



Mille Lacs Sunset by Alison Droogsma

# 2019 Budget and Levy Presentation

December 4, 2018

# Truth-in-Taxation

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MN Statute 275.65, subdivision 3, states that cities with a population over 500, counties, school districts, the Metropolitan Council, the Metropolitan Airports Commission, and the Metropolitan Mosquito Control District must hold a meeting to allow for public input prior to the final budget and levy determination. The public meeting must be held between November 25 – December 28, 2018, and must not be held before 6:00 p.m.

Action required at public meeting:

- Discuss budget and proposed property tax levy for the following year.
  - The proposed property tax levy for the taxes payable in the year 2019 and the proposed budget for the taxes payable in the year 2019 must be discussed at the public meeting.
- Public comment and questions.
  - The public must be given a reasonable amount of time to comment on the proposed property tax levy and budget, and to ask questions. Robert's Rules of Order may be used to govern the conduct of the meeting.

# Budget Development Timeline

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## June – August, 2018

- Department heads reviewed their budgets with the Administrative Services Office

## September

- County Board approved the Preliminary Budget and Levy on September 18, 2018

## October – November

- Budget discussions during County Board work sessions
- Truth-in-Taxation notices mailed

## December

- Truth-in-Taxation Public Meeting held on December 4, 2018
- Final review of 2019 budget at the December 11, 2018 County Board meeting
- 2019 budget adopted at December 18, 2018 County Board meeting

# Property Tax Levy Proposed

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2018 Budget Adopted

\$41,751,340

2018 Property Tax Levy Adopted

\$15,446,249

2018 Levy

5.78%

2019 Budget Proposed

\$56,840,829

2019 Property Tax Levy Proposed

\$16,450,255

2019 Preliminary Levy

6.5%

2019 Preliminary Levy Increase

\$1,004,006

# Budget Drivers

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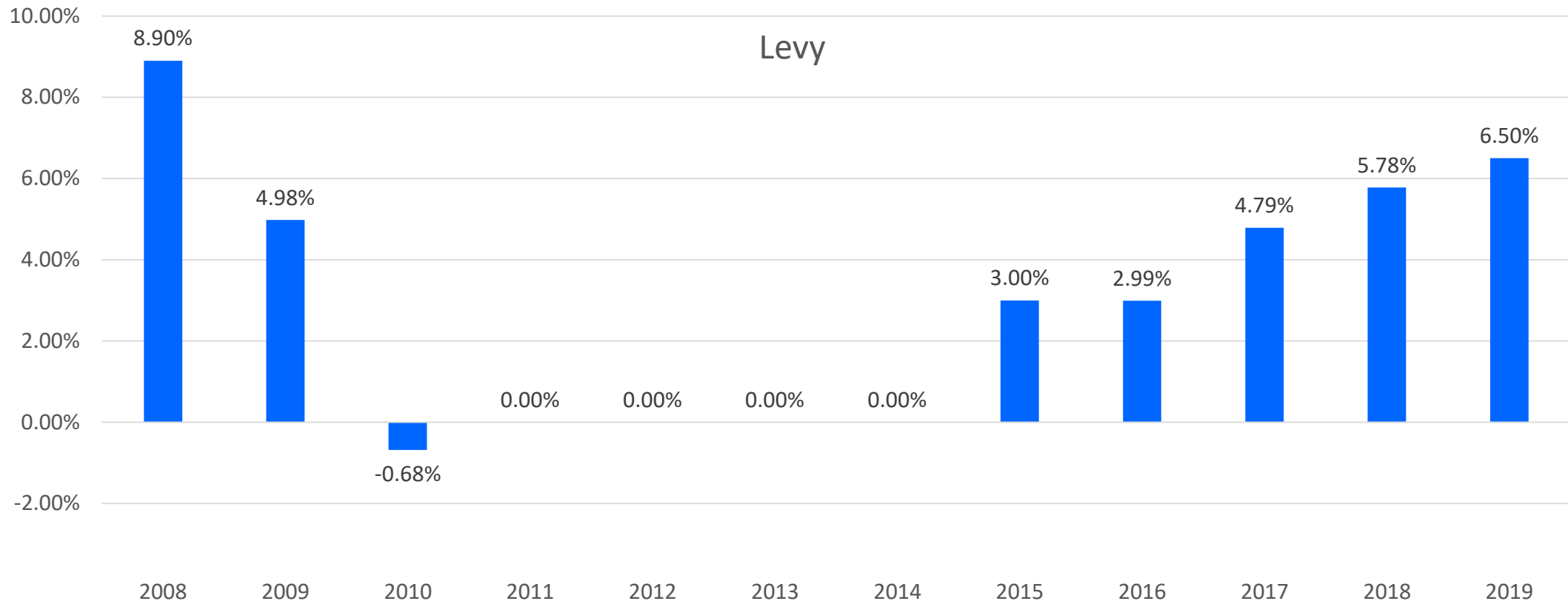
- ❑ Mille Lacs County has maintained a significant cost in out-of-home placement expenses countywide.
  - The county has worked to secure legislative reimbursement grants to support out-of-home placement expenses.
- ❑ Mille Lacs County is mandated by the State of Minnesota to pay for certain services. These services include the out-of-home placement of children ordered by the Mille Lacs Band of Ojibwe Tribal Court, despite having no control over the process and no mechanism for dealing with exponential cost increases.
  - The Mille Lacs Band is working on becoming an Initiative Tribe to support their own out-of-home placement.
- ❑ Mille Lacs County issued bonds to complete Local Option Sales Tax road projects. The money was received in 2018, with the majority of expenditures in 2019.
- ❑ Mille Lacs County is contractually obligated to increase employee bargaining units' wages.
  - Mille Lacs County is currently in negotiations with 2 out of the 7 bargaining units.
- ❑ Mille Lacs County Board approved a 2.5% wage increase for non-union employees.
- ❑ Mille Lacs County has increased the amount allocated to the contingency account.

# Budget Drivers

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- Mille Lacs County is budgeting to purchase 2 County Fleet vehicles.
  - The county is reviewing Enterprise Fleet Management for the County Fleet vehicles, Public Works pickup trucks, and Sheriff vehicles, which would lower costs for the county.
- Mille Lacs County has experienced an increase in health insurance renewal rates countywide.
  - The county switched to Public Employees Insurance Program (PEIP) in 2018 to receive a cost savings from reduced renewal rates. This switch gave the county a 3% rate increase in 2019, as opposed to the 27% the previous year with Resource.
- Mille Lacs County is funding the Domestic Violence Court, which had previous funding through a grant.
  - The county has worked to secure excess grant funds to support the Domestic Violence Court in 2019 to lower the cost from \$90,000 to \$30,000.
- Mille Lacs County moved the part time position of Emergency Manager to a full time position.
- East Central Regional Library requested an increase for operating costs and hours at the Isle location.
- Soil and Water Conservation District requested an increase for wage increases.
- County Extension Service requested an increase for moving the .85 4-H Coordinator position to full time.

# County Levy History



# 2019 Budget: General Fund

<b>2019 General Fund</b>			
County Commissioners	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$0	\$0
Total Expenditure	(229,441)	(227,052)	(230,531)
Net	\$(229,441)	\$(227,052)	\$(230,531)
Court Administration			
Total Revenue	\$0	\$168	\$0
Total Expenditure	(84,000)	(95,840)	(84,000)
Net	\$(84,000)	\$(95,652)	\$(84,000)



# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Law Library	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$40,000	\$47,765	\$50,000
Total Expenditure	(27,000)	(12,733)	(17,000)
Net	\$13,000	\$35,032	\$33,000
Administrative Services			
Total Revenue	\$20,000	\$17,200	\$20,000
Total Expenditure	(1,206,016)	(1,137,566)	(1,294,851)
Net	\$(1,186,016)	\$(1,120,356)	\$(1,274,851)

