \$330 - 83 rd | \$506 - 92 nd |
| Pottawattamie - 9 th | \$45,101,480 - 5 th | \$484 - 41 st | \$787 - 62 nd |
| Scott - 3rd | \$49,314,403 - 4th | \$288 - 94th | \$420 - 99th |
| Woodbury - 6 th | \$30,721,303 - 8 th | \$300 - 91 st | \$483 - 94 th |

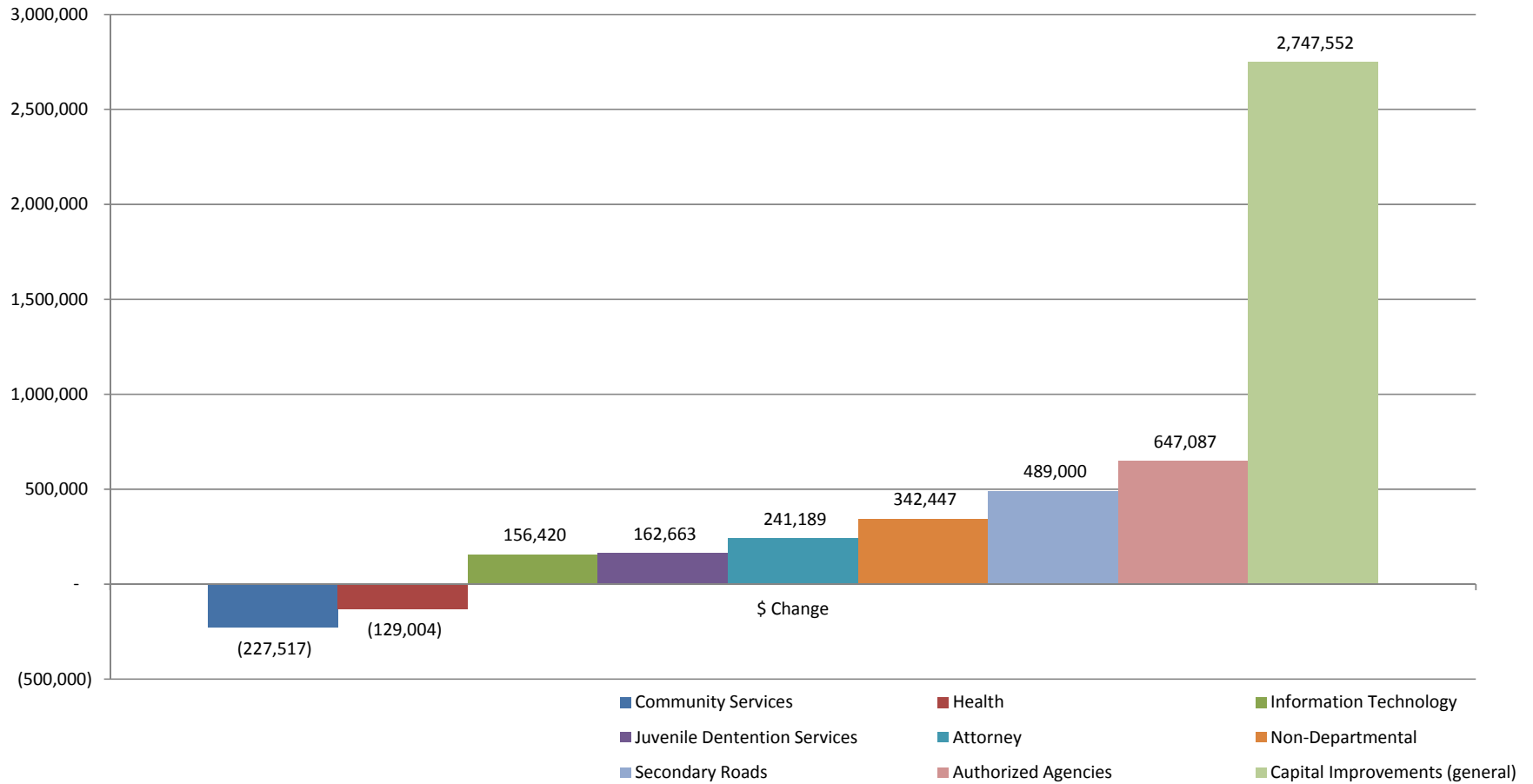
Economic and Per Capita Comparisons – FY 17 and FY 16

