

TUESDAY, AUGUST 18, 2015

**APPROVED MINUTES OF THE
COUNTY BOARD OF COMMISSIONERS SPECIAL SESSION HELD**

**STATE OF MINNESOTA)
DODGE COUNTY)**

**FAIRVIEW CARE CENTER
DODGE CENTER, MN**

2015-02 Special

The Dodge County Board of Commissioners met in special session August 18, 2015, at the Fairview Care Center, Dodge Center, MN at 9:30 a.m. CDT. Chair John Allen called the County Board of Commissioners meeting to order at 9:30 a.m. CDT.

Meeting Convened

The Chair acknowledged those present and established that there was a quorum:

Those Present

Members present:	John Allen	District #1
	Tim Tjosaas	District #2
	David Erickson	District #4
	Steven Gray	District #5
Members absent:	Rodney Peterson	District #3
Also present:	Jim Elmquist	County Administrator
	Lisa Kramer	Finance Director
	Guy Kohlnhofer	County Engineer
	Duke Harbaugh	Facilities and Fleet Manager
	Mark Gamm	Environmental Services Director

Motion by Gray seconded by Peterson to approve the agenda as presented.
Motion adopted unanimously.

Agenda Approved

County Administrator Jim Elmquist explained this is the first discussion of the 2016 budget; a copy of the draft budget was included in the Board packet for review. Mr. Elmquist explained this draft of the 2016 budget includes a copy of the 2017 planned budget. It is with the understanding this budget will be significantly reduced before the September 30th preliminary certification date, the intent is for the Board to review departmental requests to see the significant drivers of the annual budget and to determine the Board's goal rate for a preliminary levy and ultimately, a final levy by December 22, 2015.

2016 Draft Budget
Discussion

The County Administrator explained this budget's cover pages are budget and levy summary pages. It summarizes the totals of the following pages of overall expenditures, revenues and fund balance usage of various accounts. This draft budget includes a 12.6% additional levy request but Mr. Elmquist wanted to stress, this is with the understanding that in light of last year's levy increase, this proposal is not within fiscal reality. The County Administrator noted there will be more submittals prior to overall certification.

Items of note in this budget:

1. The CPA amount is \$654,346. This is state funding for general operations to counties that is paid in two installments each year. CPA in 2015 was \$637,458, a minor increase.

2016 Draft Budget
Discussion -
Continued

2. The County Board budget (page 2) includes outside agency funding reflecting overall requests of each individual group. The only outside agency funding that is mandated is SELCO but is only required at the previous year's funding level. An increase of \$25,040 is shown in this draft budget for outside agency funding.
3. Overall debt load in this budget is reduced by \$271,214. This reduction on the levy is due to the 2008 debt payment ending.
4. Wages for non-union and union staff include a 2.0% increase along with cafeteria plan increases of 14%. Wage increases are reflected in bargaining unit contracts and what is planned for the upcoming year. 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 late-August. Dodge County could foresee some relief to the budget in this area when we receive this notice but until then, they have left the working assumption within the calculation.
5. 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.
6. The 5-year technological plan is also submitted, if they are not updated, they soon will be.
7. The Sheriff's budget includes an increase due to higher projected costs for boarding of prisoners and security costs of personnel with new courtroom security standards.
8. Finance includes approximately \$60,000 for HRIS.
9. Building and Facilities - includes the \$225,000 for the MnDOT wall as our portion for the project. The County Engineer had set aside fund balance dollars to pay for this that was set to be accounted for in this budget as a payback to the Highway account but the project didn't occur in 2015. Also proposed is replacement of the 2005 Stratus that Public Health currently uses.
10. In regards to Highway fund balance, last year the department used \$208,309 for the purchase of a loader that otherwise would not have been budgeted for in 2015 if it would have been levied for otherwise. When comparing the County Engineer's increase from 2015 to 2016, this item which was not levied for in 2015 is the difference in his budget increase from last year.
11. IT shows a considerable increase. This increase is the cost of the project payback for the fiber installation and internet cost for the new building. While this would seem to be a considerable increase for IT, this item could have easily been a Central Services item as it reflects the needs of multiple departments. It has a loss in revenue as well from MnPrairie moving to its own IT service.
12. Environmental Services has an increase that affects overall levy for a concrete floor replacement in Environmental Services for \$20,000. The land purchase is also \$7,000 more of what was budgeted last year to give an understanding on increases from previous year's budget.

- 13. Emergency Management has taken on the CODERed costs within his budget that had been previously paid through the Sheriff. This is a \$10,000 cost. CODERed is Dodge County’s emergency notification system - similar to what schools use to notify parents of an emergency or snow day at school. It is used for mass calls, texts, and emails for emergency situations in the county such as weather related emergency, a missing child, evacuation notification, or most recently, it was utilized when a fiber line was cut and 911 lines were down.
- 14. Affordable Care Act (ACA) – there are employees affected by the new ACA requirements within this budget – 3 in Public Health, 1 in Veteran Services, 1 in Highway, and 2 in Sheriff. This is a cost of health insurance that had not been previously paid for by the county.
- 15. Human Services is still working with a number that is considerable. At this point, their cost is a 13.7% increase.

County Engineer Guy Kohlnhofer, Environmental Services Director Mark Gamm, and Facilities and Fleet Manager Duke Harbaugh all presented to the Board their 2016 and 2017 proposed budgets and answered questions from the Board.

After the presentations were completed, the Board discussed capital finance philosophies and what the proper use of fund balances should be going forward. The Board also discussed a number of items that will be difficult to cut due to the necessity of the costs in 2016 which includes the MnDOT wall project, the increased costs of prisoner boarding from previous years, health insurance costs, and wages negotiated through labor agreements with the several unions within the county.

Several Board members indicated an interest going forward of a levy increase of no more than 3% after financing the building project in 2015.

Motion by Peterson seconded by Gray to adjourn the meeting at 11:30 a.m. CDT. *Motion adopted unanimously.*

Meeting Adjourned

ATTEST:

JOHN ALLEN
CHAIR, COUNTY BOARD

JIM ELMQUIST
CLERK

DATED: