

FY20 Administration Recommended Budget

January 29, 2019



FY 20 Scott County 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



FY20 Budget Overview

- Incorporate Strategic Planning Goals into Departmental Budgets – FY 19 Amendment and FY 20 Budget.
- Capital Plan continues investment in Conservation, Technology, and Building Maintenance / upgrades.



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



Choose
 Business
 Type:
 Foundation
 Core
 Quality of
 Life
 Community
 Add on

BFO Points of Emphasis

Tie Budget Dollars:
 After salary and benefits – January
 Authorized Agencies – split of dollars

ACTIVITY/SERVICE:	Financial Management		DEPT/PROG: Administration		
BUSINESS TYPE:	Choose One		RESIDENTS SERVED: All Residents		
BOARD GOAL:	Choose One		FUND: 01 General	BUDGET: \$320,000	
OUTPUTS		2015-16	2016-17	2017-18	2018-19
		ACTUAL	ACTUAL	PROJECTED	PROJECTED
Number of Grants Managed		52	60	60	
Number of Budget Amendments		2	2	2	
Number of Purchase Orders Issued		663	700	700	
PROGRAM DESCRIPTION:					
Recommend balanced budget and capital plan annually. Forecast revenues and expenditures and analyze trends. Prepare reports and monitor and recommend changes to budget plan. Monitor and audit purchasing card program. Administer grants and prepare reports. Coordinate the annual audit and institute recommendations. Prepare special reports.					

Choose
 Board Goal:
 Financially
 Responsible
 Economic
 Growth
 Performing
 Organization
 Great Place
 to Live

Program Description:
 Define program description to include program, purpose how to achieve board goals.

BFO Points of Emphasis

Outcome and Effectiveness:
Tie Board and Department Goals to Outcomes;
How will this be measured

PERFORMANCE MEASUREMENT		2015-16 ACTUAL	2016-17 ACTUAL	2017-18 PROJECTED	2018-19 PROJECTED
OUTCOME:	EFFECTIVENESS:				
Maintain minimum fund balance requirements for the County's general fund - according to the Financial Management Policy, and within legal budget	Maintain a 15% general fund balance, and each state service area to be 100% expended or below	19.9% / 100%	19.9% / 100%	19.9% / 100%	
Ensure that all Federal Grants receive a perfect score with no audit findings for County's annual Single Audit	Zero audit findings for federal grants related to the Single Audit	1	0	0	
Submit Budget CAFR/PAFR to GFOA obtains Award Certificate	Recognition of Achievements in Reporting	2	3	3	
Develop Training program for ERP users to increase comfort and report utilization	2 Training events outside of annual budget training	2	2	2	
Develop Fleet Management Capital Asset Programs	Develop policies and procedures regarding fleet				

Projected:
Update current and FY 20 status;
How is FY 20 to be measured?

Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – Top:

- SECC Radio System
 - Bond Issue in CY 2019; Debt and Capital investment; Intergovernmental relations
- Commercial Backfill / Equalization Strategy and Plan
 - Maintained state funding estimate to 75% of FY 17 dollars, reduced one time transfer to Capital Fund
- Comprehensive Salary and Benefits Study
 - Budgeted staff and proposed salary scales, steps and COLA
 - Budgeted contract completion in FY 19 amendment
- Mental Health Funding: Policy Strategy
 - Increased levy to maximum per capita, \$30.78, \$5,309,827.
- Emergency Management Plan / Continuity of Operations
 - Budgeted \$100,000 in FY 20



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – High:

- Lead Abatement
 - Budgeted \$100,000 in FY 20
- County Economic Development Policy, Role, Incentives, TIF
 - Budgeted \$30,000 in FY 19, not including reimbursements from registrations
- Industrial Park Development
 - \$0 County Budget Dollars; Intergovernmental relations
- Park View / Building Ordinance / Guidelines
 - Budgeted \$10,000 in FY 20



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Policy Agenda – Moderate:

- Core County Service Inventory / Report
 - Information gathered; incorporated into budget
- County Campus Security Audit / Plan
 - Information gathered – Continuing project FY 19, FY 20



Future Budget Issues for FY 20 Budget or FY 19

Amendment

Management Agenda – Top:

- Business Continuity of Operation Plan
 - Budgeted with Emergency Management Plan
- Fleet Management Plan
 - Incorporated into Operating Budget



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Management Agenda – High:

- Credit Card Policy / Process
- Purchase Card Vendor Procurement
- Election Equipment and Space
 - Poll Book Replacement budgeted in FY 19 Amendment; New requests for security cages



Future Budget Issues for FY 20 Budget or FY 19 Amendment

Department Goals

- Department Goals were defined in the March 2017 Strategic Plan
 - Tied into BFO's.



