

TUESDAY, JULY 23, 2013

**APPROVED MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING HELD**

**STATE OF MINNESOTA)
DODGE COUNTY)**

**COUNTY ADMINISTRATION OFFICE
MANTORVILLE, MN**

2013-14 C.O.W.

The Dodge County Commissioners met in Committee of the Whole July 23, 2013, in the Commissioner's Room at the Dodge County Courthouse Annex, Mantorville, MN, at 9:00 a.m. CDT. Vice Chair David Erickson opened the meeting at 9:03 a.m. CDT.

Meeting Convened

The Vice Chair acknowledged those present:

Those Present

Members present:	John Allen	District #1
	Rodney Peterson	District #3
	David Erickson	District #4
	Steven Gray	District #5
Members absent:	Lyle Tjosaas	District #2
Also present:	Jim Elmquist	County Administrator
	Becky Lubahn	Deputy Clerk
	Lisa Kramer	Finance Director

County Administrator Jim Elmquist presented for the Board's consideration the opening draft of the 2014 Dodge County budget.

2014 Opening Draft
Budget Reviewed

Mr. Elmquist reported that in the past, initial budgets had anticipated changes prior to submittal to the Board and were somewhat scaled down from the department requests. With a relatively new board membership, the County Administrator wanted to include all submitted budget items from department heads along with the outside agency requests that were received. The intent was for the Board to review departmental requests to see the significant drivers of the annual budget with the understanding that the budget will be significantly reduced before the September 15th preliminary certification date.

Mr. Elmquist reported that the budgets are an alignment of the county's overall priorities with its fiscal plan. This prioritization process will likely take into consideration the overall vision and mission of the county, whether or not a service is statutorily mandated to be provided, and if the budget addresses fiscal reality. It is with this understanding the items included within this budget will be evaluated with these considerations in mind.

The County Administrator pointed out that the budget's cover is a budget and levy summary page. It summarizes the totals of several pages of overall expenditures, revenues and fund balance usage of the revenue fund (also referred to as a general fund), Environmental Quality, Highway, Human Services, and the Capital Projects (debt fund) accounts. The last section of the cover page is a summary of funds incorporating County Program Aid (CPA) revenue to determine the overall levy within the submitted budget. The opening budget includes 12.94% in additional levy from the previous year.

Mr. Elmquist stressed that he wants it understood by staff that this budget submittal is not within fiscal reality (especially with statutory levy limitations in place by the state legislature). The County Administrator noted that there will be several submittals prior to overall certification.

2014 Opening Draft
Budget Reviewed -
Continued

The County Administrator reported that items of note in this budget include:

1. The first page shows a CPA amount of \$400,000. This is state funding for general operations to counties that is paid in two installments each year. Previous Boards agreed to a philosophy that this amount will be scaled back to demonstrate little dependency on this funding if the state were to withhold portions of the projected funding as they did in 2009 and 2010 in the post-recession state budgets. The County Administrator has increased this amount this year for discussion purposes with news that the state has increased overall CPA funding to counties in their state budget. Anticipated CPA funding will be more than \$700,000, however, with the caveat that if a state budget shortfall is identified in 2014, this item is usually one of the first to be withheld. Not budgeting for this means it is not allocated within the budget and increases overall fund balance.
2. The County Board budget (page 8) includes outside agency funding in line items 6903 to 6914 reflecting the annual requests of each group. The only outside agency funding that is mandated is the SELCO item (6910) but is only required at the previous year's funding level. Mr. Elmquist did not include their full request in this budget but did provide for an incremental increase if the Board would desire. Letters received from each individual group were included in the Board packets. The Dodge County Agricultural Society realizes a 2014 fair budget will need to be presented to the County Board but asks that it be delivered once the 2013 fair process is completed.
3. Wages for non-union and union staff include a 1.75% increase along with cafeteria plan increases of 7%. The wage increases for 2014 are within the collective bargaining agreements of four of the five contracts (Sheriff's Deputies negotiations will take place in the fall for 2014). Non-union staff raises are determined at the end of November but the overall goal is to have the increase commensurate with the settled contracts. Insurance premium increases are anticipated but are unknown until mid-August thus they earmark, within the budget, an average of annual increases in the past. The federal insurance mandate is not included in this budget with the legislative change announced on July 2nd indicating no penalties will be levied for non-compliance. There has been some anticipation this legislation could have additional revisions in 2014 so at this point, it is not included. The impact to the Dodge County budget is between \$80,000 to \$146,000 for the year (dependent on single and family coverage plans) if the mandate were assumed.
4. The individual budgets are provided to the Administrator by the department heads. A number of them include 5-year capital plans. Those without this plan do not have capital requests anticipated in the foreseeable future. The 5-year capital plan does not include software of technological program items – this is being assembled in a separate list and is almost completed.

5. Each department pays a per computer technology fee to Information Systems. This is how the department is funded and includes a significant increase in 2014 for revenue to be in alignment with the department's overall expenses.
6. The overall levy limit ceiling is anticipated to be \$880,924 in additional levy revenue from previous year per state statute. The State of Minnesota Department of Revenue has not issued this limit to individual counties but preliminary guidance has been given as to how this is to be calculated.
7. Individual fund presentations will take place with the Board in August. This will be an action item for the Board to determine dates to have these work-sessions.

2014 Opening Draft
Budget Review -
Continued

The Board ran out of time to further discuss the 2014 budget.

The Vice Chair adjourned the meeting at 9:30 a.m. CDT.

Meeting Adjourned

ATTEST:

DAVID ERICKSON
VICE CHAIR, COUNTY BOARD

BECKY LUBAHN
DEPUTY CLERK

DATED: