

2018 Proposed Budget

Administrator, Michael Williams

Assistant to Administrator, Steve Hammes

Auditor/Treasurer, Randy Schreifels

Financial Manager, Jim Stegura



Budget Process

Time	Step
April	Packets developed
Early May	Packets distributed to departments
End of June	Budget proposals submitted
Mid July	Budget proposals reviewed
Late July – Mid August	Proposed Budget developed
Mid August – Late September	County Board review
Late September	County Board adopts preliminary budget
November 28	Public Hearing (TnT)
December 19	Board must adopt final budget by this date



Stearns County's Mission

**Provide exceptional
public services to assure
a safe, healthy, vibrant
county for all.**



Stearns County's Values

- **Professional**

- We are ethical, reliable, accountable for our actions, and strive for continuous improvement

- **Approachable**

- We are eager to serve, friendly, helpful, and treat everyone with respect and dignity

- **Responsive**

- We serve our clients and customers with a keen awareness of their needs

- **Collaborative**

- We serve the public best with teamwork and community partnerships

- **Fair & Equitable**

- We strive to eliminate disparities and provide impartial assistance to our employees and the people we serve



County Goals

- 1. Develop long range facilities plans**
- 2. Improve internal employment policies**
- 3. Improve funding sources**
- 4. Support changing demographics in the community**
- 5. Expand the use of technology for delivering services**



County Goals

- 1. Develop long range facilities plans**
Space study presented to Board
- 2. Improve internal employment policies**
Launched two flex schedule pilots
Reviewing internal policies
- 3. Improve funding sources**
County Board approved sales tax for road construction
Fee schedule proposal to County Board
- 4. Support changing demographics in the community**
Reviewing status of Affirmative Action Plan
- 5. Expand the use of technology for delivering services**
Technology plan adopted by Board



2018 Budget/Levy Initiatives

■ **Financial**

- Prepare a budget and levy for 2018 Fiscal Year that:
 - Offers a preliminary 2018 budget/levy acceptable to the County Board
 - Keep Tax Rate as low as possible
 - Is sustainable for the future
 - Review County Fee structure (#3)



2018 Budget/Levy Initiatives

■ **Infrastructure**

- Implement Wheelage Tax and dedicated sales tax revenue to accelerate county highway system improvements (#3)
- Begin remodel/expansion of county facilities in the downtown campus and Service Center (#1)
- Complete Lake Wobegon Trail extension from St. Joseph to Waite Park
- Finalize subscription to solar garden to offset utility costs

■ **Public Safety**

- Complete upgrade of County video security system
- Implement recommendations from County Sheriff and County Attorney studies



2018 Budget/Levy Initiatives

■ **Technology**

- Move County forward in online presence for county service delivery (#5)
- Implement the County Technology plan (#5)
- Continue to monitor and protect the county's cybersecurity systems (#5)
- Take next steps in improving broadband (internet) access in rural parts of the county (#5)
- Explore ways to enhance and speed up imaging of county documents (#5)



2018 Budget/Levy Initiatives

■ **Organizational**

- Adequately fund mandated programs such as child protection, mental health, and programs for the elderly and disabled at levels that meet state and federal requirements
- Continue building a client focused integrated service delivery model in Human Services
- Review personnel policies to create more flexibility, enhance diversity, and technology utilization (#2)
- Work with AMC and local legislators to reduce unfunded mandates (#3)



Major Budget Drivers Already in Place

- Additional employees approved during year
- Built in costs



Budget Impacts from 2017

- Before departments entered any requests the following were absorbed into a base Levy figure:

Amount	Reason	Levy Impact
\$131,874	Tails from positions added mid 2017	0.17%
\$615,696	Budgeted tails from positions added late 2016	0.83%
\$2,687,463	2018 Labor Contract costs	3.63%
\$3,435,033	Total	4.64%
\$9,948,888	Department requests for budget 2018	13.44%



