



**PINE COUNTY BOARD
SPECIAL MEETING/BUDGET COMMITTEE
2021 COUNTY BUDGET**

Tuesday, August 25, 2020, 9:00 a.m.

**Meeting to be conducted only via electronic means (Webex with video & phone conf. options)
Pine County, Minnesota**

AGENDA

- **The Meeting Will be Via WebEx (video / phone conference) and streamed live on the internet.**
- **The public may join the meeting via WebEx or watch the livestream.**

The Governor of the State of Minnesota has issued Executive Order 20-01 Declaring a Peacetime Emergency and Coordinating Minnesota’s Strategy to Protect Minnesotans from COVID-19. On March 24, 2020 the Pine County Board of Commissioners declared a local emergency for Pine County.

Based on these conditions, the Chair of the Pine County Board of Commissioners has determined that the requirements of Minnesota Statute 13D.021, Subd. (1) have been met and it is not practical or prudent for all members of the county board to meet in person.

The public is invited to join the meeting remotely: by phone call 1-650-215-5226, (access code): 163 724 1988, (password): SknPPWKR375. Click the link on the county website (www.co.pine.mn.us) for more information and to watch a live stream broadcast of the meeting.

1. Call to Order
2. Pledge of Allegiance
3. Approve Agenda
4. 2020 Budget Overview
 - A. Major Drivers
 - B. Preliminary Revenue Estimates
 - C. Preliminary Expenditure Estimates
5. Review Designated Funds (see attached list)

The county maintains many accounts with designated funds. Most of the accounts are integrated into the county’s major funds—General Fund, HHS Fund, Land Fund. Two of them are held in separate Funds—Building Fund and Technology Equipment Fund. Today’s review will focus on those accounts that are a part of the larger funds.
6. Review Auditor/Treasurer Department Budgets
 - Auditor/Treasurer
 - 41 Auditor/Treasurer
 - 63 TNT
 - 71 Elections

- Planning / Zoning / Solid Waste
 - 74 Aquatic Invasive Species
 - 107 Zoning
 - 392 Recycling
- Assessor / Recorder
 - 101 Recorder
 - 105 Assessor
- 801 Non-departmental
- Fund 22 (Land)
- Fund 39 (2015A G.O. Jail Bonds)
- Fund 40 (2012 G.O. Courthouse Bonds)
- Fund 41 (2017A G.O. CIP Bonds)

Recess for lunch at discretion of the chair

Reconvene at 1:00 p.m.

7. External Organization/Agency Budget Requests

- Soil and Water Conservation District-Jill Carlier
- Pine County Historical Society—Larry Helwig
- Pine County Agricultural Society—Steve Hallan
- Pine County District Court—Amy Isaacson
- University of Minnesota Extension—Susanne Hinrichs

8. 2021 Budget General Discussion/Direction

9. Adjourn

Budget Meeting Schedule (all via WebEx and streamed live on the internet)

August 31, 2020, 9:00 a.m.—Department Budget Requests

September 9, 2020, 9:00 a.m.—Department Budget Requests and Discussion of Preliminary Levy

Additional meetings (in necessary) could be scheduled


September 15, 2020 as part of the regular board meeting

September 22 or 29, 2020 as special county board meetings. The preliminary levy must be adopted by September 30, 2020.

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

RESTRICTED FUND BALANCES

Fund	Account Description - Statutory Citation	12/31/2018 Balance	12/31/2019 Balance	Difference
General	Aquatic Invasive Species MS 477A.19	151,726.34	171,573.28	19,846.94
General	Attorney Forfeitures MS 169A.63 (30%) & 609.5315 (20%)	86,553.64	85,493.24	(1,060.40)
General	Community Coach	8,029.44	(3,073.11)	(11,102.55)
General	E911 - MS 403.113	79,820.61	94,936.27	15,115.66
General	Economic Development	17,751.25	8,685.38	(9,065.87)
General	Elections	-	(16,891.00)	(16,891.00)
General	Gun Permits MS 624.714	141,917.30	142,776.96	859.66
General	Jail Canteen	-	26,530.56	26,530.56
General	Law Library MS 134A.09	43,543.26	44,027.44	484.18
General	Low Income Septic Loans	39,675.25	47,938.25	8,263.00
General	Missing Heirs MS 524.3-914	53,704.96	39,343.74	(14,361.22)
General	Probation - Resitution	-	105.00	105.00
General	Recorder Compliance MS 357.182	201,902.37	197,759.17	(4,143.20)
General	Recorder Equipment MS 357.18	216,308.08	194,512.95	(21,795.13)
General	Sheriff Backpack Program	40.89	40.89	-
General	Sheriff Canine	(448.20)	1,144.27	1,592.47
General	Sheriff Contingency MS 387.213	1,821.09	3,241.09	1,420.00
General	Sheriff Forfeitures MS 609.5315 (70%)	29,926.17	33,686.57	3,760.40
General	Sheriff DWI Forfeitures MS 169A.63 (70%)	(1,229.19)	(312.68)	916.51
General	Sheriff Equitable Sharing	3,204.53	238.53	(2,966.00)
General	Sheriff Reserve	509.95	(2,082.18)	(2,592.13)
General	Sheriff Shop with a Cop	-	29.00	29.00
General	Sheriff Sandstone Range	-	10,109.20	10,109.20
General	Veterans Outreach	-	1,039.77	1,039.77
HHS	Adult Protection grant	-	10,809.00	10,809.00
HHS	EBHVP	80,327.52	156,050.16	75,722.64
HHS	MIECHV	405,467.75	323,953.27	(81,514.48)
Land	Blight Clean Up MS 282.08	42,735.05	116,608.18	73,873.13
Land	Forest Access Roads MS 282.08	47,718.28	49,765.62	2,047.34
Land	Timber Development MS 282.08	98,614.00	42,648.00	(55,966.00)
		1,749,620.34	1,780,686.82	31,066.48



2020 Pine County Preliminary Budget

Pine County Special Budget Meeting

August 25, 2020

Kelly Schroeder, County Auditor-Treasurer

A decorative graphic on the left side of the slide. It features a dark grey arrow pointing right at the top, with several thin, curved lines in shades of blue and grey extending downwards and outwards from its base.

