



FILLMORE COUNTY 2019 PRELIMINARY BUDGET & LEVY

**Public Hearing
6:00 p.m.**

December 11, 2018

Fillmore County Board of Commissioners



Mitch Lentz, Chair (District 1)

Duane Bakke, Vice-Chair (District 4)

Marc Prestby (District 5)

Gary Peterson (District 3)

Randy Dahl (District 2)

AGENDA



- ❖ Review 2018 Fillmore County Operations
- ❖ 2018 Submitted Performance Measures report
- ❖ 2019 Goals and Objectives
- ❖ 2019 Preliminary Expenditures and trends
- ❖ 2019 Preliminary Revenues and trends
- ❖ 2019 Per Capita Comparison with 2018
- ❖ Budget/Levy Summary for 2019
- ❖ Questions, comments, & contact information

2018 in Review

❖ Redesign – Governance

- Active participation in legislative priorities, with Board members, elected and appointed department heads serving in leadership roles in their respective organizations
- Active legislative participation in the County Program Aid reform which resulted in a significant increase in CPA for 2018 and 2019, and expected less volatility in the amount of CPA in future years
- Implemented the Courthouse Security project
- Began process to replace phones system throughout County for savings with PRI lines and line charges
- Looked at options for efficiencies within departments and between departments
- Continue with the Road Preservation Plan, Local Sales Tax for Highway and Wheelage Tax for additional highway construction revenue
- Continue to work through succession planning and have considered each position for efficient and effective options and continue to use the Hire Analysis form for the hiring process

❖ Redesign – Transparency

- Citizens' Input during each Board meeting
- Budgeting State Aids, retirement funds and shared expenses in General
- Benefits Committee reviewed insurance quotes and were able to adjust plan to bring 21% increase in rates down to 13%, the insurance increase was covered through the County
- Completed process for county wide compensation study with David Drown & Associates

❖ Redesign – Flexibility

- Implemented innovative technologies:
 - Electronic Document Management System was approved for all departments interested
 - Courthouse Security – Cameras, badge readers and panic buttons
- Continued telecommuting, for improved efficiencies
- Continue to provide budget numbers for wages and benefits to Department Heads to allow them to focus on department needs
- Successful Centralized Office Supply Purchasing, copy machines and now looking at other supplies
- Participated in a Broadband loan with Acentek for a 2nd rural project for \$75,000
- Shared staff member for Extension and Veteran Services

Performance Goals Submitted 2018 for 2017

FILLMORE COUNTY GOALS	MEASURES - SUMMARY
1) Reduce the total number of accidents that occur on County State Aid Highways, County Roads and Un-Organized Township Roads that involve fatalities and injury from prior year	Available in Towards Zero Death Reports
2) Maintain Pavement Quality Index rating of 72	MN Dept. of Transportation records
3) Tobacco use among adults to national benchmark	County Health Rankings
4) Child Support Program Cost Effectiveness	Recommended from 2012 Steering Committee report; Available from MN Dept. of Human Services
5) Percentage of low birth-weight births	MN Dept. of Human Services or www.countyhealthrankings.org
6) Median ratio between 90% and 105% for 3 types of assessment ratios	Department of Revenue records
7) Meet 10 day turn-around time for document recording	MN Statutes 357.182, Subd. 6 standard, 90% of the time
8) 100% post-election results	State/County records
9) Increase by 5% State and Federal dollars brought into county for veterans benefits	Federal and State dollars (this measure was recommended by 2008 OLA report)
10) Maintain 85% of veterans receiving services and/or benefits	This measure was recommended by 2008 OLA report
11) Goal of 7200 per 1000 residents for annual library visits	Southeastern Libraries Cooperating (SELCO) records
12) Goal to keep debt service levy under 11%	County records, Comprehensive Annual Financial Report
13) Goal of 38% recycling rate of Municipal Solid Waste	SCORE report

Performance Measurement Outcomes



2017 Performance Measure 1) Reduce the total number of accidents that occur on County State Aid Highways, County Roads and Un-Organized Township Roads that involve fatalities and injury from prior year:

This performance measure for 2017 was 1 fatality and 10 injuries.

2017 Performance Measure 2) Maintain Pavement Quality Index rating of 72:

This performance measure was reached, as the current MPQI is 73 for the County, it was 72 for 2016.