Scott County P.R.I.D.E. Statement

We Serve our Citizens with

Professionalism

Doing it Right

Responsiveness

Doing it Now

Involvement

Doing it Together

Dedication

Doing it with Commitment

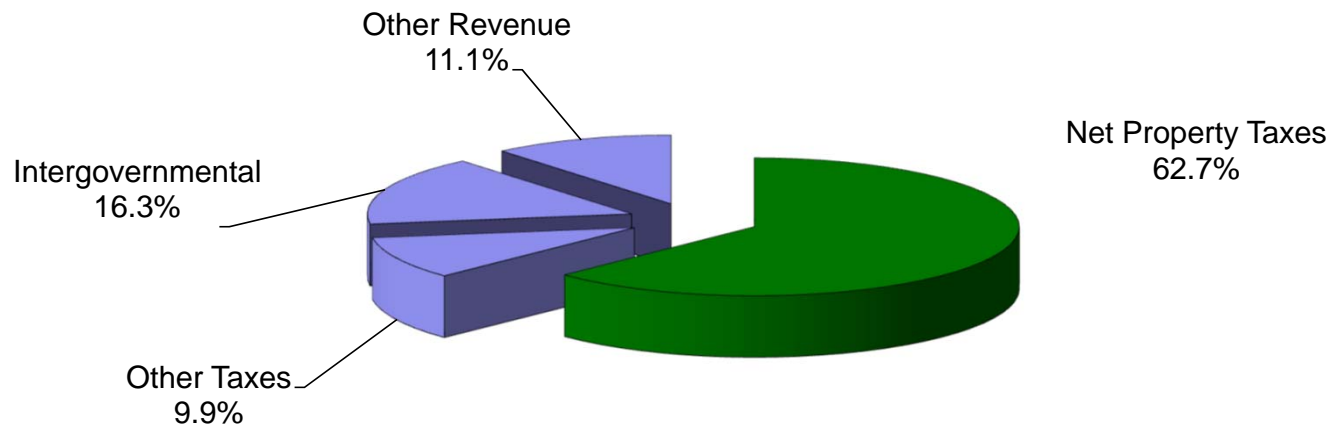
Excellence

Doing it Well



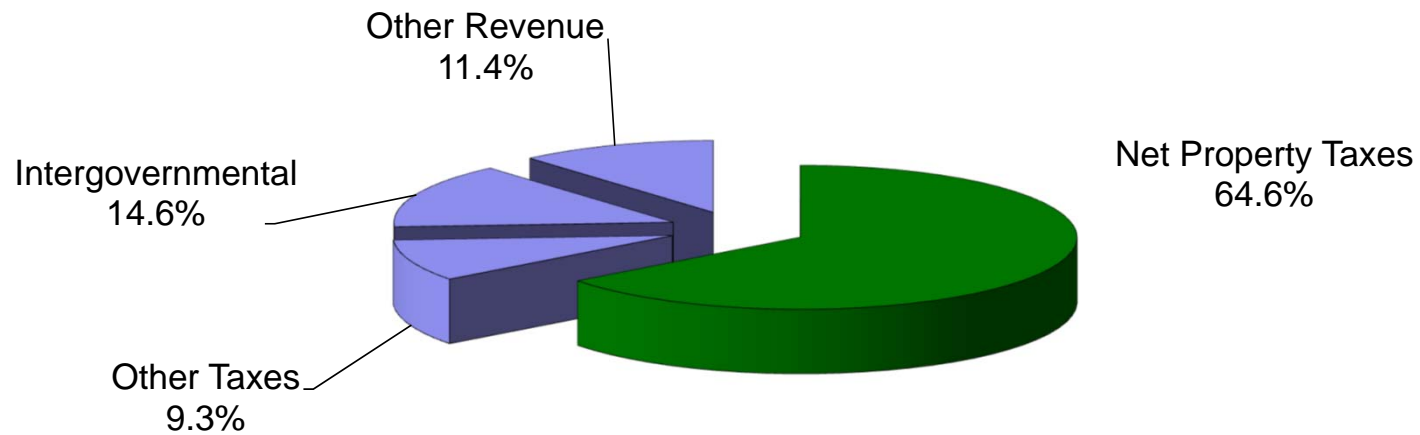
FY 19 Revenues by Source

FY19 BUDGET: \$79,413,066

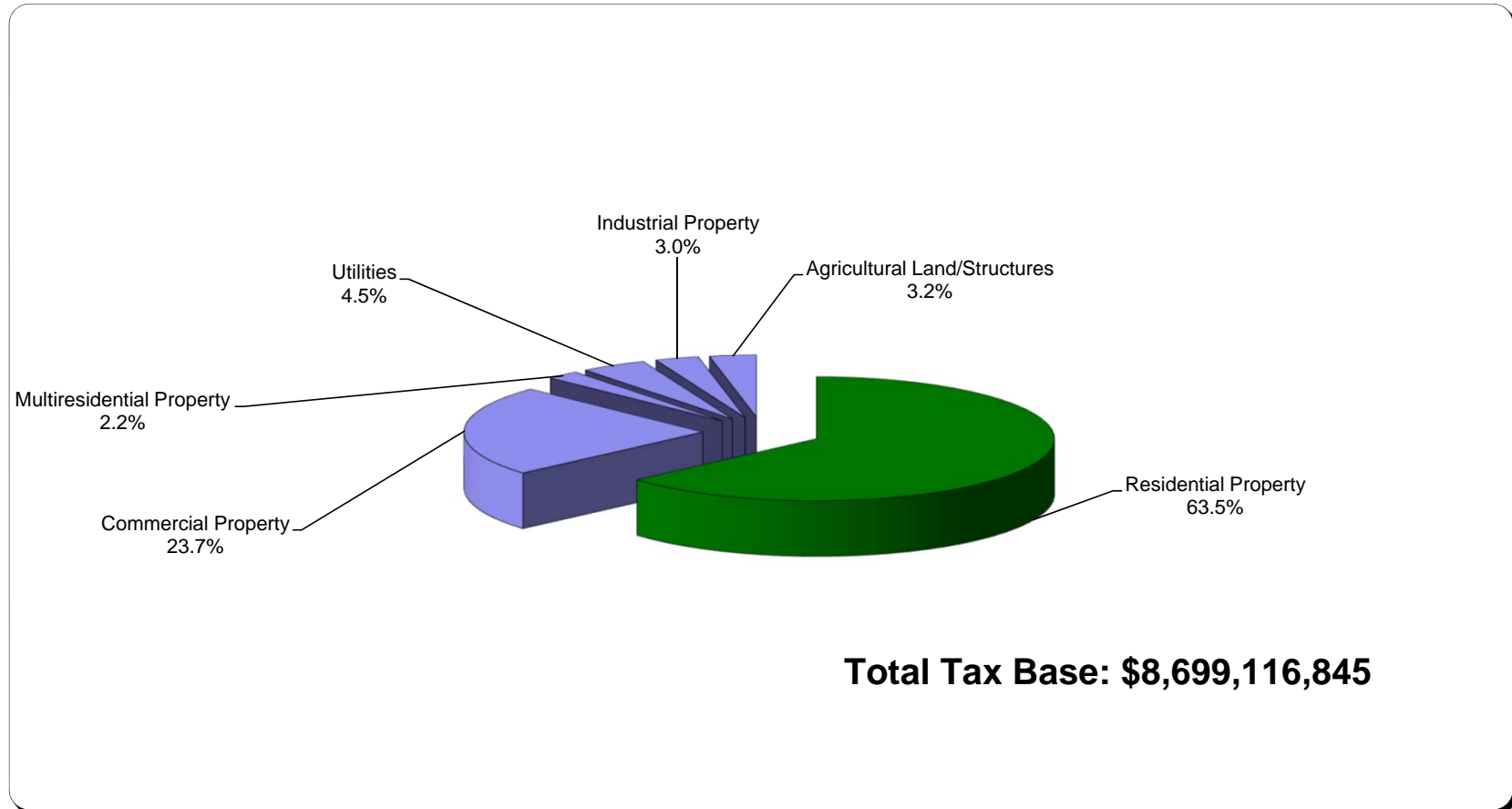


FY 20 Revenues by Source

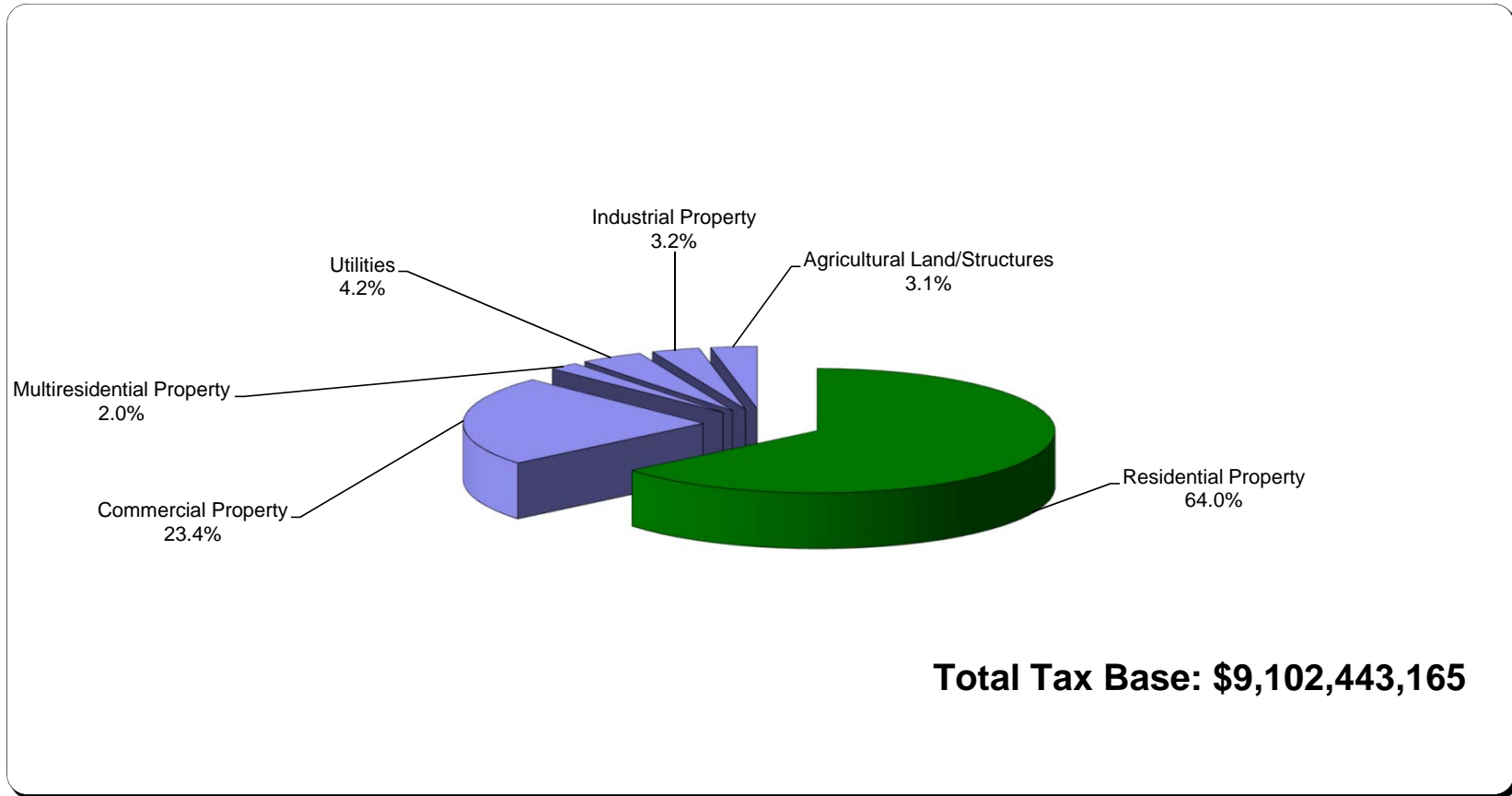
FY20 BUDGET: \$83,430,140



FY19 Taxable Valuation



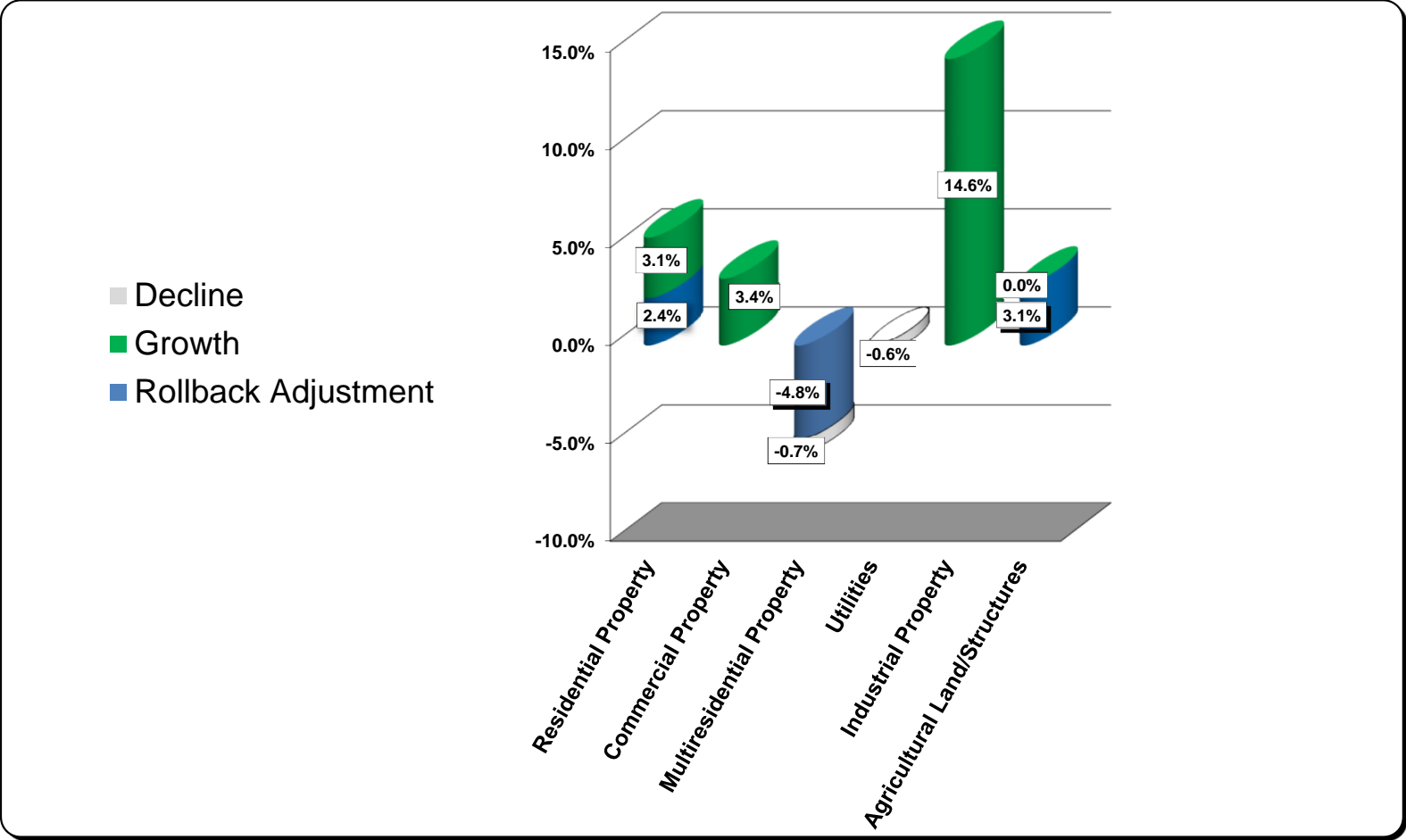
FY20 Taxable Valuation



Taxable Valuation Comparison

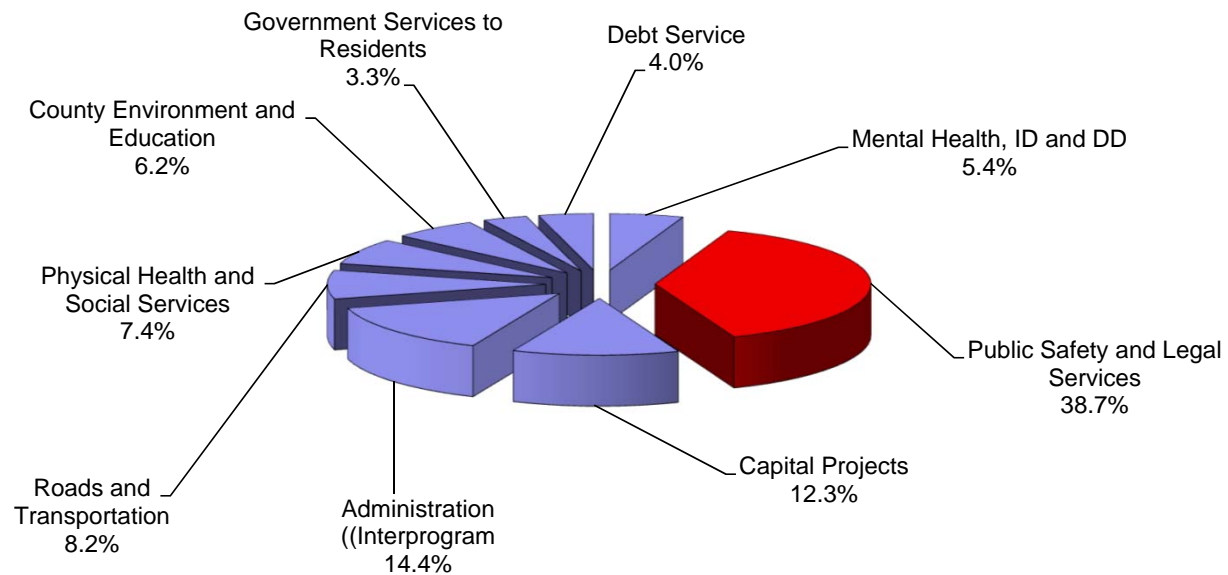