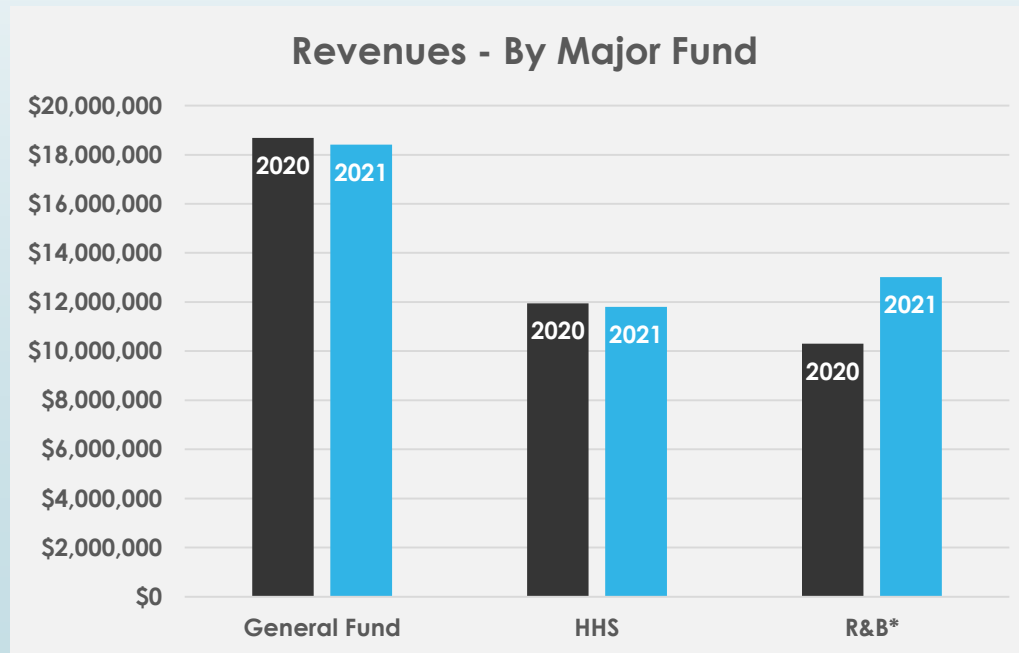
Assumptions

- ▶ **County Program Aid/Other State Aids**
- ▶ **Revenues**
 - ▶ Reimbursements
 - ▶ Prisoner Boarding Revenues
 - ▶ PILT
- ▶ **Wages (2.9%) & Health Insurance (10%)**

Overview - Revenue

- ▶ 2020 Revenue \$44,657,153
 - ▶ 2021 Revenue \$47,011,205
- } Increase of \$2,354,052

*Includes \$50,000 tax levy increase to Hwy only





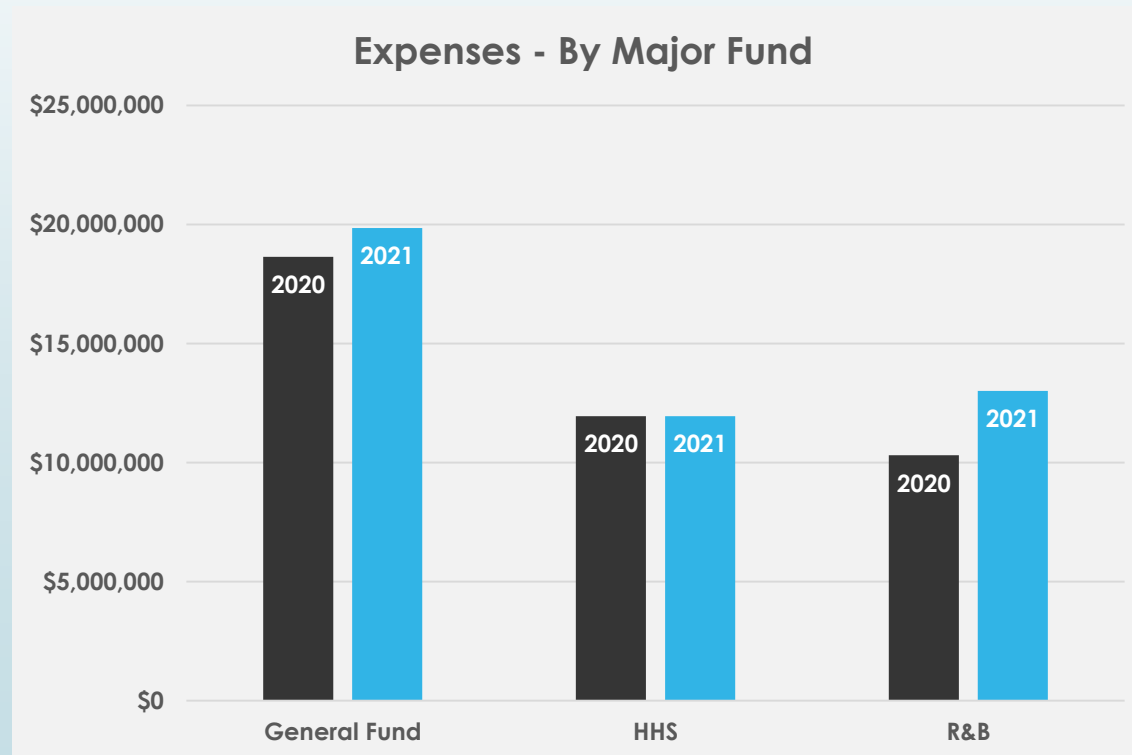
Top Non-Tax General Fund Revenues

- ▶ **County Program Aid - \$2,085,317**
- ▶ **Police Contracts - \$675,308**
- ▶ **PILT - \$640,000**
- ▶ **Tax Forfeit Land & Timber Sales - \$300,000**
- ▶ **Police Aid - \$250,000**
- ▶ **Rental revenue - \$248,940**
- ▶ **Solid Waste Fee - \$196,020**
- ▶ **Assessor Contracts - \$172,400**
- ▶ **Probation Aid - \$155,000**

In 2020, Interest Income & Prisoner Boarding Fees were in this group

Overview - Expenses

- 2020 Expense \$44,452,326
 - 2021 Expense \$48,381,442
- } Increase of \$3,929,116*



* There is a \$2,480,000 increase in Highway Construction included in this number



Top Non-Debt Expenses

- **Salaries/Benefits**

- 2020: \$23,787,773

- 2021: \$25,173,217

} Increase of \$1,385,444

- **Road & Bridge Construction \$7,030,000**

- **Out-of-Home Placements**

- 2020: \$1,929,000

- 2021: \$1,646,355

} Decrease of \$282,645

- **Medical Services to Prisoners \$416,800**

- **Library Appropriation \$338,155**

Overview-Entire Budget

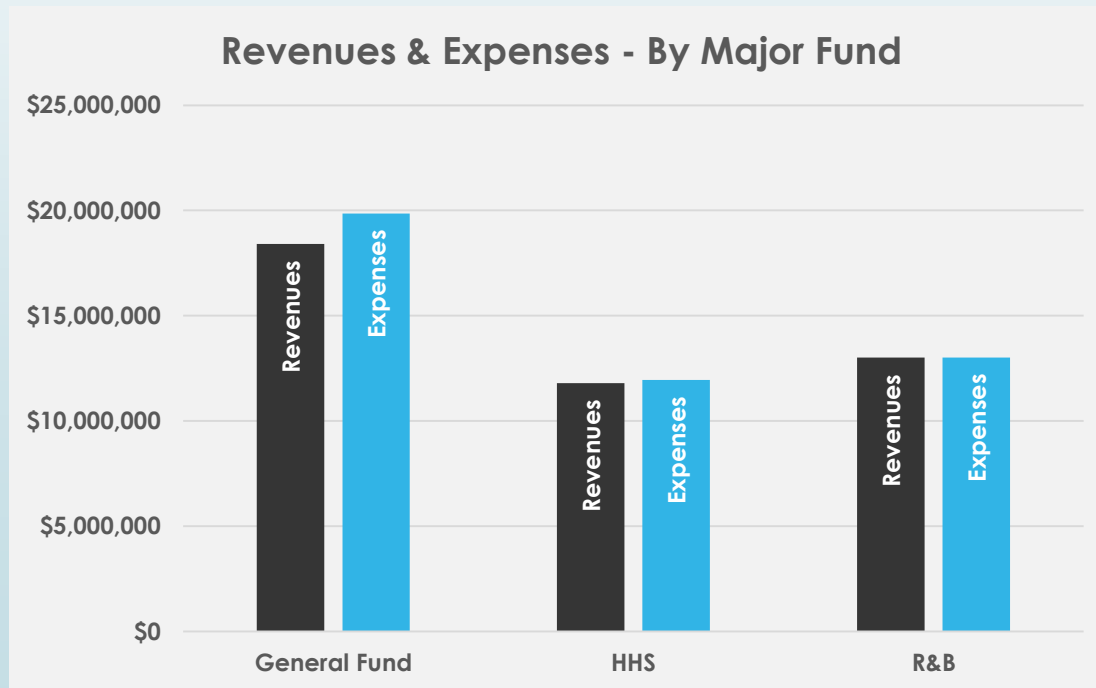
► Revenues \$47,011,205

► Expenses \$48,373,901



Gap of \$1,362,696

*Includes \$50,000 tax levy increase to Hwy to balance





Items to Highlight

- Includes unbudgeted general fund positions added during
 - Assessor Clerk (\$41,341)
 - HR Generalist (\$67,801)
 - IT Specialist (\$74,383)
- Includes leaving vacancies in Highway & HHS and not bringing back the laid off building maintenance worker
- Includes Building (\$75,000) & Technology Funds (\$100,000)
- Sales Tax Revenue (\$1,200,000 Hwy Fund)
- Stable funding for partner organizations

