

2016 Aitkin County Budget Summary

December 8, 2015, 6:05 pm

Aitkin County Board of Commissioners Meeting Room

Aitkin County Courthouse, Aitkin, MN

I.	Overview	1
A.	Initial Budget Gap.....	1
B.	Personnel.....	2
C.	Services, Charges, Supplies, etc.....	3
D.	Revenue.....	3
II.	Levy, Revenue and reserves.....	3
A.	Levy	3
B.	Fund Balances	4
III.	Major Funds Summary	5
A.	General Fund.....	6
B.	Highway Fund.....	7
C.	Health and Human Services Fund	8
IV.	Department Expenditures and Revenues	9

I. OVERVIEW

This presentation focuses on those funds and departments which are funded to a great degree by the County levy. The General Fund, Road and Bridge Fund and Health and Human Services fund are the county's major funds. Other funds of the County generate revenue from the sale of services, materials or property and are generally independent of the levy.

A. Initial Budget Gap

The initial budget gap is calculated based on known non-levy revenue adjustments, and expenditure adjustments that will be necessary to carry out the current functions of the County. These adjustments are typically inflationary, or based on existing agreements of the County such as union contracts.

In preparation of the 2016 budget the initial budget gap was estimated at \$1.4 million (approximately 4.5% of all expenditures). For 2016, the County's budget gap was caused entirely by projected cost increases.

The County's expenditures were estimated to increase due to the following factors:

- Salary, wage and benefit increases under current union contracts
- General inflationary expense related to the purchase of products and services for the operations of the county
- Increases in expenses because 2016 is an election year
- Increase in requests for capital spending
- Requests for additional personnel

B. Personnel

1. Add one dispatcher

The Sheriff's Department will add one dispatcher to the full time employee compliment in 2016. Dispatch is a stressful position, and the community relies upon consistent available service. There are times at current staffing levels where it is difficult to ensure that there is coverage for the dispatch center. The addition of a dispatcher will assist to ensure the safety of the residents and visitors of Aitkin County.

2. Add permanent part time Assistant Veterans Service Officer

The Aitkin County Veterans Service Officer serves many Aitkin County Veterans, however there are many more veterans in Aitkin County who could use the assistance navigating difficult federal benefit programs. The addition of a permanent part time Assistant VSO will help with outreach by having office hours in communities outside of Aitkin, and will increase the number of veterans in Aitkin County obtaining benefits they have earned because of their service.

3. Reduce funding for vacant or expected vacant positions

There are several planned retirements throughout Aitkin County in 2015. While many positions need to be refilled, we have identified 3 positions; Computer Specialist, Assistant County Assessor/Appraiser, and Deputy County Recorder. These positions are either not funded, or only partially funded for the fiscal year.

4. Changes to the County's employee health insurance benefit offering

The County made substantial changes to the benefit offerings to certain county employees. The new Aitkin County Health Care plan is designed to control costs for employee benefits in the long term and provide a better benefit to employees.

C. Services, Charges, Supplies, etc...

1. Election year expenses

The County is required to provide for election administration. In even numbered years election expenses are significantly greater than in odd numbered years. 2016 is a presidential election year, which is an even greater expense.

2. Jail Nursing

The County is required to provide for nursing services for inmates in the County Jail. The county's contract costs increased significantly during 2015.

D. Revenue

1. Increase projected jail revenues

Aitkin County serves other counties by allowing them to place inmates in our jail facility. Other counties pay Aitkin County a per-diem rate to house inmates here. Jail revenues for the past 2 years and over the course of the past decade have averaged more than has been budgeted and the county is increasing projected revenues in recognition. Although it is likely that the County will realize the projected revenue for 2016, it is important to note that Jail revenues vary – and there are potential changes to sentencing guidelines that may change the demand for jail beds.

2. Increase general levy

In order to meet the demand for services in Aitkin County, the 2016 budget includes an increase in the levy for property taxes payable in 2016. More detail and information on the levy is included in Section III.