Budget Expenses 2017 to 2018

Fund	2017 Adopted	2018 Requested	2018 Recommended	% Change vs Last Year
General	\$52,236,087	\$58,188,621	\$55,672,702	6.58%
Road & Bridge	\$12,771,507	\$15,318,597	\$13,048,693	2.17%
Human Services	\$54,250,591	\$57,374,252	\$55,791,675	2.84%
Parks	\$998,057	\$1,249,704	\$1,084,860	8.70%
Building	\$100,000	\$100,000	\$100,000	0.00%
Econ Recovery	\$60,000	\$139,000	\$159,000	165.00%
Reg. Library	\$2,305,638	\$2,305,638	\$2,330,921	1.10%
Solid Waste	\$1,294,000	\$1,301,000	\$1,301,000	0.54%
Debt Service	\$4,442,995	\$5,362,863	\$5,362,863	20.70%
Total	\$128,458,875	\$141,339,675	\$134,851,863	4.98%
Difference from requested			-\$6,487,812	

Levy Expenses 2017 to 2018

Fund	2017 Adopted	2018 Requested	2018 Recommended	% Change vs Last Year
General	\$32,187,802	\$37,746,793	\$33,855,794	5.18%
Road & Bridge	\$7,318,188	\$7,966,422	\$7,353,193	0.48%
Human Services	\$27,641,515	\$31,152,532	\$29,290,509	5.97%
Parks	\$823,457	\$1,011,354	\$844,510	2.56%
Building	\$100,000	\$100,000	\$100,000	0.00%
Econ Recovery	-	\$79,000	\$99,000	NA
Reg. Library	\$2,305,638	\$2,305,638	\$2,330,921	1.10%
Solid Waste	-	-	-	-
Debt Service	\$3,626,995	\$3,666,863	\$3,666,863	1.10%
Total	\$74,003,595	\$84,028,602	\$77,540,790	4.78%
Difference from requested			-\$6,487,812	

Changes in Non-Levy Funding

- County Program Aid: +\$0.7 Million
- State & Federal Highway maintenance funding : +\$1.5 Million
- Human Services reimbursements: +\$0.2 Million
- Total intergovernmental revenue increase: \$2,625,731

- Use of fund balance (Debt Service): +\$0.9 Million

- Fee revenue expected to increase: \$245,755
- Miscellaneous funds expected to decrease \$529,842

- **Total non-levy revenue to increase \$2.3 Million**



County Trends Budget and Levy

Year	Budget	Change	Intergov'tal Funds	Levy	Change
2011	\$119,565,334	0.96%	\$29,209,057	\$69,682,539	2.98%
2012	\$121,656,872	1.75%	\$39,304,605	\$68,985,713	-1.00%
2013	\$124,754,161	2.55%	\$42,285,744	\$68,295,856	-1.00%
2014	\$133,074,366	6.67%	\$50,042,517	\$68,289,952	-0.01%
2015	\$130,925,954	-1.61%	\$44,279,395	\$69,526,156	1.81%
2016	\$132,545,021	1.20%	\$44,642,081	\$71,490,891	2.84%
2017	\$128,458,875		\$46,379,588	\$74,003,595	3.51%
2018	\$134,851,714	4.98%	\$41,876,410	\$77,540,790	4.78%

Please note: with addition of sales tax for highway construction, we are changing display to show figures without construction program with 2017 as a base year

Staff Recommendation: Preliminary Levy of 4.78% for 2018



County Levy Histories

County	% Change 2013	% Change 2014	% Change 2015	% Change 2016	% Change 2017
Anoka	n/a	-0.03%	0.89%	2.46%	2.50%
Benton	1.90%	-2.01%	-3.29%	-0.90%	1.80%
Blue Earth	2.60%	0.00%	2.70%	1.90%	5.90%
Carver	1.90%	4.20%	4.87%	0.76%	2.80%
Crow Wing	-0.39%	-0.22%	-0.57%	-0.11%	-0.12%
Dakota	-0.19%	-0.60%	1.00%	0.50%	2.00%
Hennepin	4.26%	0.98%	2.10%	4.48%	4.50%
Olmsted	2.00%	1.21%	3.25%	5.20%	2.50%
Otter Tail	4.08%	3.87%	3.55%	4.08%	
Ramsey	4.43%	0.00%	0.00%	3.60%	2.80%
Rice	4.52%	1.55%	6.66%	6.91%	
St. Louis	1.53%	1.47%	2.90%	0.00%	8.50%
Scott	-0.63%	1.06%	1.90%	3.50%	4.60%
Sherburne	0.00%	-1.00%	2.18%	1.40%	3.65%
Stearns	-1.00%	-0.01%	1.80%	2.84%	3.51%
Washington	-0.51%	0.66%	3.49%	3.45%	3.49%
Winona	-6.00%	-0.22%	0.00%	3.50%	6.00%
Wright	0.00%	0.00%	4.70%	4.66%	4.97%
Average	1.09%	0.61%	2.12%	2.70%	3.71%