2017 Performance Measure 3) Tobacco use among adult to national benchmark:

This performance measure was reached for 2017 as the National performance measure was 14% and Fillmore County was at 14%. The State benchmark is 15% and Fillmore County met that as well.

Performance Measurement Outcomes

2017 Performance Measure 4) Child Support Program Cost Effectiveness:

This performance measure outlines what a tremendous job that Fillmore County staff does for Child Support collections. We collect \$8.61 for every \$1.00 spent on the child support program. The State average is \$3.30. We are back in 1st place and up from 2016 by \$1.43.

2017 Performance Measure 5) Percentage of low birth-weight births:

This performance measure is surprisingly good for the high number of pregnant women not receiving prenatal care and delivering babies at home. We are at 3.8%, which is up 1% from 2016, but we are still beating both the state and national percentages; with the national at 6% and state percentage at 4.9%

2017 Performance Measure 6) Median ratio between 90% and 105% for three types of assessment ratios:

This performance measure was reached as follows:

Commercial/Industrial Classification	100%	(up 4%)
Ag/Rural Vacant Classification	103%	(up 7%)
Residential Classification	91%	(down 2%)

Performance Measurement Outcomes

2017 Performance Measure 7) Meet 10 day turn-around time for document recording:

This performance measure was reached for 2017.

2017 Performance Measure 8) 100% post-election results:

This performance measure was reached for 2017 with 4 elections – township elections, 2 city elections (Chatfield Pool and Rushford) and 1 school district (Stewartville).

2017 Performance Measure 9) Increase by 5% State and Federal dollars brought into County for veterans benefits:

For 2017, the federal and state dollars brought into the County for Veterans increased by 11%.

2017 Performance Measure 10) Maintain 85% of veterans receiving services and/or benefits:

For 2017, 86% of veterans in Fillmore County are receiving benefits.

Performance Measurement Outcomes



2017 Performance Measure 11) Goal of 7200 per 1000 residents for annual library visits:

For 2017, 5,793 was the number of residents per 1000, so we were short of the performance measure. Total visits for 2017, is recorded as 120,884 which is down from 2016 which was 129,373.

2017 Performance Measure 12): Goal to keep debt service levy under 11%:

The debt service levy was at 2.73% for 2017. Per capita for the debt service levy is \$12.75.

2017 Performance Measure 13) Performance Measure of 40% recycling rate of Municipal Solid Waste:

The recycling rate for 2017 was 41%.

2019 Goals and Objectives



■ Redesign – Governance

- Maintain or build fund balance
- Continue options of redesign and department evaluation
- Implement the Airport Master Plan
- Evaluate the shared positions and look at other options for combination or correlation of departments or services

■ Redesign – Transparency

- Implement bi-monthly Finance Committee meetings and ensure timely audit responses
- Citizen's Input always welcomed
- Continue providing the public budget process and improving it
- Continue to utilize Managed IT Services and review the effectiveness & efficiency

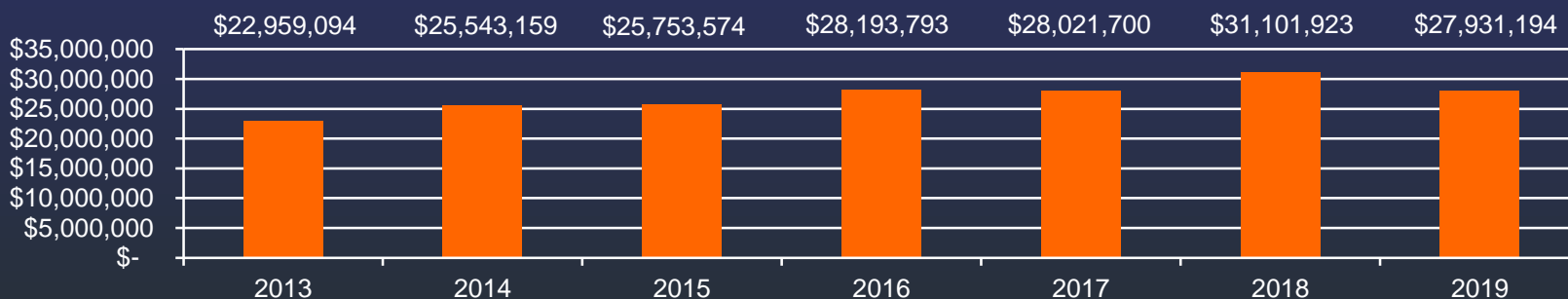
■ Redesign – Flexibility

- Continue exploration of collaborative efforts
- Fully utilize all existing and new software systems
- Continue to utilize central purchasing opportunities

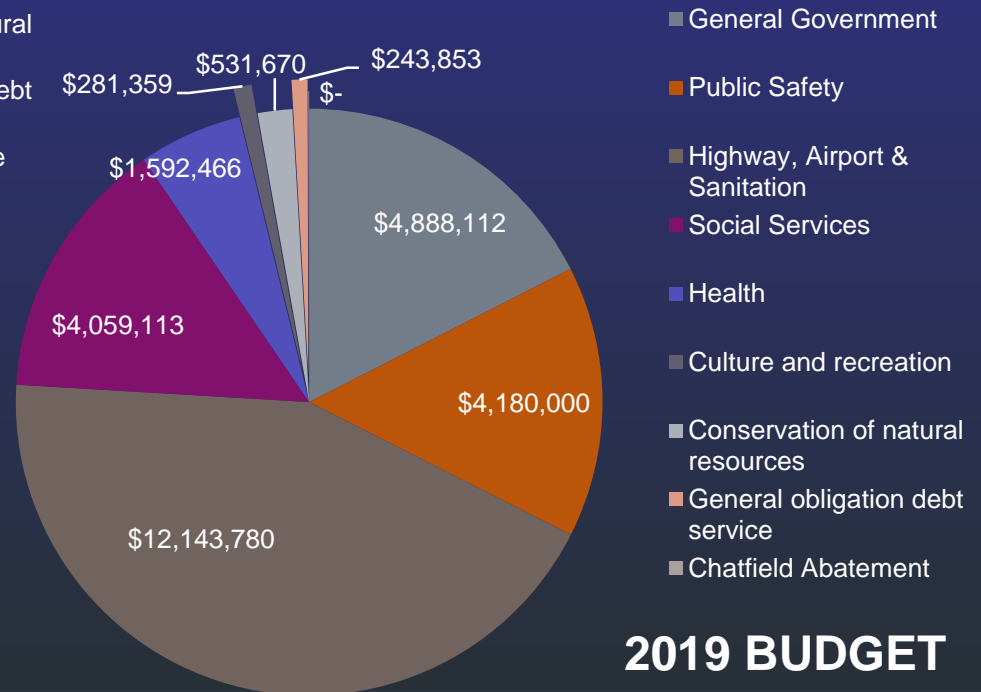
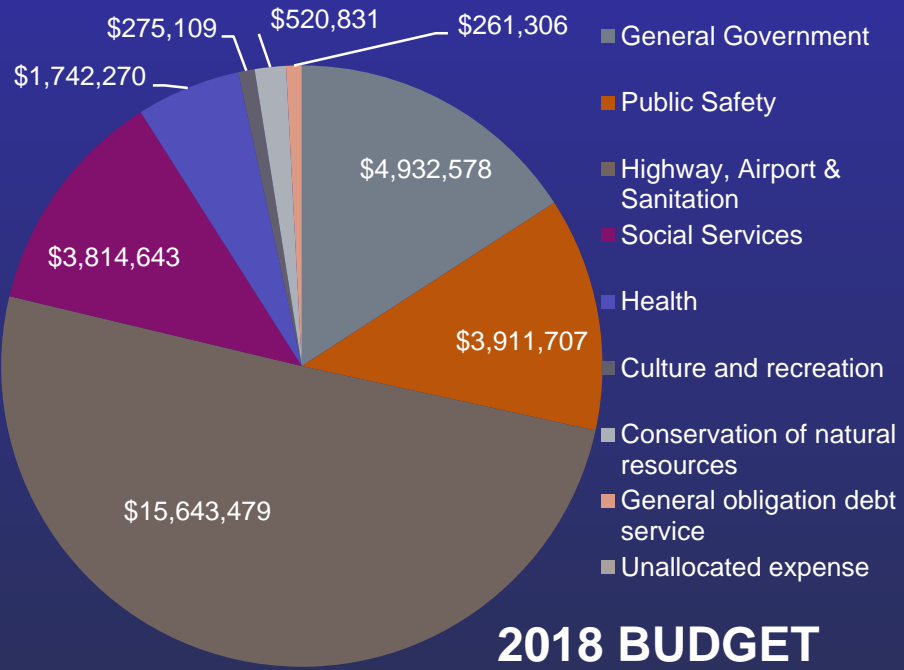
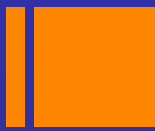
Fillmore County Expenditure Trends

CATEGORY	2013	2014	2015	2016	2017	2018	2019
General Government	\$ 3,710,068	\$ 3,624,055	\$ 3,744,858	\$ 3,933,127	\$ 4,307,746	\$ 4,932,578	\$ 4,888,112
Public Safety	\$ 3,383,990	\$ 3,507,909	\$ 3,707,935	\$ 3,801,609	\$ 3,952,203	\$ 3,911,707	\$ 4,180,000
Highway, Airport & Sanitation	\$ 9,288,011	\$ 10,572,402	\$ 10,507,259	\$ 14,148,697	\$ 13,574,550	\$ 15,643,479	\$ 12,143,780
Social Services	\$ 3,690,837	\$ 4,068,416	\$ 3,847,918	\$ 3,745,463	\$ 3,536,262	\$ 3,814,643	\$ 4,059,113
Health	\$ 1,693,440	\$ 1,589,681	\$ 1,479,734	\$ 1,490,400	\$ 1,591,933	\$ 1,742,270	\$ 1,592,466
Culture and recreation	\$ 256,062	\$ 258,147	\$ 262,359	\$ 266,859	\$ 271,359	\$ 275,109	\$ 281,359
Conservation of natural resources	\$ 553,941	\$ 1,537,053	\$ 1,949,113	\$ 547,040	\$ 519,540	\$ 520,831	\$ 531,670
General obligation debt service	\$ 255,600	\$ 258,298	\$ 254,398	\$ 260,598	\$ 266,090	\$ 261,306	\$ 243,853
Chatfield Abatement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,841
Unallocated expense	\$ 127,145	\$ 127,198	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 22,959,094	\$ 25,543,159	\$ 25,753,574	\$ 28,193,793	\$ 28,021,700	\$ 31,101,923	\$ 27,931,194