II. LEVY, REVENUE AND RESERVES

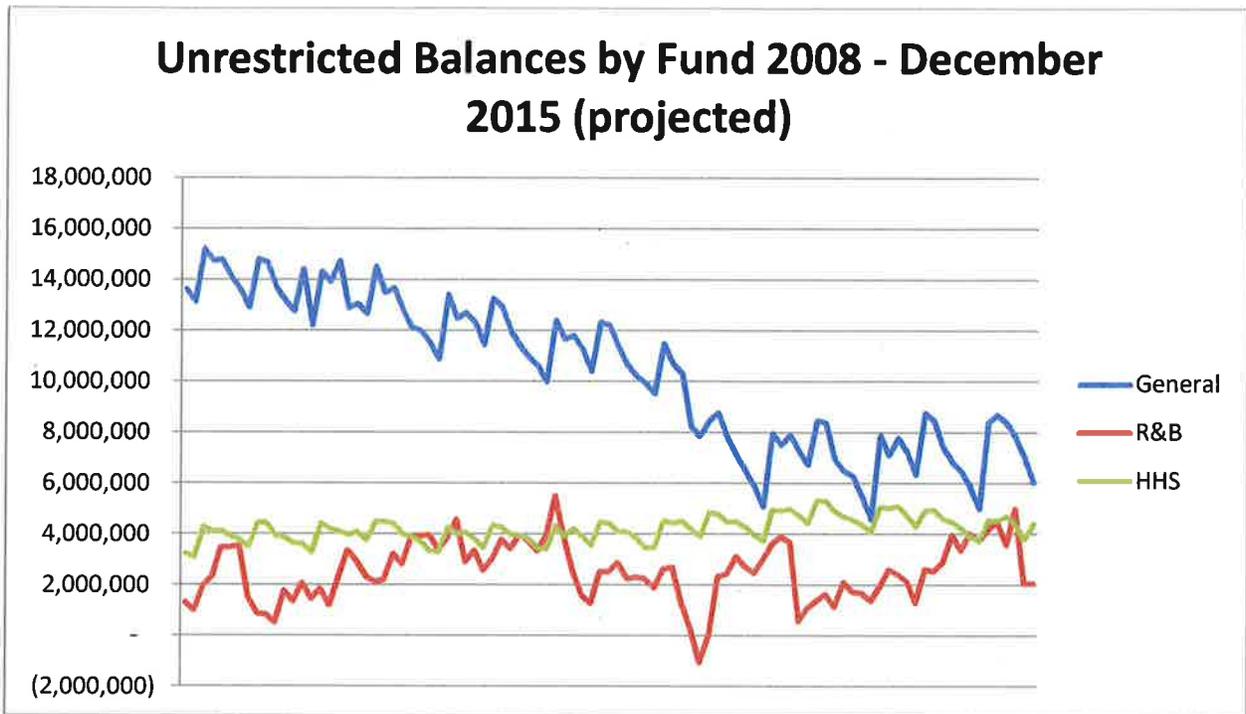
A. Levy

Levy Increase - Dollars	\$341,525	\$0	\$274,204	\$448,100
Levy Increase - Percentage	3.0%	0.0%	2.3%	3.6%
Tax Capacity-(2016 estimate)	\$28,211,079	\$27,077,480	\$26,855,769	\$26,865,527
Estimated Tax Rate (before Disparity Aid Adjustment)	41.564%	43.304%	44.568%	46.334%