Source: MICA

County Levy 2018 Proposals

County	% Change 2018
Anoka	
Benton	
Blue Earth	7.99%
Carver	
Crow Wing	
Dakota	
Hennepin	
Olmsted	
Otter Tail	
Ramsey	4.30%
Rice	
St. Louis	
Scott	3.59%
Sherburne	4.51%
<i>Stearns</i>	<i>4.78%</i>
Washington	6.90%
Winona	
Wright	
Average	5.34%



2018 Major Budget Changes

- Human Services Challenges
 - Legislation was passed this past session which includes a new cost share for counties for the MnCHOICES program. Counties will be required to pick up 15.7% as of July 1, 2017. Currently the counties are paid 100% for the direct service costs.
 - The commitment costs for mental health clients continue to rise. The cost share for counties with clients in these facilities went to 100%. The estimated increase for 2018 is \$275,500.



2018 Major Budget Changes

- Departmental reviews: County will need to address both one-time and on-going expenses related to recommendations in both the Sheriff's and Attorney's Offices.
- Increased work load in Food & Beverage program is behind request for increased fees to cover staff.
- Highway shifting an additional staff resource to Maintenance Program. This will allow for an additional plow route to be created, increasing efficiency.



2018 Personnel Requests

Department	Title	FTE	
Administration	Office Specialist IV	2.0	Imaging backlog project
Attorney	Assistant Attorney I	2.0	Handle increase in Juvenile and Criminal cases
Attorney	Data Analyst	1.0	Handle increased reporting and grant requirements
Auditor	Public Service Spec II	0.5	Passport growth
Emergency Mgt	Office Specialist IV	0.2	Workload Issues
Environmental Serv	Environmental Spec	1.0	Food & Beverage prog growth
Human Services	Correction Agent	2.0	Workload growth
Human Services	Public Health Nurse	1.0	TB caseloads
Human Services	Public Health Coord	1.0	SHIP program
Human Services	Case Aide	1.0	Child protection caseload

2018 Personnel Requests

Department	Title	FTE	
Human Services	Social Worker	3.0	Increased Child Protection and Mental Health caseloads
Human Services	Staff Accountant	1.0	To increase revenue capture
IS	Tech Support Spec	1.0	Support Technology rollout
IS	Project Coordinator	1.0	Support Technology rollout
IS	Business Analyst	2.0	Increase Project Management bandwidth
IS	Sr Tech Support Spec	0.2	Workload Issues
IS	Office Specialist IV	0.2	Workload Issues
Recorder	Office Specialist IV	1.0	Workload growth
Sheriff	Mechanic	1.0	Address shift in fleet management
Total		22.10	

Personnel Requests Denied

Department	Title	FTE	
Administration	Office Specialist IV	2.0	Delay to 2019
Human Services	Correction Agent	1.0	Delay to 2019
Human Services	Public Health Nurse	1.0	Delay to 2019
Human Services	Case Aide	1.0	Delay to 2019
IS	Technical Support Spec	1.0	Delay to 2019
IS	Project Coordinator	1.0	Delay to 2019
Sheriff	Mechanic	1.0	Delay to 2019
Total		8.0	



Personnel Requests - Recommended

Department	Title	FTE	Program	Fill Date
Attorney	Reallocate with study results	1.0 – 2.0	Various	Varied
Auditor	Public Services Specialist II	0.5	Passport	Fill 1/1 – Non Levy
Emergency Mgt	Office Specialist IV	0.2		Increase in existing FTE
Environmental	Environmental Specialist (**)	1.0	Food & Beverage	Fill 1/1 – Increase fee revenue
Human Services	Correction Agent	1.0	Probation	Fill 1/1
Human Services	Public Health Coordinator	1.0	SHIP	Fill 1/1 – Non levy
Human Services	Social Worker (**)	3.0	Child Protection/ Mental Health	Fill 1/1

Note: positions with asterisk (**) are still under review

Personnel Requests - Recommended

Department	Title	FTE	Program	Fill Date
Human Services	Staff Accountant	1.0	Financial/ Collections	Fill 1 / 1
IS	Business Analyst	2.0	Project Mgt	Fill 1 / 1
IS	Sr Tech Support Specialist	0.2	Web Services	Increase of existing FTE
IS	Office Specialist IV	0.2		Increase in existing FTE
Recorder	Office Specialist IV (**)	1.0		Fill 1 / 1 Allocate if non levy funding available
Total		12.1 - 13.1	Costs	\$831,568
	Net Costs			\$333,335

Note: positions with asterisk (**) are still under review



Personnel Requests - Summary

	FTE Requested	FTE Denied	FTE Recommended	2018 Net Costs
Positions approved by Board in 2017	2.0	0.0	2.0	\$131,874
2018 requests	22.1	8.0	12.1 – 13.1	\$333,335
Total	24.1	8.0	14.1 – 15.1	\$465,209
Positions under review	3.0		Environmental, Human Services, Recorder	



2018 Expenditure Breakdown

	2017 Amount	2018 Recommended	% Increase
Personnel	\$77,210,832	\$81,032,150	4.95%
Services	\$43,985,495	\$46,086,113	4.76%
Supplies	\$4,491,143	\$4,606,201	2.56%
Capital Outlay	\$2,771,405	\$3,127,250	12.83%
Total	\$128,458,875	\$134,851,714	4.98%



Outside Agencies

Agency	2018 Requested	Recommended
Greater St Cloud Development Corp	\$30,000	\$30,000
St. Cloud Downtown Council	\$25,000	\$22,000
Crow River Watershed Project	\$2,129	\$2,129
Initiative Foundation	\$11,000	\$10,000
Regional Child Advocacy Center	\$50,000	\$25,000
St. Cloud Area Convention & Visitors Bureau	\$8,000	\$5,000
Stearns County Agricultural Society	\$40,000	\$20,000
Stearns County Historical Society	\$606,900	\$600,000
Stearns County Soil & Water Conservation Dist	\$1,062,893	\$1,050,000
Tri-County Humane Society	\$4,800	\$4,800
Central MN Regional Radio Board	\$12,415	\$12,415
Great River Regional Library	\$2,330,921	\$2,330,921
Total	\$4,184,058	\$4,112,265

Note: Human Service agencies were not eligible to submit for 2018 budget



2018 Capital Improvement Projects

Project	Type	Estimated Budget
LEC Elevator Upgrade	Maintenance	\$750,000
Sauk Centre Storage Shed	Infrastructure	\$31,000
Belgrade Parking Lot	Infrastructure	\$65,000
Rockville Park Shelter	Parks	\$75,000
Kraemer Lake Road Engineering	Parks	\$138,000
Administration Center Elevator Upgrade	Maintenance	\$210,000
Wildwood Park Development	Parks	\$250,000
LEC 3 rd Floor Remodel	Infrastructure	\$300,000
Service Center Addition	Infrastructure	\$12,000,000



2018 Major Technology Projects

Project	Type	Estimated Budget
Network enhancements	Infrastructure	\$100,000
Data storage	Infrastructure	\$130,000
Website upgrade	Digital Service	\$50,000
Phone system upgrade	Countywide	\$50,000
Cash register system upgrade	Auditor	\$50,000
Social Work Process Imp	Human Services	\$300,000



2018 Road Construction Program Funding Sources

Source	Estimated Budget
State Aid regular	\$6,492,640
State Aid municipal	\$889,962
Transportation Sales Tax	\$1,895,000
County levy	\$2,850,000
Wheelage Tax	\$1,375,000
Federal aid	\$5,583,337
Bridge bonding	\$0
County bonding	\$320,000
Total	\$19,405,939



2018 Use of Project Fund

Project	Estimated Budget
Election equipment	\$100,000
Aerial flight	\$150,000
Comp Plan Update Phase 1	\$200,000
Total	\$450,000



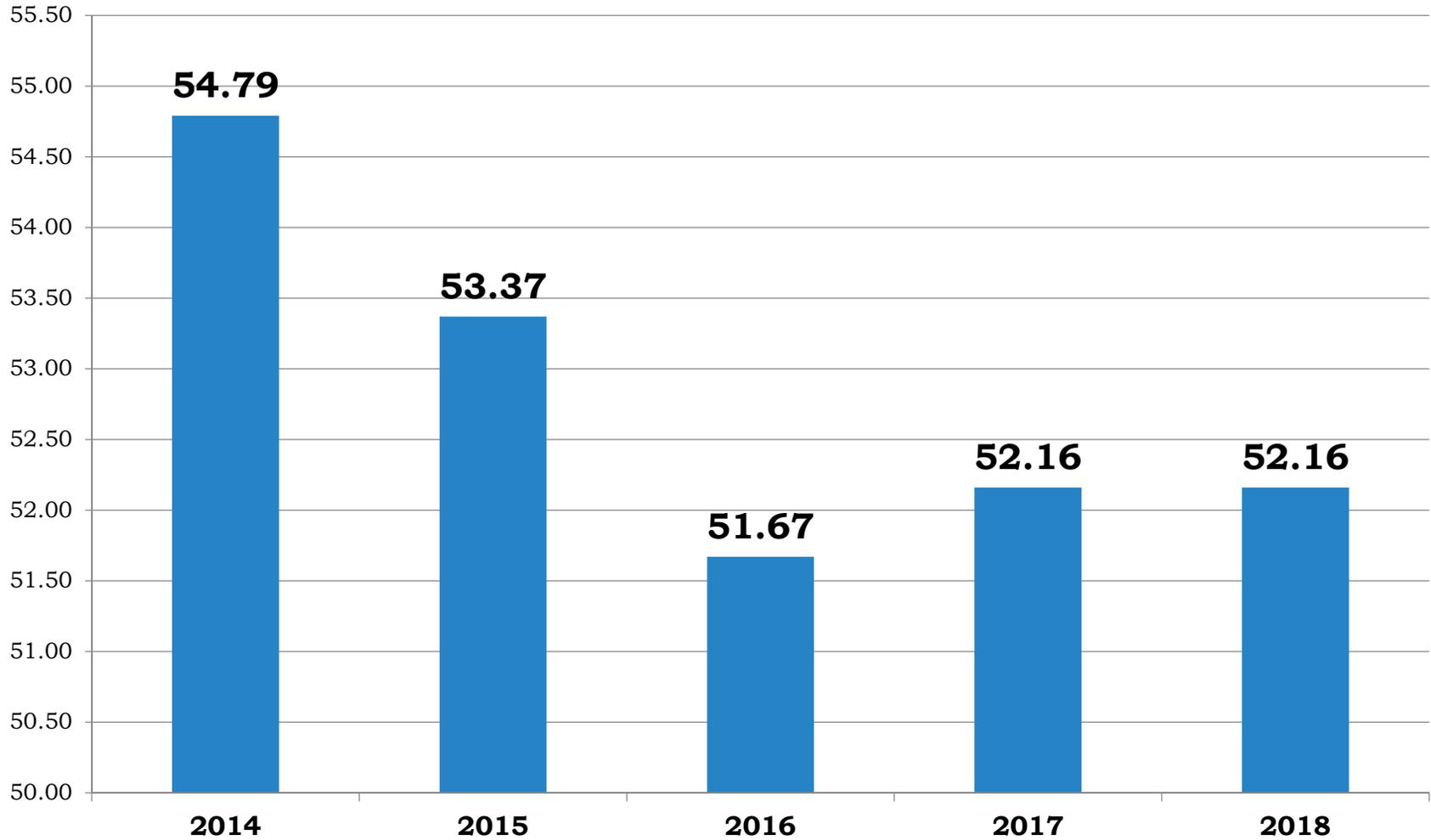
Fund Balances – 2017

	Balance
Unrestricted Fund Balance	\$58,923,063
2017 Budgeted Expenses	\$128,458,875
Unrestricted Fund Balances as % of Budget	45.87%

County policy and state requirements are that fund balances must remain between 35% and 50%

