

FY 20 Budget Parameters with the Board of Supervisors

October 16, 2018



Agenda

- Set parameters for department budget development



Future Budget Issues for FY 20 Budget or FY 19 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 20 Budget or FY 19 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 20 Budget or FY 19 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 20 Budget or FY 19 Amendment

Policy Agenda – Top:

- SECC Radio System ~ *Likely debt issuance*
- Commercial Backfill / Equalization Strategy and Plan ~ *Likely reduction of revenue*
- Comprehensive Salary and Benefits Study ~ *Unmeasured impacts to operating costs, COW 10/16/18*
- Mental Health Funding: Policy Strategy ~ *Likely increase property tax funding*
- Emergency Management Plan ~ *Unknown costs*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – High:

- Lead Abatement ~ *\$100,000 per year through prior year savings*
- County Economic Development Policy, Role, Incentives, TIF ~ *Economic Summit and future revenue growth*
- Audio / Visual Recording ~ *\$50,000 FY 19 Capital*
- Industrial Park Development ~ *Future revenue growth*
- Trail Connectivity Plan ~ *Revisit in next strategic plan*
- Future Land Use Map ~ *Approved / completed*
- Parkview Apartment (Rural Residential) - Building Ordinance / Guidelines ~ *Ongoing staff development*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – Moderate:

- Core County Service Inventory / Report ~ *Data collected, further discussion 10/16/18*
- Healthcare Cost Containment Strategy ~ *Revisit in next strategic plan*
- County Campus Security Audit / Plan ~ *Unknown Costs, likely increase*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Management Agenda – Top:

- Management / Employee Succession Planning Program ~ *Department training and Leadership classes complete*
- Risk Management Policy: Update ~ *Completed*
- Business Continuity of Operation Plan ~ *Unknown costs*
- Fleet Management Plan ~ *1st Full year complete*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Management Agenda – High:

- Credit Card Policy / Process ~ *FY 19-20 Project*
- Purchase Card Vendor Procurement ~ *FY 19 - 20 Project*
- Election Equipment and Space ~ *Complete*
- Parks Master Plan: Update ~ *Revisit in next strategic plan*



Future Budget Issues for FY 20 Budget or FY 19 Amendment

FY 20 Budget or FY 19 Amendment:	
SECC Capital / Debt – Radio Project	Refinance 2009 SECC Debt
Mental Health Funding	Capital Requests
Organization changes	Union Negotiations
Inflation	Salary Adjustment – Recommendation for FY 20
Strategic Plan Efforts	Jail / JDC Assessment study
Backfill dollars from state	Local Option Sales Tax



General Fund Balance Components

Account	2018 Amount	2018 %		2017 Amount	2017 %
Restricted	771,661	5.48%		637,475	4.53%
Nonspendable	187,308	1.33%		93,657	0.67%
Assigned	2,287,721	16.26%		2,858,257	20.32%
Unassigned	<u>10,821,990</u>	<u>76.92%</u>		<u>10,474,822</u>	<u>74.48%</u>
Total	<u>\$ 14,068,680</u>	<u>100.00%</u>		<u>\$ 14,064,211</u>	<u>100.00%</u>



Assignment of Fund Balance

Account	2018 Amount
Liability Claims	\$ 254,474
Health Benefits	465,000
Strategic Plan Elements	349,500
Capital Projects	<u>1,218,747</u>
Total	<u>\$ 2,287,721</u>

- Strategic Planning Elements: Lead Abatement Project; Salary Study; Economic Summit; Emergency Operations / Continuity of Operations, Jail / JDC Needs Assessment