TOTAL EXPENDITURES

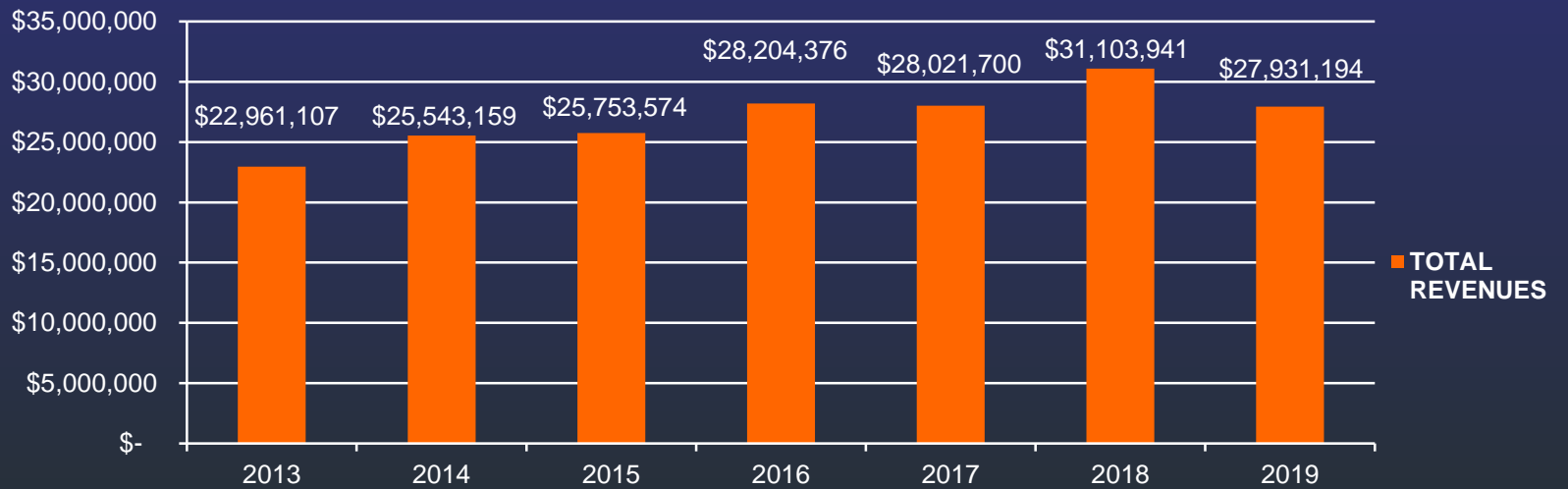


2018 and 2019 BUDGET EXPENSE COMPARISONS

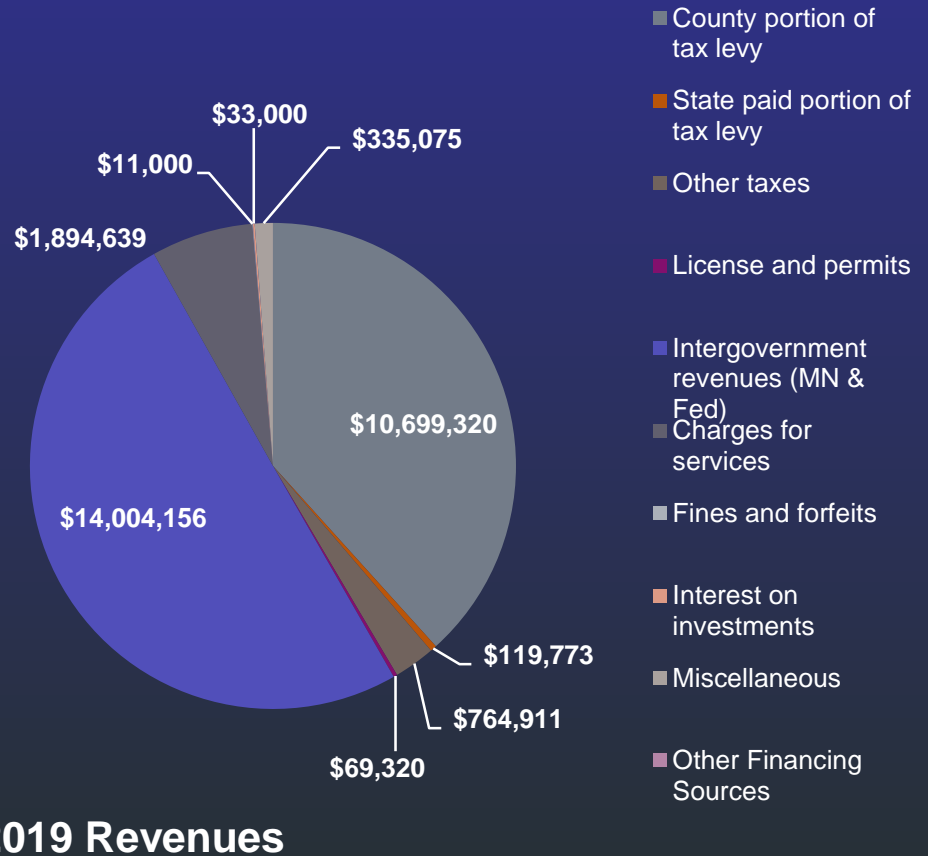
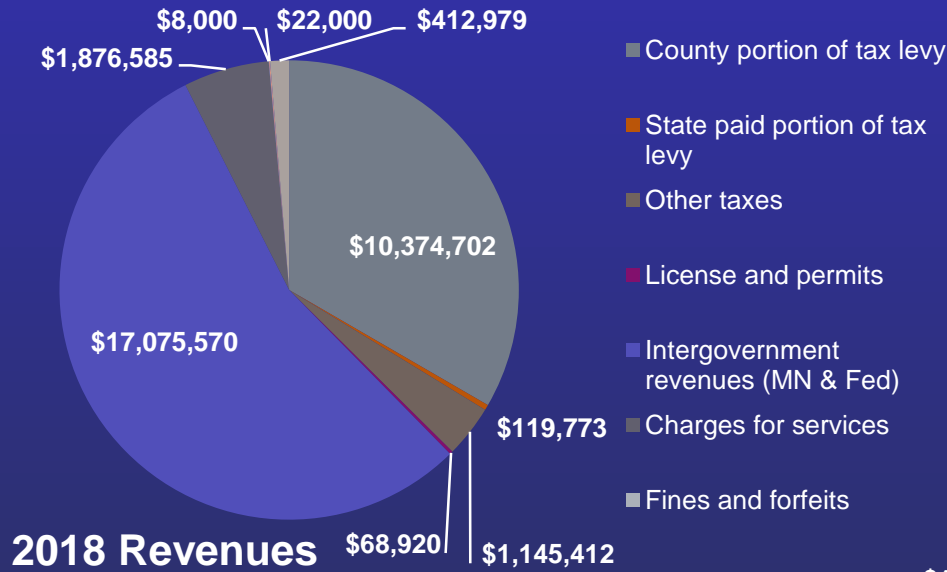