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Auditor-Treasurer	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$41,500	\$135,328	\$53,000
Total Expenditure	(426,114)	(401,804)	(438,702)
Net	\$(384,614)	\$(266,476)	\$(385,702)
Licenses			
Total Revenue	\$46,732	\$52,590	\$52,590
Total Expenditure	0	0	0
Net	\$46,732	\$52,590	\$52,590

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Internal Auditing	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$0	\$0
Total Expenditure	(45,000)	(48,206)	(47,250)
Net	(45,000)	(48,206)	(47,250)
General Administration			
Total Revenue	\$1,188,956	\$609,189	\$606,786
Total Expenditure	(380,950)	(399,209)	(409,594)
Net	\$808,006	\$209,980	197,192

# 2019 Budget: General Fund

2019 General Fund				
I.S.	2018 Budget	2018 Actual	2019 Budget	
Total Revenue	\$90,500	\$100,000	\$0	
Total Expenditure	(151,200)	(148,096)	(149,250)	
Net	\$(60,700)	\$(48,096)	\$(149,250)	
Data Processing				
Total Revenue	\$0	\$0	\$0	
Total Expenditure	(81,700)	(77,391)	(81,700)	
Net	\$(81,700)	\$(77,391)	\$(81,700)	

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Elections	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$1,270	\$0
Total Expenditure	(52,500)	(42,510)	(25,800)
Net	\$(52,500)	\$(41,240)	\$(25,800)
County Attorney			
Total Revenue	\$61,500	\$53,149	\$53,500
Total Expenditure	(1,450,380)	(1,324,735)	(1,491,666)
Net	\$(1,388,880)	\$(1,271,586)	\$(1,438,166)

# 2019 Budget: General Fund

2019 General Fund			
Victim Assistance	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$165,474	\$108,510	\$160,542
Total Expenditure	(157,642)	(131,521)	(145,026)
Net	\$7,832	\$(23,011)	\$15,516
Assessor			
Total Revenue	\$140,000	\$141,573	\$142,000
Total Expenditure	(467,403)	(419,950)	(465,831)
Net	\$(327,403)	\$(278,377)	\$(323,831)

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
	2018 Budget	2018 Actual	2019 Budget
<b>Land Records and Information</b>			
Total Revenue	\$113,000	\$107,827	\$113,000
Total Expenditure	(55,000)	(146,078)	(52,000)
Net	\$58,00	\$(38,251)	\$61,000
<b>Land Services</b>			
Total Revenue	\$276,277	\$272,379	\$253,600
Total Expenditure	(382,197)	(352,410)	(362,029)
Net	\$(105,920)	\$(80,031)	\$(108,429)

# 2019 Budget: General Fund

2019 General Fund			
Building Maintenance	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$0	\$0
Total Expenditure	(350,805)	(272,941)	(351,350)
Net	\$(350,805)	\$(272,941)	\$(351,350)
Sheriff			
Total Revenue	\$487,500	\$580,699	\$504,832
Total Expenditure	(3,611,537)	(3,395,476)	(3,809,359)
Net	\$(3,124,037)	\$(2,814,777)	\$(3,304,827)



# 2019 Budget: General Fund

2019 General Fund			
Court Security	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$59,000	\$47,636	\$59,000
Total Expenditure	(409,413)	(361,089)	(430,387)
Net	\$(350,413)	\$(313,453)	\$(371,387)
Drug & Alcohol Contingency			
Total Revenue	\$1,000	\$2,327	\$1,000
Total Expenditure	0	0	0
Net	\$1,000	\$2,327	\$1,000

# 2019 Budget: General Fund

2019 General Fund			
Boat and Water	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$11,800	\$13,613	\$11,450
Total Expenditure	(106,283)	(97,161)	(98,045)
Net	\$(94,483)	\$(83,548)	\$(86,595)
Snowmobile Safety Enforcement			
Total Revenue	\$2,500	\$2,332	\$2,500
Total Expenditure	(2,500)	(2,251)	(2,500)
Net	\$0	\$81	\$0