| County (population) | FY 17 Property and Utility Taxes | FY 17 Taxes Per Capita | FY 16 County Spending Per Capita |
|-------------------------------|--------------------------------------|--------------------------------|----------------------------------|
| Black Hawk - 5 th | \$35,986,515 - 6 th | \$271 - 98 th | \$529 – 91 st |
| Dubuque - 8 th | \$32,408,040 - 8 th | \$334 - 87 th | \$549 - 88 th |
| Johnson - 4 th | \$55,214,097 - 3 rd | \$377 – 69 th | \$536 - 89 th |
| Linn - 2 nd | \$65,955,112 - 2 nd | \$298 - 92 nd | \$491 – 95 th |
| Polk - 1 st | \$160,886,696 - 1 st | \$339 – 81 st | \$528 - 92 nd |
| Scott - 3rd | \$49,572,552 - 4th | \$287 - 95th | \$463 - 98th |
| Story - 7 th | \$23,867,865 - 9 th | \$246 – 99 th | \$396 – 99 th |
| Woodbury - 6 th | \$32,630,699 - 7 th | \$317 – 90 th | \$530 - 90 th |

Expenditure Summary



Departmental Change over \$100,000



SECC / EMA

- EMA/SECC Budget Review – County Contributions

| Agency | FY 15 | FY16 | FY 17 | FY 18 | FY 19 | FY 15 – FY 19 Percent Change |
|----------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------|
| SECC | \$7,212,184 | \$6,850,000 | \$7,104,530 | \$7,600,000 | \$8,100,000 | 12% |
| EMA | 38,000 | 38,000 | 76,209 | 76,209 | 218,000 | 474% |
| EMA Service Contract | - | 54,360 | 57,078 | 58,220 | - | N/A |
| Total | \$7,250,184 | \$6,942,360 | \$7,237,817 | \$7,734,429 | \$8,318,000 | 15% |

Iowa Code 331.424 – 1(7) – The maintenance and operation of a local emergency management agency established pursuant to chapter 29C.

29C.17 – 2aA countywide special levy pursuant to Section 331.414, subsection 1.



SECC / EMA

| Agency | FY 15 | FY16 | FY 17 | FY 18 | FY 19 | FY 15 – FY 19 Percent Change |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------|
| <u>Revenues</u> | | | | | | |
| SECC | \$7,456,242 | \$7,009,305 | \$7,296,448 | \$7,727,250 | \$8,102,250 | 9% |
| EMA | <u>109,762</u> | <u>242,320</u> | <u>199,237</u> | <u>249,170</u> | <u>322,633</u> | 194% |
| Total | \$7,566,004 | \$7,251,625 | \$7,495,685 | \$7,976,420 | \$8,424,883 | 11% |
| <u>Expenditures</u> | | | | | | |
| SECC | \$8,142,049 | \$7,635,000 | \$7,531,892 | \$8,453,267 | \$8,374,701 | 3% |
| EMA | <u>117,522</u> | <u>200,579</u> | <u>219,116</u> | <u>249,770</u> | <u>322,633</u> | 175% |
| Total | <u>\$8,259,571</u> | <u>\$7,835,579</u> | <u>\$7,751,008</u> | <u>\$8,703,037</u> | <u>\$8,697,334</u> | 5% |
| Net Income | <u>\$(693,567)</u> | <u>\$(583,954)</u> | <u>\$(255,323)</u> | <u>\$(726,617)</u> | <u>\$(272,451)</u> | |



Authorized Agency Applications

- Two NFP's indicated interest during application period.
- One applied, reviewed using new scaling.
 - River Action requested \$8,000 for public land stewardship and education.
 - Board Goal: Great Place to Live
 - Amount will be funded out of non-departmental professional services



Mental Health Funding and Services



FY19 Changes to Mental Health Fund

| | FY 18 Budget | FY 18 Projected | FY19 |
|------------------------|--------------------|--------------------|--------------------|
| Gross Tax Levy | \$3,308,032 | \$3,308,032 | \$4,112,052 |
| Other Revenues | 1,183,045 | 177,086 | 275,868 |
| County Expenditures | <u>(4,534,917)</u> | <u>(4,232,722)</u> | <u>(4,555,905)</u> |
| Change in net income | (43,840) | (747,604) | (167,985) |
| Beginning Fund Balance | <u>149,335</u> | <u>977,859</u> | <u>230,255</u> |
| Ending Fund Balance | <u>\$ 105,495</u> | <u>\$ 230,255</u> | <u>\$ 62,270</u> |

Region will no longer request money from individual counties in order to utilize region fund balance first for region-wide crisis services. If a county is in deficit position it will request money from region. FY 18 and 19 budget reflects no draw from the region.

Gross Tax Levy Increase \$804,020.



Crisis Services

- The Eastern Iowa MH/DS Region continues to develop/implement crisis services in all 5 counties with the help from Robert Young Center.