Tax Estimates County Only

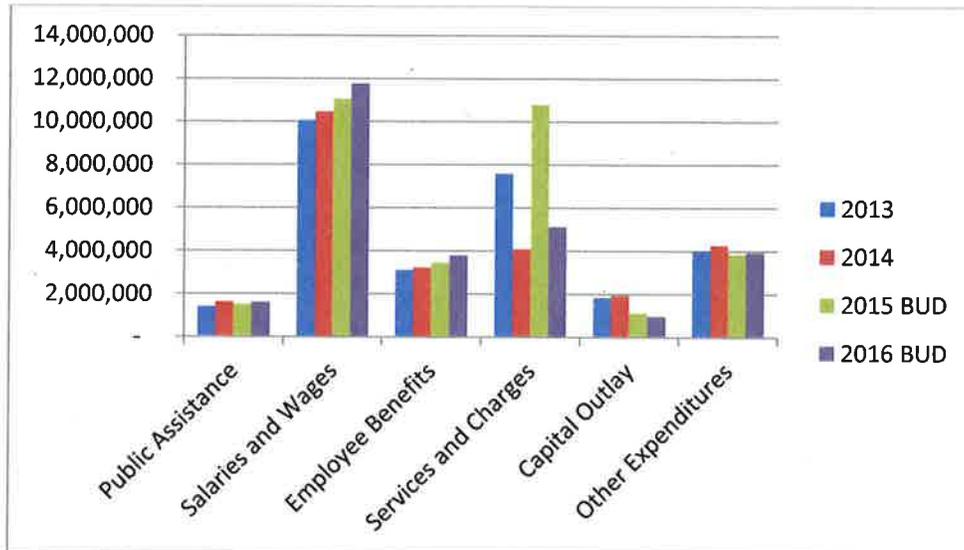
100K Homestead (w homestead exclusion)	264	275	283	295
250k Homestead (w homestead exclusion)	888	925	952	990
300k C/I	2,182	2,273	2,340	2,433

B. Fund Balances



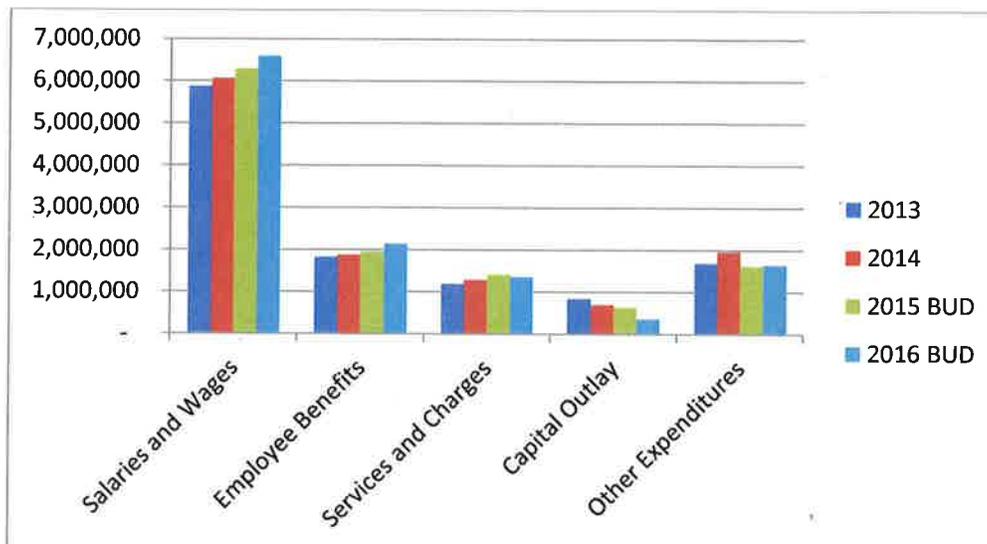
III. MAJOR FUNDS SUMMARY

Major Object	2013	2014	2015 BUD	2016 BUD
Taxes	(10,616,452)	(10,926,861)	(12,643,587)	(12,433,000)
Special Assessments	(153,331)	(142,883)	(137,400)	(117,450)
Licenses And Permits	(368,274)	(372,177)	(459,630)	(460,455)
Shared Revenues	(1,633,686)	(2,013,404)	(355,000)	(1,040,734)
Intergovernmental Charges	(1,074,134)	(1,117,674)	(1,063,112)	(1,086,080)
State Grants	(1,458,635)	(1,509,747)	(1,330,727)	(1,666,308)
Federal Grants	(2,287,794)	(2,401,161)	(2,442,786)	(2,391,618)
Charges For Services	(1,151,357)	(1,321,522)	(1,025,737)	(1,226,029)
Fines and Forfeitures	(23,775)	(21,011)	(21,511)	(20,607)
Gifts and Contributions	(299,608)	(334,312)	(330,000)	(330,000)
Miscellaneous	(6,933,370)	(6,176,635)	(7,368,311)	(5,750,749)
Other Financing Services	(14,638)	(14,633)	-	-