Department	New Levy \$	Salary/Benefits	# of Employees
Jail	\$447,641	\$259,031	45
Sheriff	\$343,425	\$244,483	41
Assessor*	\$100,425	\$79,925	8
Attorney	\$86,744	\$93,931	10
Administrator*	\$85,865	\$88,615	6
Probation	\$79,560	\$73,967	10
Solid Waste*	\$49,886	\$21,736	9
Public Works	\$50,000	(\$113,425)	45
IT*	\$49,188	\$100,311	4
Zoning*	\$48,351	\$50,479	5**
Auditor-Treasurer	\$34,966	\$38,566	8
Court Security	\$16,424	\$16,424	7
Veterans Services	\$12,923	\$15,173	3
STS	\$4,889	\$4,889	1
Emergency Mgmt	\$4,106	\$4,106	3***
Recorder	\$1,537	\$3,487	3
HHS	\$0	\$377,996	91
Building Maint	(\$1,233)	(\$3,433)	4
Dispatch	(\$1,260)	(\$1,260)	12

County Department Overview

*Departments with on additional position since 2020 budget (Zoning & Solid Waste is 1 position between the two)

**The 5 Zoning Employees are also included in the 9 Solid Waste Employees

***These 3 employees are also included in the 41 Sheriff Employees

Debt

Bond	Beginning Balance	Current Balance	Interest Rate	2021 Payment	2021 Principal Portion	Payoff Year
2012 Jail*	\$13,410,000	\$8,760,000	3%	\$969,800	\$700,000	2031
2015 Courthouse	\$13,430,000	\$10,675,000	3%-4%	\$1,121,300	\$760,000	2031
2017 CIP	\$3,905,000	\$3,510,000	2.25%-3%	\$324,123	\$225,000	2033
TOTALS	\$30,745,000	\$22,945,000		\$2,415,223	\$1,685,000	

*This is the debt we are considering refunding.

2021 Tax Levy

► 2020 Levy = \$19,354,383

► Each 1% is \$193,544

ADDITIONAL LEVY DOLLARS FOR 2021 BUDGET	
General Fund	\$1,444,780*
Health & Human Services Fund	\$0**
Road & Bridge Fund	\$50,000
Land Fund	\$0
Debt Service Funds	\$157***
Totals	\$1,494,937

7.7% Increase

*This is the amount that would be needed in the general fund without any cuts or using of any reserves

**Budget is balanced with using approximately \$144,000 in reserves

***With refunding the 2012 Bonds, the debt service payment may decrease by approximately \$60,000



Options

- **Reduce Building fund levy (\$75,000)**
 - Wrap all costs for the next few years into bond refunding
 - Refunding will also save approximately \$60,000
- **Review revenues**
- **Review expenses**
 - Insurance Costs
 - Budget for other potential vacant positions
- **Ensure restricted fund balances are used where possible**
- **Fund Balance**
- **Tax Levy**



Next Steps - Budget Meetings

- ▶ **August 25th**
 - ▶ Auditor-Treasurer Department Review
 - ▶ Outside Organizations
- ▶ **August 31st**
 - ▶ Majority of the Departments
- ▶ **September 9th**
 - ▶ Remaining Departments
 - ▶ Consider levy adoption or schedule additional meetings
 - ▶ September 15th, regular board meeting
 - ▶ September 22th or 29th



Questions?