# 2019 Budget: General Fund

<b>2019 General Fund</b>				
ATV Grant	2018 Budget	2018 Actual	2019 Budget	
Total Revenue	\$3,500	\$3,961	\$3,500	
Total Expenditure	(3,500)	(1,169)	(3,500)	
Net	\$0	\$2,792	\$0	
D.A.R.E.				
Total Revenue	\$2,500	\$5,100	\$2,000	
Total Expenditure	(2,500)	(3,244)	(2,000)	
Net	\$0	\$1,856	\$0	

# 2019 Budget: General Fund

<b>2019 General Fund</b>				
Hooked on Fishing	2018 Budget	2018 Actual	2019 Budget	
Total Revenue	\$1,000	\$1,205	\$1,000	
Total Expenditure	(1,000)	(39)	(1,000)	
Net	\$0	\$1,166	\$0	
Chaplaincy				
Total Revenue	\$300	\$1,200	\$500	
Total Expenditure	(300)	(406)	(500)	
Net	\$0	\$794	\$0	

# 2019 Budget: General Fund

<b>2019 General Fund</b>				
DWI Assessment	2018 Budget	2018 Actual	2019 Budget	
Total Revenue	\$500	\$500	\$500	
Total Expenditure	(500)	0	(500)	
Net	\$0	\$500	\$0	
DWI Forfeiture				
Total Revenue	\$2,000	\$11,709	\$2,000	
Total Expenditure	(2,000)	(6,888)	(2,000)	
Net	\$0	\$4,821	\$0	

# 2019 Budget: General Fund

<b>2019 General Fund</b>				
	2018 Budget	2018 Actual	2019 Budget	
Drug Forfeiture				
Total Revenue	\$2,000	\$13,946	\$2,000	
Total Expenditure	(2,000)	(1,473)	(2,000)	
Net	\$0	\$12,473	\$0	
Fleeing an Officer				
Total Revenue	\$100	\$485	\$100	
Total Expenditure	(100)	(285)	(100)	
Net	\$0	\$200	\$0	

# 2019 Budget: General Fund

2019 General Fund			
Communication Agreement	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$60,000	\$72,100	\$70,000
Total Expenditure	(10,000)	(15,168)	(10,000)
Net	\$50,000	\$56,932	\$60,000
Records System			
Total Revenue	\$54,000	\$56,484	\$54,000
Total Expenditure	(54,000)	(58,986)	(54,000)
Net	\$0	\$(2,502)	\$0

# 2019 Budget: General Fund

2019 General Fund			
Permit To Carry	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$54,000	\$46,065	\$54,000
Total Expenditure	(63,554)	(54,726)	(64,615)
Net	\$(9,554)	\$(8,661)	\$(10,615)
Animal Control			
Total Revenue	\$1,000	\$780	\$1,000
Total Expenditure	(16,000)	(15,418)	(16,000)
Net	\$(15,000)	\$(14,638)	\$(15,000)



# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Coroner	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$0	\$0
Total Expenditure	(63,530)	(63,530)	(63,530)
Net	\$(63,530)	\$(63,530)	\$(63,530)
Jail			
Total Revenue	\$771,000	\$574,154	\$655,000
Total Expenditure	(3,088,616)	(2,919,639)	(3,111,685)
Net	\$(2,317,616)	\$(2,345,485)	\$(2,456,685)

# 2019 Budget: General Fund

2019 General Fund			
Prisoner Account	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$250,000	\$204,370	\$250,000
Total Expenditure	(185,000)	(375,682)	(185,000)
Net	\$(65,000)	\$(171,312)	\$(65,000)
Probation			
Total Revenue	\$173,200	\$171,620	\$179,884
Total Expenditure	(982,323)	(792,756)	(1,002,501)
Net	\$(809,123)	\$(621,136)	\$(822,617)