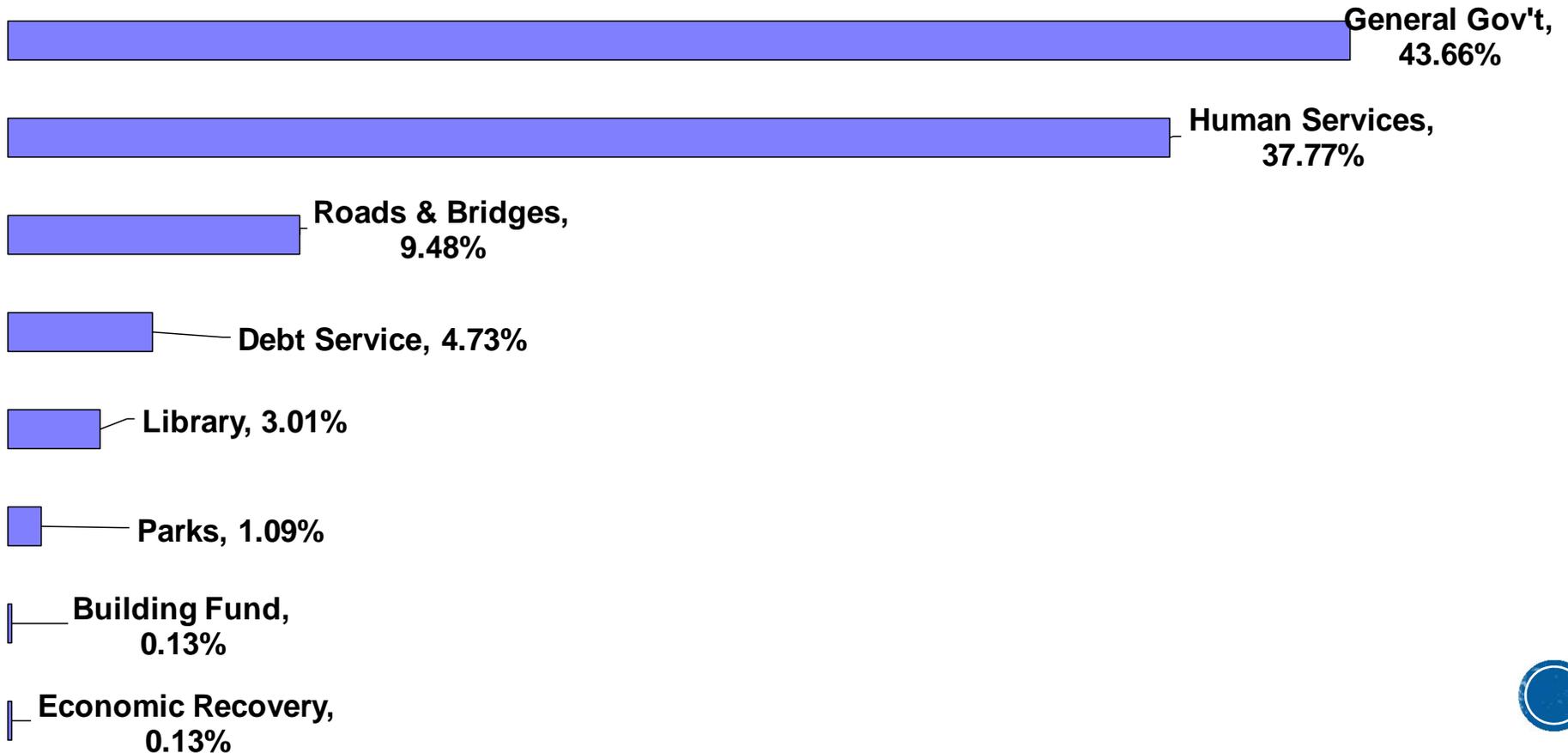


County Tax Rates 2014 – 2018



Where Do Your Property Tax Dollars Go?

**COUNTY TAX DISTRIBUTION:
2018 COUNTY TAX LEVY \$74,104,423**



What This Budget Means for 2019

- Staffing
 - Departmental reviews of Sheriff and Attorney offices will have additional staffing in 2018 and 2019
 - Other departments, including Human Services will have staffing requests due to unmet needs in 2018
- Sustainability
 - Recommended budget is sustainable looking toward future years



Final Message

Budget	+4.98%
Levy	+4.78%
Market value	+4.78%
Tax Rate	+0.00%



Next Steps in Process

- Regional Rail Levy expected to remain the same for 2018
- August 22 – September 19 County Board review
- September 19 – County Board adopts preliminary budget
- November 28 – Public Hearing (TnT)
- December 19 – Board must adopt by this date