Future Budget Issues for FY 20 Budget or FY 19 Amendment

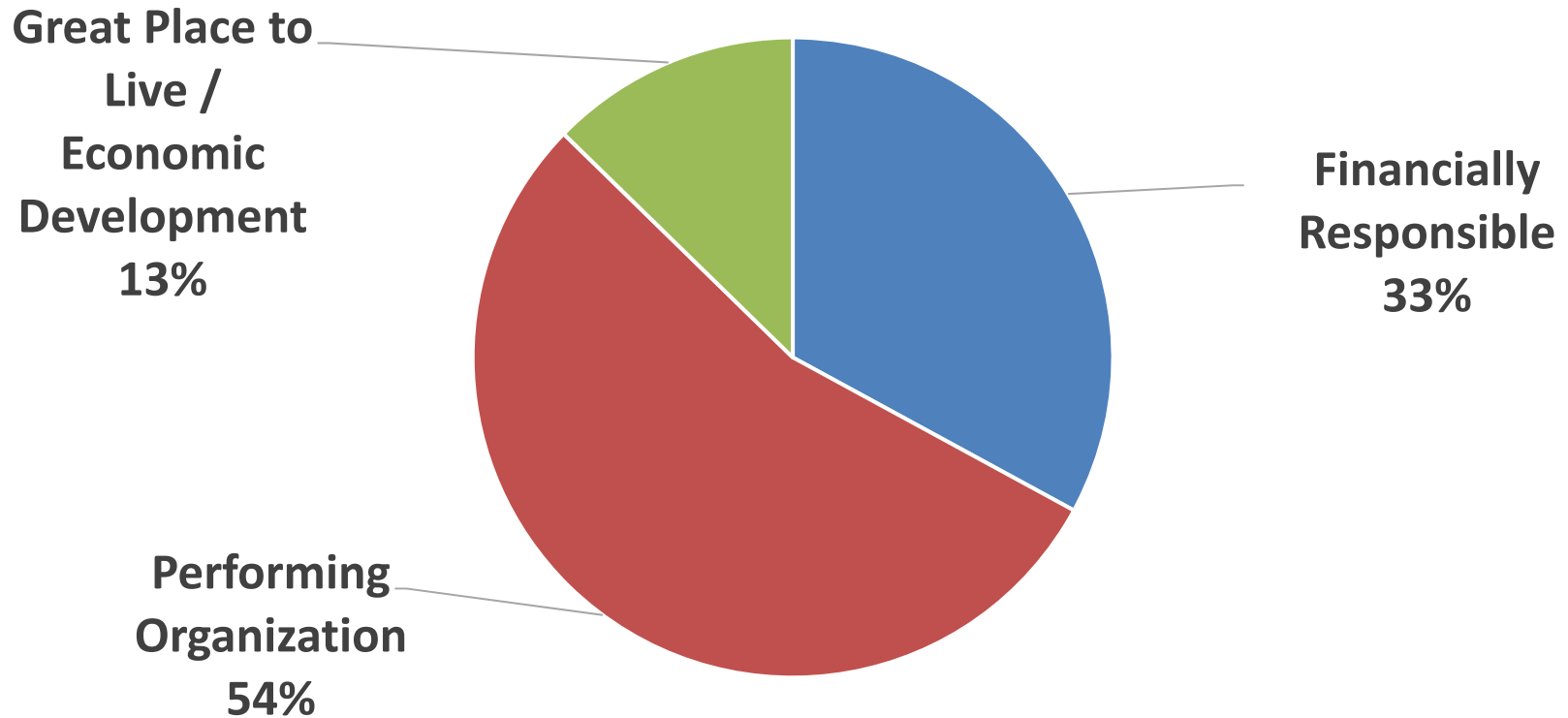
Department Goals

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



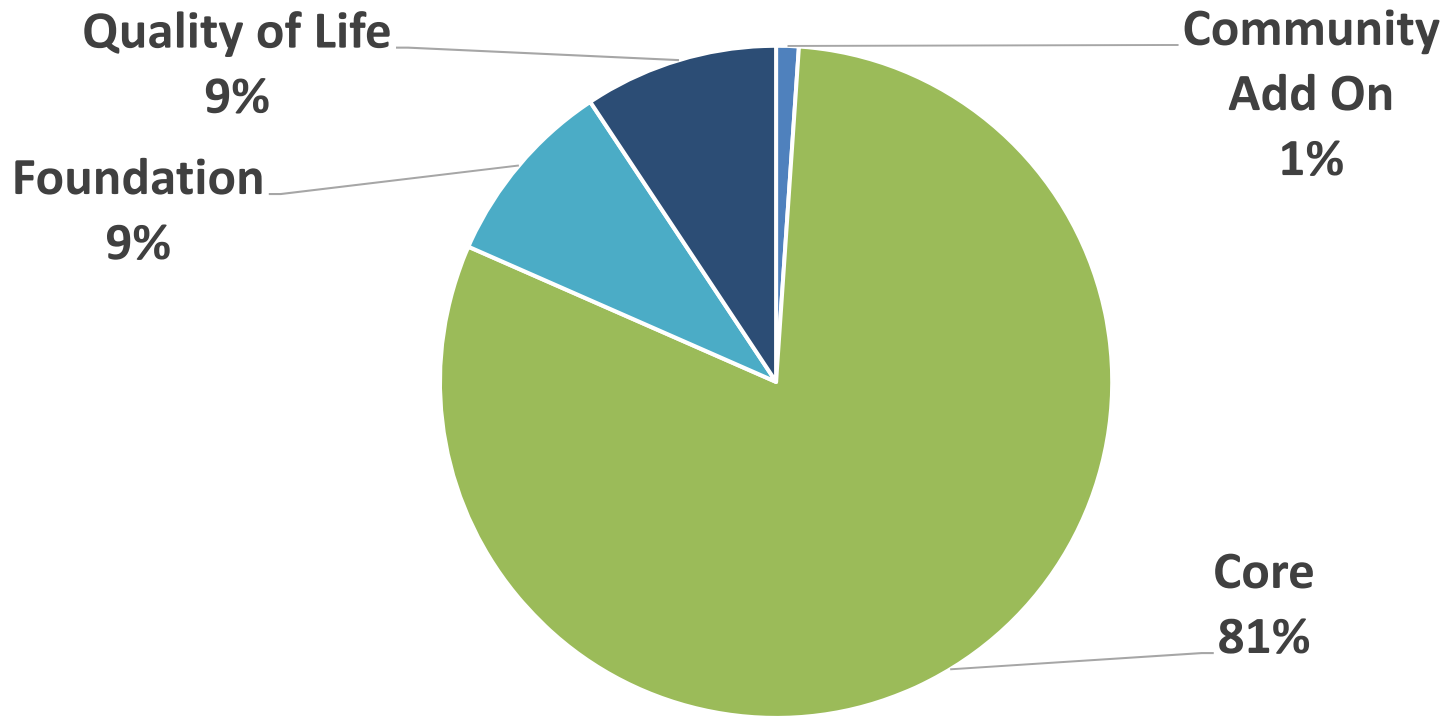
Future Budget Issues for FY 20 Budget or FY 19 Amendment

FY 19 - % of Effort by Board Goal



Future Budget Issues for FY 20 Budget or FY 19 Amendment

FY 19 - % of Effort by Business Type



Key County Financial Overview

- *County Property Tax Trend (\$)– Scott County / All Counties
 - FY 13-FY 18-> 5 Year Average Change 0.77% / 3.11%
 - FY 15-FY 18-> 3 Year Average Change 0.82% / 3.02%
 - FY 19 Actual 5.6%
- *Taxable Valuation Trends – Scott County / All
 - FY 13-FY 18-> 5 Year Average Change 2.29% / 3.34%
 - FY 15-FY 18-> 3 Year Average Change 2.52% / 3.56%
 - FY 19 Actual 5.7%
- Prelim. Gross Valuation Growth 2.8% (Combined Assessor Valuation); Estimated Taxable Growth 4.4%; Dependent on Rollbacks
 - FY 19 Actual – 6.5% Gross / 5.7% Taxable

*ISAC 2018 County Financial Overview



Economic and Per Capita Comparisons