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Case Load Reduction	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$72,682	\$68,622	\$72,682
Total Expenditure	(146,034)	(120,233)	(141,610)
Net	\$(73,352)	\$(51,611)	\$(68,928)
Emergency Management			
Total Revenue	\$126,000	\$28,379	\$21,500
Total Expenditure	(128,934)	(110,084)	(85,998)
Net	\$(2,934)	\$(81,735)	\$(64,498)

# 2019 Budget: General Fund

2019 General Fund			
E911	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$101,000	\$93,559	\$101,936
Total Expenditure	(58,000)	(82,711)	(31,500)
Net	\$(43,000)	\$10,848	\$70,436
PSAP			
Total Revenue	\$0	\$324	\$0
Total Expenditure	(875,598)	(673,192)	(868,208)
Net	\$(875,598)	\$(672,868)	\$(868,208)

# 2019 Budget: General Fund

<b>2019 General Fund</b>				
Solid Waste	2018 Budget	2018 Actual	2019 Budget	
Total Revenue	\$149,495	\$61,616	\$105,827	
Total Expenditure	(147,906)	(142,900)	(103,205)	
Net	\$1,589	\$81,284	\$(2,622)	
County Agricultural Society				
Total Revenue	\$17,000	\$17,000	\$17,000	
Total Expenditure	(17,000)	(17,000)	(17,000)	
Net	\$0	\$0	\$0	

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
County Extension Services	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$19	\$0
Total Expenditure	(93,732)	(70,471)	(106,324)
Net	\$(93,732)	\$(70,452)	\$(106,324)
<b>SWCD</b>			
Total Revenue	\$16,489	\$32,978	\$16,489
Total Expenditure	(119,239)	(135,728)	(133,239)
Net	\$(102,750)	\$(102,750)	\$(116,750)

# 2019 Budget: General Fund

2019 General Fund			
Aquatic Invasive Species	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$127,045	\$47,621	\$95,071
Total Expenditure	(117,750)	(75,784)	(100,824)
Net	\$9,295	\$(28,163)	\$(5,753)
Environmental Resources			
Total Revenue	\$94,607	\$144,868	\$151,026
Total Expenditure	(116,766)	(100,611)	(132,031)
Net	\$(21,339)	\$44,257	\$18,995

# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Economic Development	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$70,215	\$0
Total Expenditure	(76,544)	(104,1621)	(91,102)
Net	\$(76,544)	\$(33,947)	\$(91,102)
Economic Grant – Loan Program			
Total Revenue	\$0	\$4,583	\$0
Total Expenditure	(0)	(10,417)	(0)
Net	\$0	\$(5,834)	\$0



# 2019 Budget: General Fund

<b>2019 General Fund</b>			
Misc. & Non-Dept'l	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$11,722,138	\$5,974,291	\$13,252,298
Total Expenditure	(182,254)	(562,395)	(531,654)
Net	\$11,539,884	\$5,411,896	\$12,720,644
County Library			
Total Revenue	\$0	\$2	\$0
Total Expenditure	(297,635)	(284,162)	(299,316)
Net	\$(297,635)	\$(284,160)	\$(299,316)

# 2019 Budget: General Fund

2019 General Fund			
	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$16,529,435	\$10,101,980	\$17,175,913
Total Expenditure	(16,529,076)	(15,993,914)	(17,175,913)
Net	\$359	\$(5,891,934)	\$(0)

# 2019 Budget: Public Works

<b>2019 Public Works</b>			
Public Works Admin	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$396,337	\$278,855	\$386,800
Total Expenditure	(355,075)	(457,084)	(351,233)
Net	\$41,262	\$(178,229)	\$35,577
Engineering/Construction			
Total Revenue	\$8,406,923	\$6,782,449	\$13,868,926
Total Expenditure	(8,994,192)	(7,313,249)	(13,910,123)
Net	\$(587,269)	\$(530,800)	\$(41,197)