Services Implemented:

Telehealth in all hospitals in region
MH Service Connections for the Jails
Justice Involved Advisory Groups
Crisis Hotline
Care Coordinators (Community and CMHCs)
Justice Involved Advisory Groups
CIT Training for Law Enforcement
Mobile Crisis Response- Cedar Co.

Services in Development:

Civil Commitment Mobile Pre-Screening
Peer Recovery Specialist/Drop In Centers
Co-Occurring Assess/Treatment
Prescriber Bridge Appointments



Senate File 504 required MH Regions to have stakeholder meetings regarding individuals with complex needs and to write a Community Service Plan. The Region has approved the development of the services below over 4 years.

| | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Total |
|----------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Mobile Crisis | \$1,400,000 | \$1,000,000 | \$750,000 | \$500,000 | \$3,650,000 |
| Crisis Residential Stabilization | \$1,000,000 | \$ 750,000 | \$500,000 | \$250,000 | \$2,500,000 |
| Eastern Iowa Crisis Services Agreement | \$1,000,000 | \$1,000,000 | \$ - | \$ - | \$2,000,000 |
| Avoidable Days / Beds | \$300,000 | \$ 300,000 | \$300,000 | \$300,000 | \$1,200,000 |
| Consultant | \$300,000 | \$ 300,000 | \$300,000 | \$300,000 | \$1,200,000 |
| Trust Program | \$300,000 | \$ 300,000 | \$300,000 | \$300,000 | \$1,200,000 |
| Integrated Employment Plan | \$500,000 | \$ - | \$ - | \$ - | \$ 500,000 |
| | | | | | |
| Total | \$4,800,000 | \$3,650,000 | \$2,150,000 | \$1,650,000 | \$12,250,000 |

Vera French CMHC: Residential Services

Vera French built 2 new facilities in FY17. Both facilities (RCF/PMI) have only 15 beds, thus allowing Vera French to bill Medicaid. The county funding paid has been significantly reduced.

FY16 Paid: \$1,762,131

FY17 Paid: \$881,491

FY18 Paid: \$102,917 (only 5 months)



Vera French CMHC

- Vera French started a new program 11/2/17- Assertive Community Treatment- ACT
 - Goal to serve up to 80 members (6 new members a month)
 - Team approach
 - Flexible delivery service- go to the person
 - 24/7 crisis availability
 - Smaller caseloads/shared caseloads
 - Intensive services needed
 - Goals: stabilize, consistent use of medications, less hospitalizations, fewer incarcerations
 - Good for members, community and the overall county budget



MH Levy Scenarios and Budget Impacts:

- Currently the other 4 counties in the Region have not the levy (per capita) for FY19.
- Preliminary indications - 4 counties levy zero and Scott County at \$23.84 per capita.
- Revenue for Region would be \$4,111,780 and the Region would use a projected \$9.4 million from fund balance. Regional budget not finalized yet. Projected Regional Fund Balance is \$2.4 million as of 6/30/19.
- The Region's 28E Agreement doesn't dictate what each county should levy.



Rural Services Fund

- Formula transferred from Rural Service Fund to Secondary Roads Fund
- Library contribution – Based on Iowa Code and 2010 per capita of member entities
 - Iowa code 336.13 – Maintenance expense on proportionate basis.



Local Effort Provision Worksheet

| | FY 18 | FY 19 |
|--------------------------------------------|--------------------|--------------------|
| Assessed Valuation - All Property | \$8,226,445,192 | \$8,699,116,845 |
| Assessed Valuation – Rural Property | \$1,024,764,483 | \$1,086,344,571 |
| | | |
| All Property Value / 1000 * \$0.16875 | \$1,388,213 | \$1,467,976 |
| Rural Property Value / 1000 * \$3.00375 | <u>\$3,081,140</u> | <u>\$3,263,108</u> |
| Total Revenue Potential | \$4,469,353 | \$4,731,083 |
| | | |
| 75% minimum Potential | <u>\$3,352,015</u> | <u>\$3,548,313</u> |
| | | |
| Rural Services Fund | \$2,470,000 | \$2,618,000 |
| General Fund | 855,000 | 906,000 |
| General Fund - Contributed In Kind | <u>32,000</u> | <u>32,000</u> |
| Total | \$3,357,000 | \$3,556,000 |

Historical Local Effort Provisions – Secondary Roads

| | FY 14 | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Levy | \$ 745,000 | \$ 753,000 | \$775,000 | \$ 835,000 | \$ 855,000 | \$ 906,000 |
| Rural Levy | 2,226,719 | 2,261,000 | 2,310,000 | 2,408,000 | 2,470,000 | 2,618,000 |
| Other – In Kind | <u>32,000</u> | <u>32,000</u> | <u>32,000</u> | <u>32,000</u> | <u>32,000</u> | <u>32,000</u> |
| Total | <u>\$3,003,719</u> | <u>\$3,046,000</u> | <u>\$3,117,000</u> | <u>\$3,275,000</u> | <u>\$3,357,000</u> | <u>\$3,556,000</u> |
| Minimum | \$3,002,557 | \$3,045,757 | \$3,115,295 | \$3,245,929 | \$3,352,015 | \$3,548,313 |

- Must meet 75% minimum local effort to qualify for Road Use Tax.