County (population)	FY 18 Property and Utility Taxes*	3 Year Change %*	FY 19 Taxes Per Capita~	FY 16 County Spending Per Capita^
Black Hawk - 5 th	\$37,629,870 - 5 th	4.51%	\$289 – 97 th	\$529 - 91 st
Dubuque - 8 th	\$33,436,688 - 6 th	3.29%	\$346 – 84 th	\$549 - 88 th
Johnson - 4 th	\$58,863,120 - 3 rd	6.61%	\$403 – 68 th	\$536 - 89 th
Linn - 2 nd	\$69,397,809- 2 nd	2.81%	\$296 – 95 th	\$491 - 95 th
Polk -1 st	\$1,226,635,600 - 1 st	3.02%	\$369 – 78 th	\$528 - 92 nd
Scott - 3rd	\$51,015,046 - 4th	0.82%	\$302 – 92nd	\$463 - 98th
Story – 7 th	\$24,725,482 - 8 th	2.69%	\$265 – 99 th	\$396 - 99 th
Woodbury - 6 th	\$33,326,965 – 7 th	1.84%	\$302 – 93 rd	\$530 - 90 th

*ISAC 2018 County Financial Overview ~Calculated from DOM

^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.
- 24.8% available fund balance as % of Operating Revenues (US Median 31.6%); up from 24.0% 2016
- 27.7% Net Cash Balances as % of Operating Revenues (US Median 35.9%) up from 27.0% 2016.
- Economy and tax base of county are healthy.
- Manageable debt and pension liabilities, which is fairly favorable to assigned credit rating.

Budget Strategic Flexibility FY 20 - FY 24

- Refine 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 19 Budgeted \$1,128,652
 - FY 18 Budgeted \$1,563,249 and received \$1,499,443
 - FY 17 Budgeted \$1,403,654 and received \$1,504,872
 - FY 16 Budgeted \$1,503,985 and received \$1,676,853
 - FY 15 Budgeted \$848,760 and received \$850,437
- Variance in growth, expenditures, or rollback term, will force adjustment through current taxes or available fund balance.
 - Adjusted estimate in January based on legislative feedback.



FY20 Budget Preparation

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



FY20 Budget Preparation

- **Personnel**

- Apply approved recommended salary adjustments to FY 2020 budget, adjust for application to July 1, 2019
- Budget Health Costs 10% for January 2020 increase (maintain Health/Dental Insurance Fund Balance at 3 months).

- **Non-Personnel**

- Budget 0% departmental growth from FY19 + Adjustments for BOS Strategic Plan elements (Specific Accounts) within departmental budgets, highlight within departmental analysis.
- Review individual line items in departments to recommend funding shifts
 - Maintenance, Supplies, Professional Services, Service Contracts
- FY 18 Operating Budget, all funds, 93.5% of amended budget.
- FY 18 General Fund Purchased Services - 95%; Supplies and Materials - 91% of original budget, but some departments over 100%



FY20 Budget Preparation

- **Authorized Agencies**

- **Require County Contribution FY20 Budgets at 0% growth. Review agencies that have new funding sources.**
- New requests for funding for programming will be evaluated through evaluation tool.
- 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.
- Any new requests for fiscal year 2020 must be received in writing by **December 3, 2018**. Follow up meetings will be scheduled accordingly.



FY20 Budget Preparation

- **Capital Budget**

- Property tax transfer for capital funds (General, Vehicle, Electronic Equipment) to reflect 5 year capital plan, and include general fund transfer of \$1,218,747 from FY18 assignment.
- Requests to include assessment of all project costs and operating costs adjustments; project description; need; and any outside funding.



FY20 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.
 - Program must show benefit to community and include measurement.



FY 20 Budget Preparation

- Presentation to Departments and Authorized Agencies October 19, 2018 9:00 AM
Davenport Police Community Room



Summary of Parameters

Budgeting For Outcomes	Revenues	Expenditures
Continuation of 2017 Strategic Plan – Management and Policy Agenda items	Local Option Sales Taxes	Personnel – Salaries and Wages – application of compensation study
FY 19 Amendment / FY 20 Budget items	Commercial and Industrial Back Fill	Non-Personnel – 0% + Adjustments for BOS Strategic Plan Elements
2022 Goals, Vision, Mission	SECC Debt / Refinance	Authorized Agency
Scott County P.R.I.D.E.	Mental Health Levy	Applications for new requests
Departmental Goals	Interest income	Capital requests



SCOTT COUNTY FY20 BUDGET PREPARATION CALENDAR OF EVENTS

- October 2, 2018 Work Session with Board of Supervisors and County Administrator/Budget Director on FY20 Budget
- October 16, 2018 Work Session with Board of Supervisors and County Administrator/Budget Director on FY20 Budget
- October 19, 2018 FY20 Budget Orientation Session for County Departments and Authorized Agencies

- **November 16, 2018** ***FY20 Budget Submissions, FY19 Budget Amendment Submissions, FY20 County Departments BFO Submissions, Capital Improvement Forms Due***

- *NO BUDGET CHANGES WILL BE ACCEPTED AFTER NOVEMBER 16*

- January 3, 2019 Department Capital Review
- January 21, 2019 File Budget Estimate (based on budget requests) with County Auditor
- January 22, 2019 Special COW Presentation of County Administrator's FY20 Budget Recommendations
- February 5, 2019 Board of Supervisors Budget Review
- February 6, 2019 Publish the FY20 Budget Estimate and FY19 Budget Amendment in the North Scott Press and Quad City Times
- February 7, 2019 Set Public Hearing for FY20 Budget Estimate and FY19 Budget Amendment
- February 12, 2019 Board of Supervisors Budget Review
- February 19, 2019 Board of Supervisors Budget Review
- February 21, 2019 Public Hearing on Budget Estimate 5:00 p.m.
- February 21, 2019 Adoption of FY20 Budget Plan and FY 19 Budget Amendment at 5:00 p.m.
- March 15, 2019 File Budget Forms with State Office of Management