# 2019 Budget: Public Works

<b>2019 Public Works</b>			
Public Work Maintenance	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$2,923,028	\$2,163,184	\$2,559,770
Total Expenditure	(1,773,914)	(1,509,828)	(1,887,719)
Net	\$1,149,114	\$653,356	\$672,051
Equipment Maint & Shop			
Total Revenue	\$0	\$0	\$0
Total Expenditure	(521,949)	(547,878)	(557,194)
Net	\$(521,949)	\$(547,878)	\$(557,194)

# 2019 Budget: Public Works

<b>2019 Public Works</b>			
Surveyor	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$0	\$0	\$0
Total Expenditure	(70,172)	(82,552)	(109,237)
Net	\$(70,172)	\$(82,552)	\$(109,237)
Public Works			
Total Revenue	\$11,726,288	\$9,224,488	\$16,815,496
Total Expenditure	(11,722,803)	(9,910,591)	(16,815,496)
Net	\$3,485	\$(686,103)	\$0

# 2019 Budget: Community and Veterans Services

<b>2019 CVS</b>			
Veterans Services	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$163,500	\$98,077	\$163,000
Total Expenditure	(151,979)	(131,917)	(161,705)
Net	\$11,521	\$(33,840)	\$1,295
Income Maintenance			
Total Revenue	\$3,273,894	\$2,274,357	\$3,030,201
Total Expenditure	(2,410,101)	(2,083,100)	(2,345,676)
Net	\$863,793	\$191,257	\$684,525

# 2019 Budget: Community and Veterans Services

2019 CVS			
Social Services	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$7,900,251	\$6,741,277	\$7,970,193
Total Expenditure	(8,873,916)	(8,014,502)	(9,214,329)
Net	\$(973,665)	\$(1,273,225)	\$(1,244,136)
Public Health			
Total Revenue	\$850,862	\$682,216	\$1,042,630
Total Expenditure	(752,511)	(684,024)	(828,872)
Net	\$98,351	\$1,808	\$213,758

# 2019 Budget: Community and Veterans Services

2019 CVS			
	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$12,188,507	\$9,795,927	\$12,206,024
Total Expenditure	(12,188,507)	(10,913,543)	(12,550,582)
Net	\$0	\$1,117,616	\$(344,558)



# 2019 Budget: Debt Service

<b>Debt Service Fund</b>			
	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$752,038	\$556,478	\$1,552,087
Total Expenditure	(752,038)	(716,678)	(1,000,783)
Net	\$0	\$(160,200)	\$551,304

In 2019 there are additional Local Option Sales Tax revenue added to the Debt Service Fund to support the interest payments in 2019 and the first principle payments in 2020.

# 2019 Budget: Capital Projects

<b>Debt Service Fund</b>			
	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$558,916	\$9,529,818	\$50,000
Total Expenditure	(558,916)	(409,742)	(9,298,055)
Net	\$0	\$(9,120,076)	\$9,248,055

Bond proceeds were received in 2018 for the Local Option Sales Tax project to completed county roads: 101, 106, 112, and 151 in 2019.

# 2019 Budget

<b>2019 Budget Total</b>			
	2018 Budget	2018 Actual	2019 Budget
Total Revenue	\$41,755,184	\$64,167,643	\$47,799,520
Total Expenditure	(41,751,340)	(53,405,625)	(56,840,829)
Net	\$3,844	\$10,762,018	\$9,041,309

# Questions and Answers

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Please come to the podium and give  
your full name and address

# Thank You for Attending

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The 2019 budget and levy are scheduled to be considered by the County Board at the December 18, 2018 Regular County Board Meeting.

A copy of the presentation and the full line item budget, which is subject to change, is available for review in the Administrative Services Office and has been posted on the County's website.

[www.millelacs.mn.gov](http://www.millelacs.mn.gov)