REVENUE SUBTOTAL	(26,015,053)	(26,352,019)	(27,177,801)	(26,523,030)
Public Assistance	1,417,258	1,635,620	1,516,593	1,626,794
Salaries and Wages	10,066,805	10,465,111	11,057,169	11,766,503
Employee Benefits	3,115,589	3,233,126	3,476,422	3,794,253
Services and Charges	7,596,765	4,095,202	10,789,133	5,129,850
Repair and Maintenance Services	188,519	139,795	144,614	149,572
Travel	123,111	157,285	135,450	162,691
Rentals and Service Agreements	1,119	1,856	5,435	6,720
Other Charges	500,319	521,494	469,079	485,126
Interdepartmental Charges	1,119	1,120	1,500	1,500
Direct Materials and Supplies	457,133	573,428	428,861	575,012
Road and Bridge Supplies and Materials	1,369,306	1,175,746	1,264,186	1,190,015
Repair and Maintenance Supplies	258,928	314,205	266,600	264,600
Capital Outlay	1,837,844	1,949,025	1,135,958	967,301
Other Expenditures	1,136,564	1,221,092	1,137,340	1,103,924
Other Financing Uses	-	163,266	-	-
EXPENDITURE SUBTOTAL	28,070,380	25,647,371	31,828,340	27,223,861
REVENUE + EXPENDITURES	2,055,328	(704,648)	4,650,539	700,831



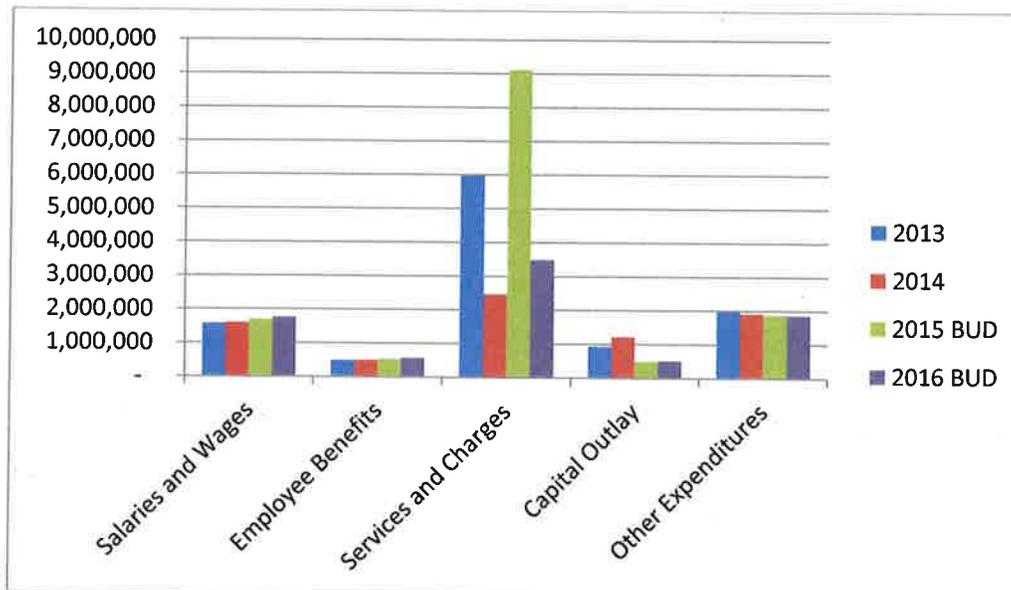
A. General Fund

Major Object	2013	2014	2015 BUD	2016 BUD
Taxes	(6,020,534)	(6,797,661)	(7,889,302)	(7,315,377)
Special Assessments	(153,331)	(142,883)	(137,400)	(117,450)
Licenses And Permits	(368,274)	(372,177)	(459,630)	(460,455)
Shared Revenues	(807,329)	(1,113,510)	-	(655,734)
Intergovernmental Charges	(1,058,118)	(1,091,996)	(1,063,112)	(1,086,080)
State Grants	(772,284)	(589,027)	(455,797)	(502,063)
Federal Grants	(50,634)	(131,674)	(135,000)	(133,000)
Charges For Services	(934,608)	(1,114,176)	(829,537)	(972,229)
Fines and Forfeitures	(23,775)	(21,011)	(21,511)	(20,607)
Gifts and Contributions	(299,608)	(334,312)	(330,000)	(330,000)
Miscellaneous	(558,236)	(428,577)	(342,339)	(347,935)
Other Financing Services	(14,638)	(14,633)	-	-
REVENUE SUBTOTAL	(11,061,368)	(12,151,636)	(11,663,628)	(11,940,930)
Salaries and Wages	5,875,706	6,063,356	6,291,683	6,593,605
Employee Benefits	1,825,040	1,874,901	1,949,162	2,138,440
Services and Charges	1,191,874	1,287,876	1,412,462	1,360,108
Repair and Maintenance Services	179,654	127,896	78,500	84,197
Travel	49,303	57,311	64,036	67,984
Rentals and Service Agreements	1,119	1,856	3,480	4,080
Other Charges	273,115	296,815	306,612	319,729
Interdepartmental Charges	-	-	-	-
Direct Materials and Supplies	384,910	491,930	326,945	420,487
Road and Bridge Supplies and Materials	112,939	115,318	132,650	112,850
Repair and Maintenance Supplies	30,359	37,577	31,600	29,600
Capital Outlay	846,837	699,033	638,658	364,225
Other Expenditures	655,265	667,101	682,840	609,974
Other Financing Uses	-	163,266	-	-
EXPENDITURE SUBTOTAL	11,426,120	11,884,237	11,918,628	12,105,279
REVENUE + EXPENDITURES	364,752	(267,399)	255,000	164,349



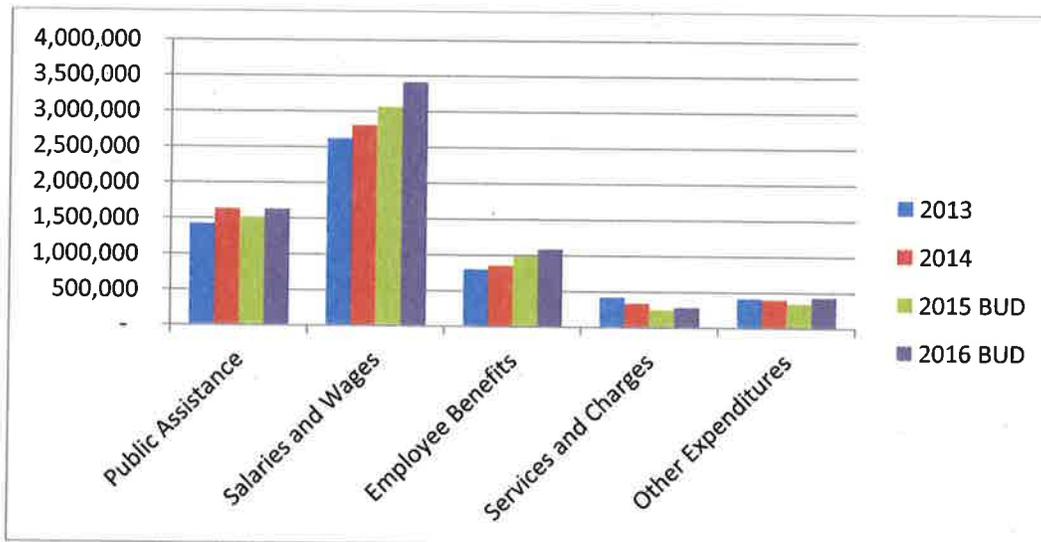
B. Highway Fund

Major Object	2013	2014	2015 BUD	2016 BUD
Taxes	(2,125,639)	(2,240,963)	(2,536,694)	(2,586,942)
Special Assessments	-	-	-	-
Licenses And Permits	-	-	-	-
Shared Revenues	(511,533)	(629,851)	(340,000)	(370,000)
Intergovernmental Charges	(16,016)	(25,678)	-	-
State Grants	-	(39,584)	-	-
Federal Grants	(100,606)	(100,871)	(140,000)	-
Charges For Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Gifts and Contributions	-	-	-	-
Miscellaneous	(6,015,842)	(5,433,046)	(6,725,928)	(5,122,000)
Other Financing Services	-	-	-	-
REVENUE SUBTOTAL	(8,769,636)	(8,469,993)	(9,742,622)	(8,078,942)
Salaries and Wages	1,567,759	1,593,350	1,699,122	1,758,807
Employee Benefits	488,040	501,697	539,591	566,487
Services and Charges	5,981,827	2,470,783	9,123,560	3,484,100
Repair and Maintenance Services	8,685	11,718	12,000	12,000
Travel	31	-	-	-
Rentals and Service Agreements	-	-	-	-
Other Charges	189,778	182,212	116,052	118,293
Interdepartmental Charges	-	-	-	-
Direct Materials and Supplies	10,822	8,299	13,000	14,190
Road and Bridge Supplies and Materials	1,256,367	1,060,428	1,131,536	1,077,165
Repair and Maintenance Supplies	228,569	276,627	235,000	235,000
Capital Outlay	938,515	1,218,726	497,300	509,900
Other Expenditures	296,577	373,577	371,000	403,000
Other Financing Uses	-	-	-	-
EXPENDITURE SUBTOTAL	10,966,969	7,697,416	13,738,161	8,178,942
REVENUE + EXPENDITURES	2,197,334	(772,577)	3,995,539	100,000



C. Health and Human Services Fund

Fund	Major Object	2013	2014	2015 BUD	2016 BUD
5	Taxes	(2,470,280)	(1,888,237)	(2,217,591)	(2,530,681)
5	Special Assessments	-	-	-	-
5	Licenses And Permits	-	-	-	-
5	Shared Revenues	(314,824)	(270,042)	(15,000)	(15,000)
5	Intergovernmental Charges	-	-	-	-
5	State Grants	(686,351)	(881,137)	(874,930)	(1,164,245)
5	Federal Grants	(2,136,553)	(2,168,616)	(2,167,786)	(2,258,618)
5	Charges For Services	(216,749)	(207,346)	(196,200)	(253,800)
5	Fines and Forfeitures	-	-	-	-
5	Gifts and Contributions	-	-	-	-
5	Miscellaneous	(359,291)	(315,012)	(300,044)	(280,814)
5	Other Financing Services	-	-	-	-
REVENUE SUBTOTAL		(6,184,049)	(5,730,389)	(5,771,551)	(6,503,158)
5	Public Assistance	1,417,258	1,635,620	1,516,593	1,626,794
5	Salaries and Wages	2,623,340	2,808,406	3,066,364	3,414,091
5	Employee Benefits	802,509	856,528	987,669	1,089,326
5	Services and Charges	423,064	336,543	253,111	285,642
5	Repair and Maintenance Services	180	180	54,114	53,375
5	Travel	73,778	99,975	71,414	94,707
5	Rentals and Service Agreements	-	-	1,955	2,640
5	Other Charges	37,426	42,468	46,415	47,104
5	Interdepartmental Charges	1,119	1,120	1,500	1,500
5	Direct Materials and Supplies	61,402	73,199	88,916	140,335
5	Road and Bridge Supplies and Materials	-	-	-	-
5	Repair and Maintenance Supplies	-	-	-	-
5	Capital Outlay	52,492	31,266	-	93,176
5	Other Expenditures	184,723	180,414	83,500	90,950
5	Other Financing Uses	-	-	-	-
EXPENDITURE SUBTOTAL		5,677,291	6,065,718	6,171,551	6,939,640
REVENUE + EXPENDITURES		(506,758)	335,329	400,000	436,482



