



SPECIAL MEETING-COMMITTEE OF THE WHOLE BUDGET

Tuesday, September 10, 2019, 10:30 a.m.
Pine County Courthouse
635 Northridge Drive, Pine City, Minnesota

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approve Agenda
4. Budget Update and County Board Discussion and Direction
5. Adjourn

Members: District 1 – Steve Hallan
District 2 – Josh Mohr
District 3 – Steve Chaffee
District 4 – John Mikrot, Jr.
District 5 – Matt Ludwig



PINE COUNTY

Administrator's Office

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Commissioners

Steve Hallan – Dist. 1
Josh Mohr – Dist. 2
Steve Chaffee – Dist. 3
John Mikrot Jr. – Dist. 4
Matt Ludwig – Dist. 5

County Administrator

David J. Minke

TO: Pine County Commissioners
FROM: David Minke, County Administrator
DATE: September 10, 2019
SUBJECT: 2020 Budget Update

The county board identified several priorities for the 2020 budget including:

- 3% or less increase in property tax levy
- Add ½ time agricultural educator through U of M Extension
- Maintain general level of services
- Maintain contingency for unforeseen events/opportunities

Departments and agencies presented budget requests at three meetings—August 20, 21, and 27. Funding all the requests would have required a levy increase of nearly \$1 million which equates to a 5.27% levy increase.

At the August 27, 2019 meeting, commissioners gave direction to develop options to close the budget gap. Since that time, under the leadership of Auditor-Treasurer Kelly Schroeder, staff have worked and reworked budgets and we are now in a position to have a balanced budget with a 3% levy increase.

Many reductions and tweaks have gone into the budget over the last two weeks. Below is a status of some noteworthy items. Balancing the budget with a 3% levy increase necessitates the use of numerous assumptions. Commissioners may want to make different choices. The below is presented to respond to the request for a balanced budget that fit your expressed priorities.

- Historical Society request of \$25,000, an increase of \$5,000 from 2019 remains.
- SWCD request for agricultural technician, an increase of \$30,000, removed.
- Extension request for agricultural educator, an increase of \$48,364 remains.
- Sheriff's Office staffing includes 1 new FTE for DWI grant-funded deputy and 1 new FTE for a full-time deputy and elimination of 2 part-time deputies.
- Solid Waste budget includes an increase in the solid waste fee of \$2 per improved parcel.
- Highway budget has no increase in the levy from 2019.
- Health and Human Services budget has an increased levy of \$129,000 and an increase in the out-of-home placement costs of \$250,000.

- Jail revenues are budgeted at \$250,000, an increase of \$50,000 from the original budget.
- Agricultural Society (\$10,000) and Central Minnesota Initiative Fund (\$7,450) funded at the same level as 2019.
- Maintains \$100,000 levy for Technology Fund and \$75,000 for Building Fund.
- No contingency is budgeted.

Risks of the proposed budget include:

- Jail revenue is budgeted at \$250,000, which is more than likely what will be collected in 2019.
- Out-of-home placement budget is increased \$250,000, but is still \$200,000 less than the current spending trend projects.
- 2020 health insurance costs are not finalized.

At the budget meeting on Tuesday we can discuss these options, along with other ideas, to close out the preliminary budget and levy by the end of September.