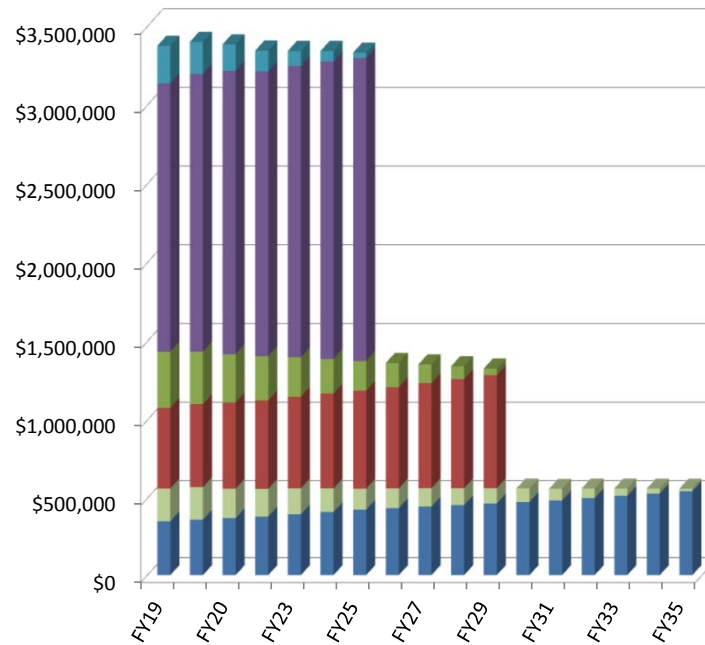
Eight Comparable Urban Counties – Rural Rate

| County – Population | FY 18 Urban Rate | FY 18 Rural Rate | FY 18 Transfer to Secondary Roads | FY 18 Library Services | FY 18 Other | FY 18 Total Appropriations |
|------------------------------|------------------|------------------|-----------------------------------|------------------------|-------------|----------------------------|
| Black Hawk - 5 th | \$6.41 | \$3.21 | \$2,342,496 | \$141,000 | \$2,043,462 | \$4,526,958 |
| Dubuque - 8 th | \$6.34 | \$3.66 | \$3,967,521 | \$0 | \$570,540 | \$4,538,061 |
| Johnson - 4 th | \$6.85 | \$3.70 | \$4,948,749 | \$764,829 | \$407,992 | \$6,121,570 |
| Linn - 2 nd | \$6.14 | \$2.71 | \$4,477,731 | \$440,000 | \$502,905 | \$5,420,636 |
| Polk -1 st | \$7.31 | \$4.55 | \$5,333,941 | \$475,000 | \$2,660,812 | \$8,469,753 |
| Scott - 3 rd | \$5.82 | \$2.95 | \$2,470,000 | \$574,740 | \$0 | \$3,044,740 |
| Story - 7 th | \$5.09 | \$3.18 | \$2,030,000 | \$306,000 | \$3,616,938 | \$5,952,938 |
| Woodbury - 6 th | \$7.41 | \$2.96 | \$2,328,000 | \$0* | \$1,762,057 | \$4,090,057 |

*\$140,858 paid out of Rural Services fund to other fund; total county library budgeted expenditure is \$205,579.

Remaining Outstanding Debt

- Tax Levy**
- Jail PSA Interest
 - Jail PSA Principal
-
- Other Sources**
- Emergency Equip Bonds Interest
 - Emergency Equip Bonds Principal
 - 2015 Waste Bonds Interest
 - 2015 Waste Bonds Principal



Budget Calendar

| <u>Meeting Type</u> | <u>Topic</u> | <u>Date</u> |
|-------------------------|-----------------------|-------------------------------------------------|
| Work Session | Operations | Tuesday, February 6, 2018 |
| Work Session | Capital | Tuesday, February 13, 2018 |
| Work Session | Wrap-up | Tuesday, February 20, 2018 |
| Public Hearing | Hearing | Thursday, February 22, 2018 |
| Budget Adoption | Adoption | Thursday, February 22, 2018 or March 8, 2018 |