**2021 Pine SWCD
County Budget Request**



2020 Allocation	\$59,399.00
WCA Levy	<u>\$5,194.00</u>
2020 Total Allocation	\$64,593.00

2021 Plans

Focus on staffing the office to a needed capacity is top priority. Getting additional help for our technician is extremely important in keeping up with workload, and keeping employees happy. We hope to bring in an assistant-technician during the summer/fall to help with the workload of this position. We feel there is so much work associated with this position, we need to hire additional help, in order to retain our technical staff.

At the end of 2020/into the beginning of 2021, we will have a seasonal forester on-staff to assist with writing stewardship plans. We are doing a "push" to get more acres of the county into SFIA, and our forester is not able to handle the increased workload. Our hope is the seasonal forester doing plans will give the forester more time to work on forestry-related cost share projects.

We hope to continue working at the State Capitol on our pilot bill for levy authority for Pine and Carlton SWCD's. We were very close to getting this bill passed in 2020, but were interrupted by the pandemic. We have already started outlining our next steps for meetings (in-person or virtual) to continue this process. Senator Jason Rarick feels very strongly that if the pandemic hadn't hit, our bill would've passed this year. We are committed to pushing this until we are successful.

Our PF Farmbill Biologist has been busy at NRCS assisting with the EQIP program. Since statewide EQIP funding was lower than normal, our biologist has been working with landowners to see if the district could cost-share on their projects. She has been partnering with our forester and technician on some of these projects.

2021 Budget Request:

Pine SWCD is requesting an additional \$20,000 for 2021 in order to bring in an additional technician. We plan to cover some of the costs for this position, but cannot afford to bring in an additional person on our current budget. We know the position is needed, and we know they will be busy while they are here.

\$79,399.00	County Allocation
\$5,194.00	WCA Levy
\$84,593.00	Total County Funding

Pine County Historical Society

PROPOSED BUDGET 2020-2021

INCOME:	Amount
County Appropriation	\$ 25,000.00
Thrift Shop	\$ 5,500.00
Sales Shop Net	\$ 15,000.00
Desk & Memberships	\$ 15,000.00
DONATION INCOME	
Cities and Townships	\$ 7,000.00
Undesignated Funds	\$ 5,000.00
Designated Funds	\$ 15,000.00
Memorials	\$ 700.00
Organizations	\$ 10,000.00
Cafe income	\$ 90,000.00
Stocks and bonds	\$ 5,000.00
Rentals	\$ 3,500.00
Events	\$ 12,000.00
Miscellaneous	\$ 500.00
TOTAL INCOME:	\$ 209,200.00

EXPENSES:	Amount
Part Time Director	\$ 15,000.00
Part Time Custodian	\$ 10,000.00
Museum Maintenance	\$ 8,550.00
Improvements	\$ 10,000.00
Mowing	\$ 1,200.00
Snow Removal	\$ 1,500.00
Accounting	\$ 2,500.00
Advertising	\$ 6,500.00
Event Expense	\$ 4,000.00
Bank Charges/Credit Card Fees	\$ 2,000.00
Dues and subscriptions	\$ 300.00
Equipment Purchases	\$ 1,000.00
Postage and shipping	\$ 1,100.00
Supplies (cleaning, office)	\$ 3,000.00
Miscellaneous	\$ 400.00
Insurance (director, building, treasurer's bond)	\$ 8,000.00
Real estate taxes	\$ 950.00
Printing & copier	\$ 3,500.00
Museum Training, Travel & Tuition	\$ 500.00
Cafe Food and supplies	\$ 31,000.00
Cafe repairs and maintenance	\$ 2,000.00
Cafe Salaries	\$ 30,000.00
Cafe Training and licenses	\$ 1,000.00
Cafe Insurance (workman's comp)	\$ 1,200.00
Withholding taxes and fees	\$ 20,000.00
Gift Shop Consignment Cost	\$ 10,000.00

UTILITIES

Phone	\$	2,000.00
Electric	\$	10,000.00
Fuel	\$	20,500.00
Water/Sewer	\$	1,500.00

TOTAL EXPENSES: \$ 209,200.00