	January 1,2017 For FY19	% of Total	January 1,2018 For FY20	% of Total	Amount Change	% Change
<u>COUNTY-WIDE</u>						
Residential Property	5,526,310,756	63.5%	5,825,882,612	64.0%	299,571,856	5.4%
Commercial Property	2,058,107,250	23.7%	2,128,966,256	23.4%	70,859,006	3.4%
Multiresidential	195,279,442	2.2%	184,595,351	2.0%	(10,684,091)	-5.5%
Utilities	388,373,917	4.5%	385,887,791	4.2%	(2,486,126)	-0.6%
Industrial Property	256,655,230	3.0%	294,147,922	3.2%	37,492,692	14.6%
Agricultural Land/Structures	<u>274,390,250</u>	3.2%	<u>282,963,233</u>	3.1%	<u>8,572,983</u>	<u>3.1%</u>
All Classes	8,699,116,845	100.0%	9,102,443,165	100.0%	403,326,320	4.6%
<u>UNINCORPORATED AREAS</u>						
Residential Property	718,672,476	66.2%	744,779,364	66.1%	26,106,888	3.6%
Commercial Property	47,679,697	4.4%	49,417,259	4.4%	1,737,562	3.6%
Multiresidential	7,496,112	0.7%	7,494,550	0.1%	(1,562)	0.0%
Utilities	73,472,809	6.8%	77,067,741	6.8%	3,594,932	4.9%
Industrial Property	1,595,007	0.1%	1,644,507	0.1%	49,500	3.1%
Agricultural Land/Structures	<u>237,428,470</u>	21.9%	<u>245,577,307</u>	21.8%	<u>8,148,837</u>	<u>3.4%</u>
Total	1,086,344,571	100.0%	1,125,980,728	100.0%	39,636,157	3.6%
Property in Cities	7,612,772,274	87.5%	7,976,462,437	87.6%	363,690,163	4.8%
Property in Rural Areas	<u>1,086,344,571</u>	12.5%	<u>1,125,980,728</u>	12.4%	<u>39,636,157</u>	<u>3.6%</u>
Total	8,699,116,845	100.0%	9,102,443,165	100.0%	403,326,320	4.6%

Changes in Tax Base by Class



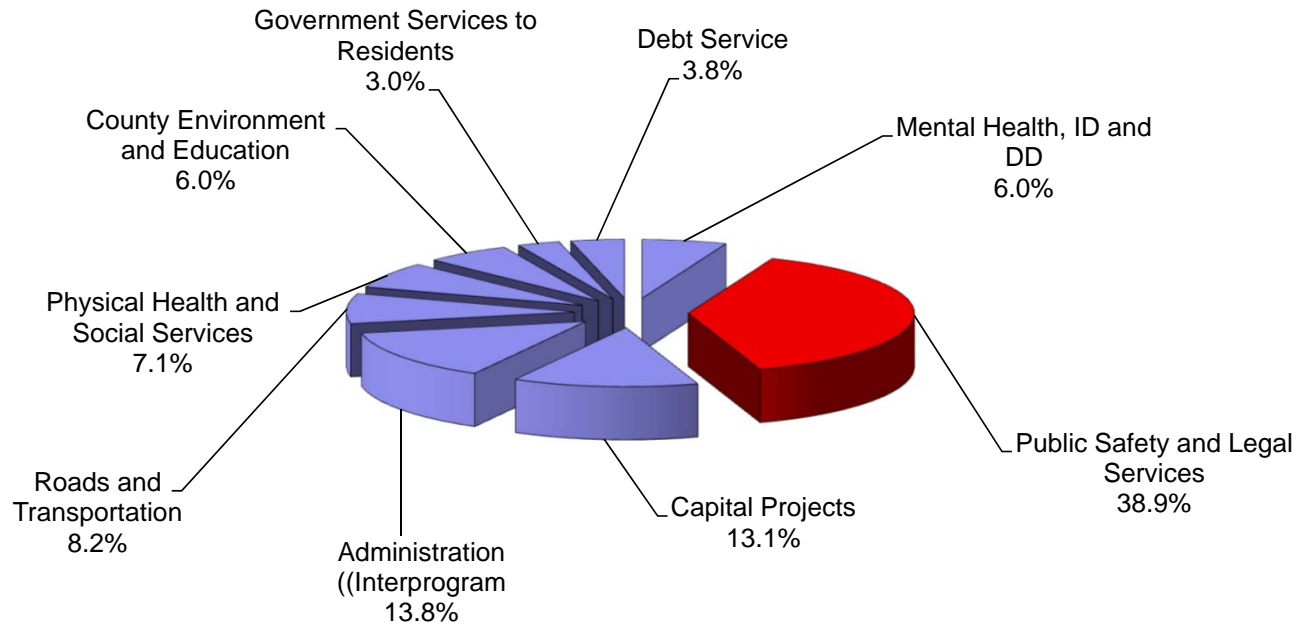
FY 19 Budget

FY19 BUDGET: \$83,611,841

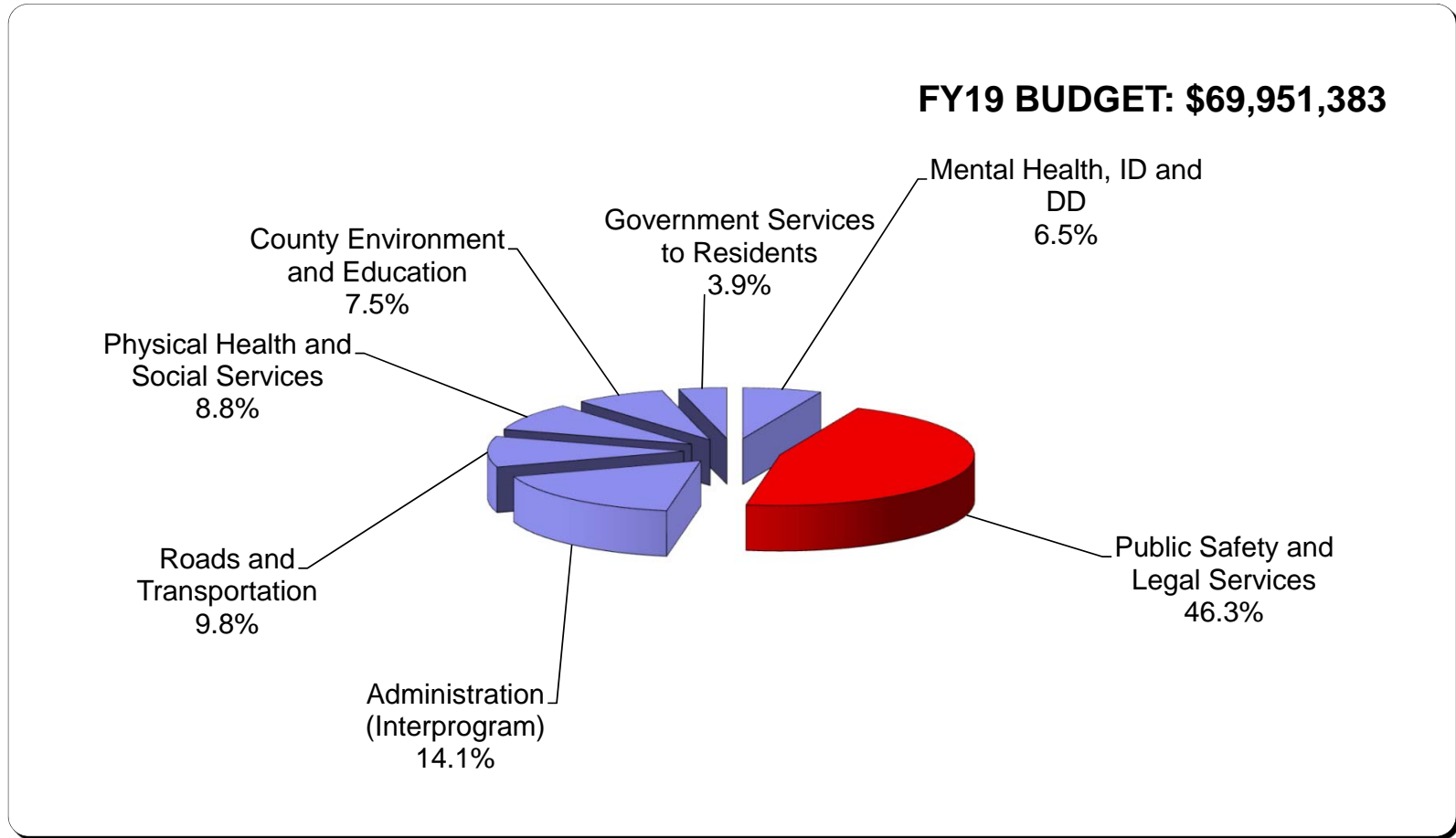


FY 20 Budget

FY20 BUDGET: \$89,748,099

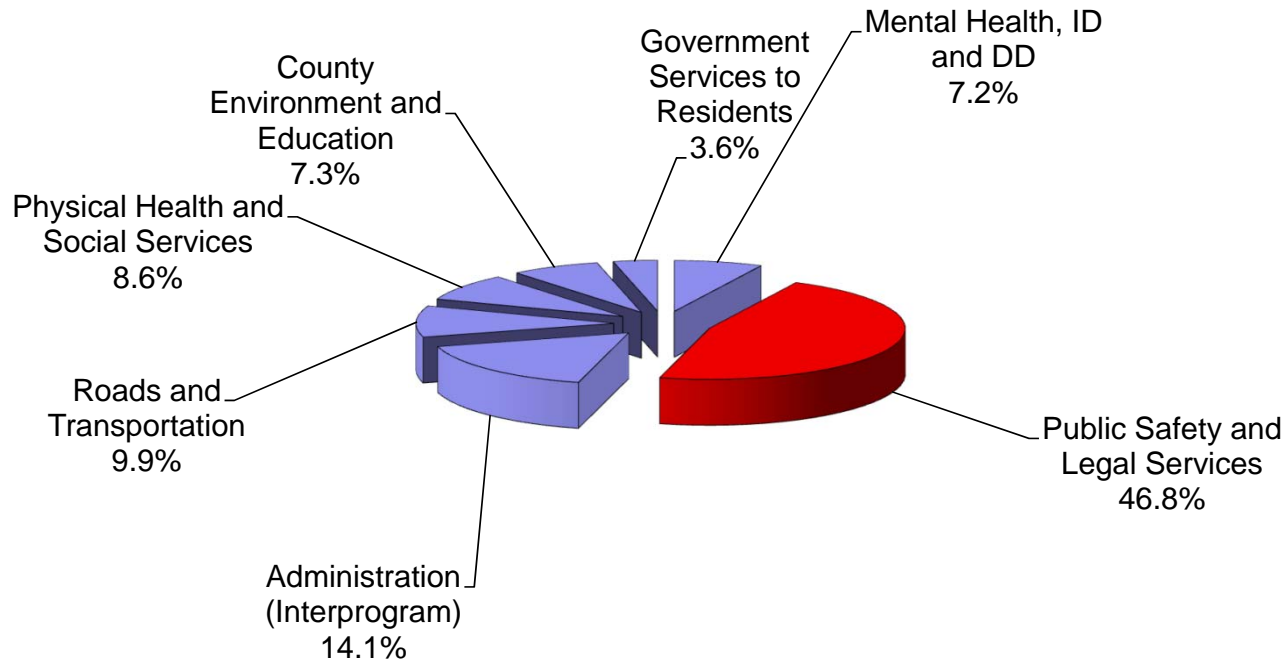


FY 19 Operating Budget





FY 20 Operating Budget

FY20 BUDGET: \$74,568,690

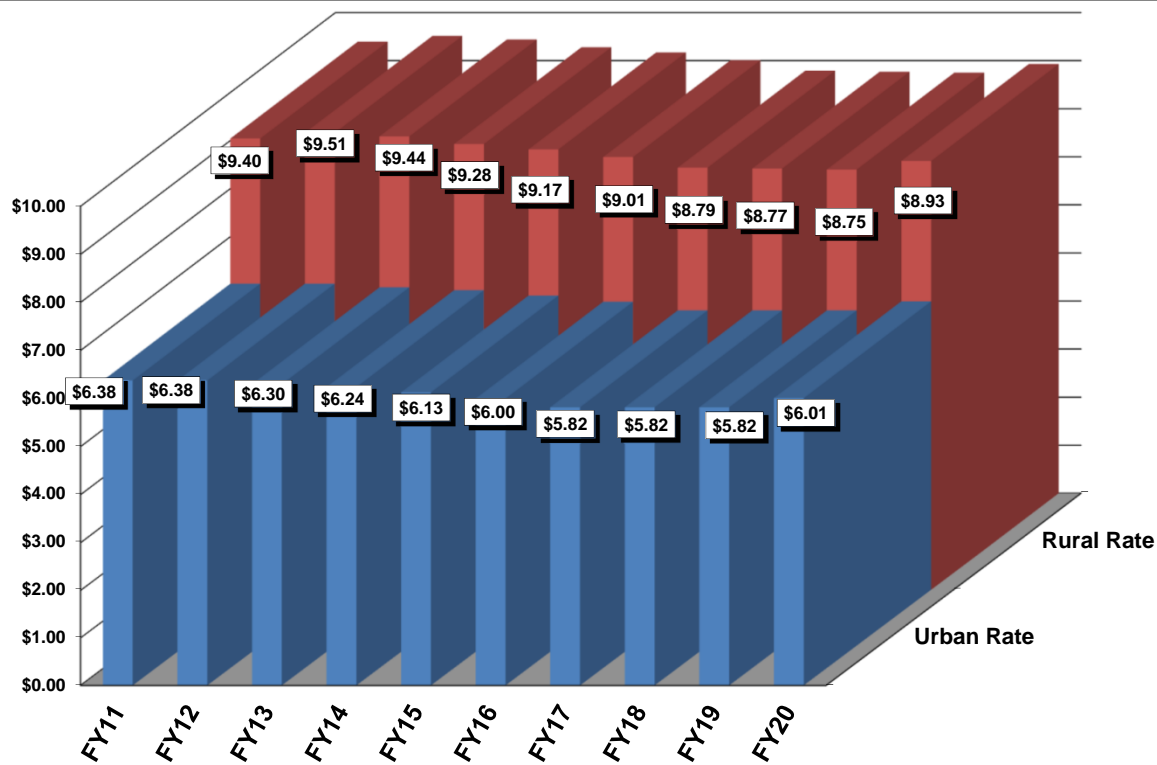


FY20 Budget Overview

- General Fund Budget
 - Salary Study Placement / COLA / Steps / Benefit Estimates
 - Required transfers – SECC, EMA, Secondary Roads
 - Strategic Plan - \$220,000 use of fund assigned balance spending FY 20
 - JDC contractual costs – out of county placement
- Ending General Fund Unassigned Balance Estimate \$10,234,587 or 16.7% of FY 20 expenditures
- Urban Levy Rate  FY19 – \$5.82 FY20 – \$6.01
- Rural Levy Rate  FY19 – \$8.75 FY20 – \$8.93



Ten Year Levy Rate Comparison



Levy Rate Impact

Urban Levy Rate:	\$50,000 <u>Home</u>	\$100,000 <u>Home</u>	\$150,000 <u>Home</u>
Amount of Annual Increase in Property Taxes	\$9.23 5.7%	\$18.47 5.7%	\$27.70 5.7%
 Rural Levy Rate:	 \$50,000 <u>Home</u>	 \$100,000 <u>Home</u>	 \$150,000 <u>Home</u>
Amount of Annual Increase in Property Taxes	\$10.69 4.4%	\$21.38 4.4%	\$32.07 4.4%
	<u>80 Acres of Land</u>	<u>120 Acres of Land</u>	<u>160 Acres of Land</u>
Amount of Annual Increase in Property Taxes	\$49.55 5.5%	\$74.33 5.5%	\$99.10 5.5%
<i>Combined Farm Home and Land</i>	\$60.24 5.3%	\$95.71 5.2%	\$131.18 5.2%

As of January, 2019 the median value of owner-occupied housing units, 2013 - 2017 was \$153,200 (U.S. Census.gov, as of January 21, 2019)

Levy Rate Impact – Commercial / Industrial

Urban Levy Rate:	\$250,000 <u>Commercial</u>	\$1,000,000 <u>Commercial</u>	\$3,000,000 <u>Commercial</u>	\$5,000,000 <u>Commercial</u>
Amount of Annual Increase in Property Taxes	\$43.16 3.3%	\$172.63 3.3%	\$517.89 3.3%	\$863.15 3.3%
Rural Levy Rate:	\$250,000 <u>Commercial</u>	\$1,000,000 <u>Commercial</u>	\$3,000,000 <u>Commercial</u>	\$5,000,000 <u>Commercial</u>
Amount of Annual Increase in Property Taxes	\$39.66 2.0%	\$158.65 2.0%	\$475.96 2.0%	\$793.26 2.0%



Levy Rate Impact - Multiresidential

Urban Levy Rate:	\$250,000	\$1,000,000	\$3,000,000	\$5,000,000
	<u>Multiresidential</u>	<u>Multiresidential</u>	<u>Multiresidential</u>	<u>Multiresidential</u>
Amount of Annual Increase in Property Taxes	-\$18.61 -1.6%	-\$74.46 -1.6%	-\$223.37 -1.6%	-\$372.28 -1.6%
Rural Levy Rate:	\$250,000	\$1,000,000	\$3,000,000	\$5,000,000
	<u>Multiresidential</u>	<u>Multiresidential</u>	<u>Multiresidential</u>	<u>Multiresidential</u>
Amount of Annual Increase in Property Taxes	-\$48.97 -2.8%	-\$195.87 -2.8%	-\$587.626 -2.8%	\$979.36 -2.8%



FY 2019 Change in Tax Dollars by Class – Urban Rate

Change	(\$0.00)	Growth	2018 Tax Rate	\$5.82			
COUNTY-WIDE	Rate Reduction	Growth Percentage	Valuation Dollars	Rollback Percentage	Dollars	Total Percentage	Dollars
Residential Property	\$(3,343)	5.5%	\$1,698,894	-1.3%	\$(407,179)	4.2%	\$1,288,373
Commercial Property	(1,180)	9.9%	1,079,543	0.0%	-	9.9%	1,078,363
Multiresidential	(129)	-0.6%	(7,136)	-3.8%	(45,193)	-4.4%	(52,457)
Utilities	(236)	3.8%	82,741	0.0%	-	3.8%	82,505
Industrial Property	(146)	10.9%	146,794	0.0%	-	10.9%	146,649
Agricultural Land/Structures	(150)	8.5%	114,473	6.9%	93,577	15.4%	207,899
All Classes	(\$5,183)		\$3,115,309		(\$358,795)		\$2,751,331
Estimated Taxes at \$5.82 / \$5.82; Gross dollars before credits							

FY 2020 Change in Tax Dollars by Class – Urban Rate

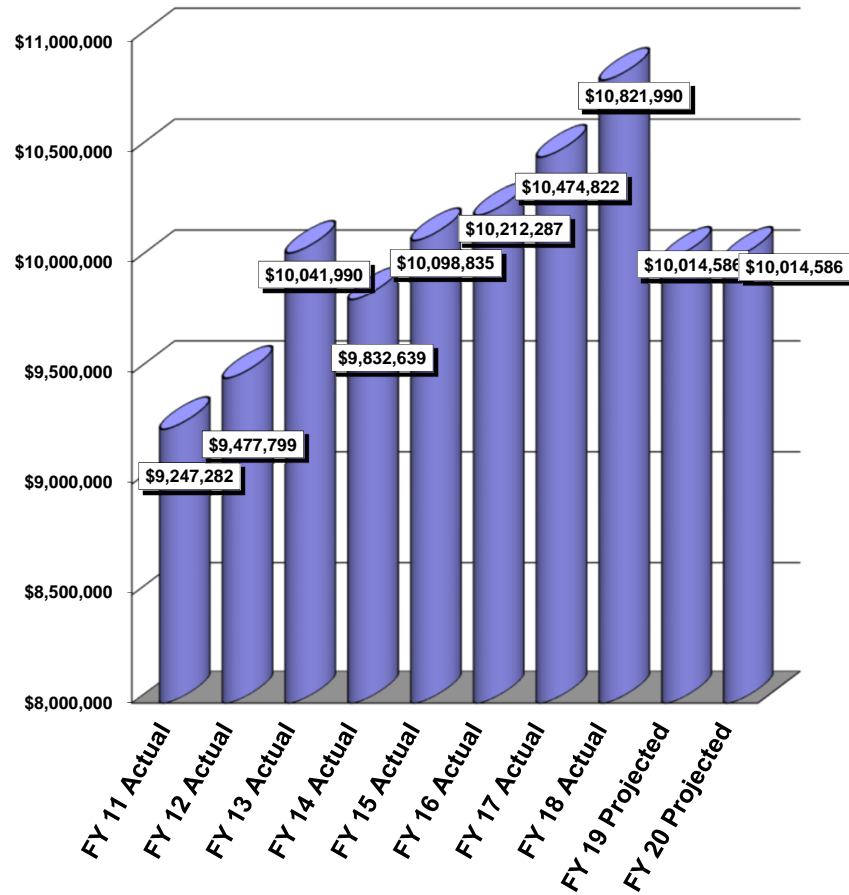
Change in rate	\$0.22		2019 Tax Rate	\$5.82			
<u>COUNTY-WIDE</u>	<u>Rate Increase</u>	<u>Growth Percentage</u>	<u>Valuation Dollars</u>	<u>Rollback Percentage</u>	<u>Dollars</u>	<u>Total Percentage</u>	<u>Dollars</u>
Residential Property	\$1,060,002	3.0%	\$965,171	2.4%	\$ 772,137	4.1%	\$2,797,309
Commercial Property	394,766	3.4%	407,375	0.0%	-	2.6%	802,141
Multiresidential	37,457	-0.7%	(7,958)	-4.8%	(54,569)	-4.4%	(25,070)
Utilities	74,494	-0.6%	(13,566)	0.0%	-	-4.4%	60,928
Industrial Property	49,229	14.6%	218,148	0.0%	-	-0.2%	267,377
Agricultural Land/Structures	<u>52,631</u>	0.0%	<u>-</u>	3.1%	<u>46,319</u>	3.3%	<u>98,950</u>
All Classes	<u>\$1,668,578</u>		<u>\$1,569,170</u>		<u>\$763,887</u>		<u>\$4,001,634</u>
Estimated Taxes at \$6.01 / \$5.82; Gross dollars before credits							

Change in Tax Dollars

FY 19	County-Wide	Unincorporated	Total
Rate Reduction	\$ (5,183)	\$ (20,874)	\$ (26,057)
Revaluation / Growth Change	3,115,309	143,716	3,259,025
Rollback Change	<u>(358,795)</u>	<u>34,660</u>	<u>(324,135)</u>
	<u>\$ 2,751,331</u>	<u>\$ 157,502</u>	<u>\$ 2,908,833</u>
FY 20	County-Wide	Unincorporated	Total
Rate Increase / Reduction	\$ 1,668,578	\$ (16,871)	\$ 1,651,707
Revaluation / Growth Change	1,569,170	44,090	1,613,260
Rollback Change	<u>763,887</u>	<u>70,980</u>	<u>834,867</u>
	<u>\$ 4,001,634</u>	<u>\$ 98,199</u>	<u>\$4,099,833</u>

Fund Balance Review

Fiscal Year	Unassigned Percent
FY 10	15.8%
FY 11	16.3%
FY 12	18.8%
FY 13	18.3%
FY 14	20.0%
FY 15	20.0%
FY 16	19.8%
FY 17	20.0%
FY 18	20.0%
FY 19 Projected	17.1%
FY 20 Projected	16.4%



FY20 Changes to Operating Budget

- Personnel: Cost of living wage increases of \$546,615 in General Fund:

Group	FY 2020 COLA
Nonunion	2.25%
AFSCME*	2.25%
Teamsters	Open
DSA	Open
PPME	2.25%
Elected Officials*	2%, 15%, 20%

- Applied Compensation Study and step recommendations to new salary scales, \$513,806, or 2.11% of FY 19 Budgeted Salaries in General Fund.
- General Fund increase is \$1,060,421 or 4.36% of FY 19 budgeted salaries
 - A CPI range of 1.40% to 2.5% as July 2018 and December 2018.



FY19 Changes to Operating Budget

- Health Benefits
 - Budgeted at 9% increase based on recent experience
- Impact of all benefits to General Fund increase is \$670,000 or 6.4% of FY 19 Budget.



FY 20 Changes to Operating Budget

Position Changes	Fund	FTE	Ins. Benefits
Additions:			
Official Records Clerk	General	0.10	N/A
County Attorney – Investigator	General	1.00	Yes
Maintenance Worker	General	0.25	N/A
Nurse	General	0.35	N/A
Building Inspector	General	1.00	Yes
Code Enforcement Officers	General	(0.58)	N/A
Sex Offender Registry Specialist	General	1.0	Yes
Corrections Officer	General	1.0	Yes
Deputy – Patrol	General	3.0	Yes
Deputy – Investigations	General	<u>1.0</u>	Yes
		8.12	

Impact to
General Fund:
\$690,744



FY20 Changes to Mental Health Fund

	FY 19 Budget	FY 19 Projected	FY 20
Gross Tax Levy	\$4,112,052	\$4,112,052	\$5,309,827
Other Revenues	275,868	513,125	481,499
County Expenditures	<u>(4,555,905)</u>	<u>(4,458,999)</u>	<u>(5,396,295)</u>
Change in net income	<u>(\$167,985)</u>	<u>(\$747,604)</u>	<u>\$395,295</u>

SF 504 allows for Scott County to levy up to new maximum of \$30.78 per capita or \$5,309,827. Old maximum was \$3,308,032.

Gross Tax Levy Increase \$1,197,775.



FY 20 Changes to Other Funds

- Debt Service Fund:

	Debt Service	Paid by General Tax Levy
Solid Waste Recycling	\$ 562,931	\$ -
Emergency Equipment	865,390	-
PSA Lease – 2012	290,718	290,718
PSA Lease – 2013	<u>1,654,900</u>	<u>1,654,900</u>
Total	\$3,373,939	\$1,945,618



FY19 Changes to Other Funds

- Rural Services Fund: Library budget increased by \$7,539. The transfer to Secondary Roads Fund has increased \$91,000 due to the formula tied to assessed valuation. Corresponding County General Fund formula increase is \$35,000.
 - 3.5% increase for Secondary Roads transfers from prior year; corresponds with taxable growth.
 - 75% of revenue potential
- Secondary Roads: Additional roadway construction and maintenance projects are scheduled due to the availability of resources.



Capital Fund

	FY 19 Estimate	FY 20 Budget	Significant Projects
Buildings and Grounds	\$ 2,056,185	\$ 1,470,000	CH Elevator Controls and Cooling; JDC Door Resident Door Replacement; Treasurer Remodel; Energy Incentive Program
Technology and Equipment Acquisition	1,772,790	2,715,000	Auditor Election Transport and Storage; IT Storage; IT Network Core / Distribution; IT Back up and Restore; Admin Board Recording
Other Projects	110,000	110,000	CAT Funding / Rail Spur
Conservation CIP	3,126,786	2,652,170	SCP Campground; WLP Waste Water; WLP Lake Restoration;
Vehicle Acquisition	350,000	510,000	Additional vehicles Sheriff Organizational Requests
Secondary Roads Construction Equipment	750,000	750,000	General Equipment
Secondary Roads Construction	<u>1,958,971</u>	<u>4,320,000</u>	Four Bridges, Two HMA's
Total	\$10,124,732	\$12,527,170	

FY 18 - \$6.0 Million

FY 19 Original Budget - \$11.6 Million

Summary

- Property Tax Rates:
 - Urban rate moves from \$5.82 to \$6.01
 - Rural rate moves from \$8.75 to \$8.93
- Mental Health funding increased to approximate local expenditures
- County budgeted funds at \$89,748,099 to fund operating and capital budget
- Capital budget fully funded without borrowing



Budget Calendar

<u>Meeting Type</u>	<u>Topic</u>	<u>Date</u>
Work Session	Operations	Tuesday, February 5, 2019
Work Session	Capital	Tuesday, February 12, 2019
Work Session	Sec. Rds./ Wrap	Tuesday, February 19, 2019
Public Hearing	Hearing	Thursday, February 21, 2018
Budget Adoption	Adoption	Thursday, February 21, 2019



Thank You

- Departments
- Budget Analysts
- Administrative Staff