IV. DEPARTMENT EXPENDITURES AND REVENUES

Fund Dept	Rev	Exp	Rev	Exp
General Fund				
Administration/General Gov't Depts				
1 1 Commissioners	0	246,894	0	267,698
1 40 Auditor	(278,730)	601,807	(284,555)	636,328
1 41 Internal Audit	0	65,000	0	69,500
1 42 Treasurer	(32,500)	249,943	(29,400)	260,539
1 43 Asector	(166,997)	830,499	(173,761)	848,068
1 44 Central Services	(7,493,247)	310,979	(7,553,074)	159,320
1 45 Motor Pool	(30,000)	53,261	(50,000)	34,573
1 49 Information Technologies	(800)	601,428	(900)	584,676
1 52 Administration/HR	0	398,957	0	418,463
1 60 Elections	0	20,600	(900)	126,776
1 100 Recorder	(239,231)	248,030	(239,912)	217,341
1 110 Courthouse Maint	(20,000)	366,051	(20,000)	359,253
1 111 Buildings	0	72,000	0	72,000
1 120 VSO	(22,200)	93,490	(16,000)	119,788
1 121 HRA	0	1,600	0	1,600
<i>Administration/General Gov't Depts Subtotal</i>	<i>(8,283,705)</i>	<i>4,160,539</i>	<i>(8,368,502)</i>	<i>4,175,923</i>
Public Safety				
1 12 Court Administration	(100)	85,100	(1,000)	100,100
1 90 Attorney	(56,147)	931,141	(56,528)	971,331
1 123 Coroner	0	58,000	0	58,000
1 200 Enforcement	(176,750)	2,099,117	(198,750)	2,226,644
1 201 Sheriff Contingency	0	0	0	0
1 202 Boat and Water	(19,000)	83,346	(27,385)	82,336
1 203 Snowmobile	(6,175)	33,033	(6,175)	33,018
1 204 ATV	(14,212)	20,537	(14,212)	27,683
1 206 Forfeitures	0	0	0	0
1 252 Corrections	(2,290,405)	2,358,067	(2,423,780)	2,557,128
1 253 Aitkin Co Community Corrections	(33,443)	298,401	(33,443)	301,183
1 254 Enhanced 911	(89,150)	331,700	(89,189)	80,064
1 255 Crime Victim	(43,607)	67,502	(67,740)	74,025
1 257 Sobriety Court	0	7,000	0	20,000
1 280 Emergency Management	(22,000)	47,223	(19,194)	45,593
<i>Public Safety Subtotal</i>	<i>(2,750,989)</i>	<i>6,420,167</i>	<i>(2,937,396)</i>	<i>6,577,105</i>
Culture and Recreation				
1 500 Library & Historical Society	0	289,552	0	277,382
1 520 Parks	0	0	0	0
1 601 Extension	0	55,281	0	58,393
<i>Culture and Recreation Subtotal</i>	<i>0</i>	<i>344,833</i>	<i>0</i>	<i>335,775</i>
Conservation of Natural Resources				
1 122 Planning and Zoning	(285,006)	419,434	(295,816)	436,397
1 390 Environmental Health	(72,000)	76,724	(70,500)	74,688
1 391 Solid Waste	(264,778)	273,988	(262,816)	293,262
1 392 Water Wells	(6,150)	6,150	(5,900)	5,900
1 600 Ag Soc, Soil & Water, Ag	0	136,169	0	139,413
1 603 Wetland Value Repl Fund	0	0	0	0
<i>Conservation of Natural Resources Subtotal</i>	<i>(627,934)</i>	<i>912,465</i>	<i>(635,032)</i>	<i>949,660</i>
Economic Development				
1 700 Promotion, Tran, Airport,	0	41,807	0	28,007
1 711 Economic Development	(1,000)	38,817	0	38,809
<i>Economic Development Subtotal</i>	<i>(1,000)</i>	<i>80,624</i>	<i>0</i>	<i>66,816</i>
General Fund	(11,663,628)	11,918,628	(11,940,930)	12,105,279

Road and Bridge Fund			
3 0	(4,183,722)	0	(4,231,842) 0
3 301 Administration/HR	0	470,550	0 481,918
3 302 Engineering/Construction	0	501,571	0 513,575
3 303 Highway Maintenance	0	3,313,940	0 3,336,349
3 307 Capital Infrastructure	(5,061,600)	8,954,800	(3,337,200) 3,337,200
3 308 Equipment and Facilities	(497,300)	497,300	(509,900) 509,900
3 310 232 Turnback	0	0	0 0
Road and Bridge Fund	(9,742,622)	13,738,161	(8,078,942) 8,178,942

Health and Human Services Fund			
5 0	0	0	0 0
5 400 Public Health	(679,163)	714,805	(745,169) 866,550
5 420 Income Maintenance	(1,595,020)	1,742,982	(1,848,150) 1,961,611
5 430 Social Services	(3,497,368)	3,713,764	(3,909,839) 4,111,479
Health and Human Services Fund	(5,771,551)	6,171,551	(6,503,158) 6,939,640