REVENUE TRENDS

Source of Revenue	2013	2014	2015	2016	2017	2018	2019
County portion of tax levy	\$ 8,472,147	\$ 8,321,658	\$ 8,659,530	\$ 9,312,189	\$ 9,739,924	\$ 10,374,702	\$ 10,699,320
State paid portion of tax levy	\$ 799,396	\$ 1,095,441	\$ 949,298	\$ 119,773	\$ 119,773	\$ 119,773	\$ 119,773
Other taxes	\$ 264,660	\$ 279,087	\$ 278,131	\$ 570,687	\$ 762,552	\$ 1,145,412	\$ 764,911
License and permits	\$ 62,040	\$ 57,620	\$ 69,035	\$ 68,920	\$ 68,920	\$ 68,920	\$ 69,320
Intergovernment revenues (MN & Fed)	\$ 10,450,757	\$ 12,895,769	\$ 13,354,534	\$ 15,929,900	\$ 15,111,689	\$ 17,075,570	\$ 14,004,156
Charges for services	\$ 1,776,190	\$ 1,849,696	\$ 1,829,805	\$ 1,783,626	\$ 1,822,812	\$ 1,876,585	\$ 1,894,639
Fines and forfeits	\$ 7,000	\$ 5,500	\$ 7,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 11,000
Interest on investments	\$ 36,000	\$ 21,000	\$ 22,200	\$ 20,200	\$ 22,000	\$ 22,000	\$ 33,000
Miscellaneous	\$ 683,104	\$ 684,564	\$ 509,331	\$ 391,081	\$ 366,030	\$ 412,979	\$ 335,075
Other Financing Sources	\$ 87,800	\$ 15,570	\$ 74,710				
Budgeted use of fund balances	\$ 320,000	\$ 317,254					
TOTAL REVENUES	\$ 22,961,107	\$ 25,543,159	\$ 25,753,574	\$ 28,204,376	\$ 28,021,700	\$ 31,103,941	\$ 27,931,194



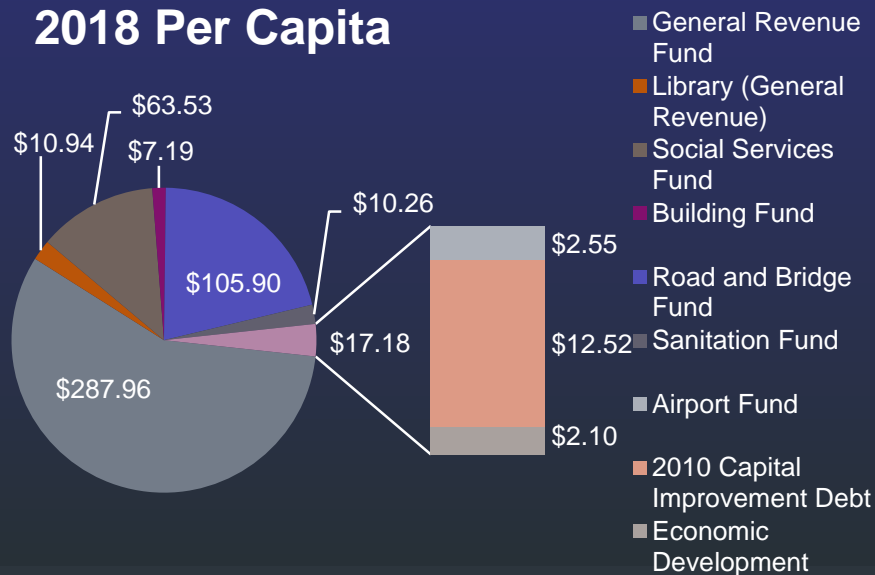
2018 and 2019 REVENUES



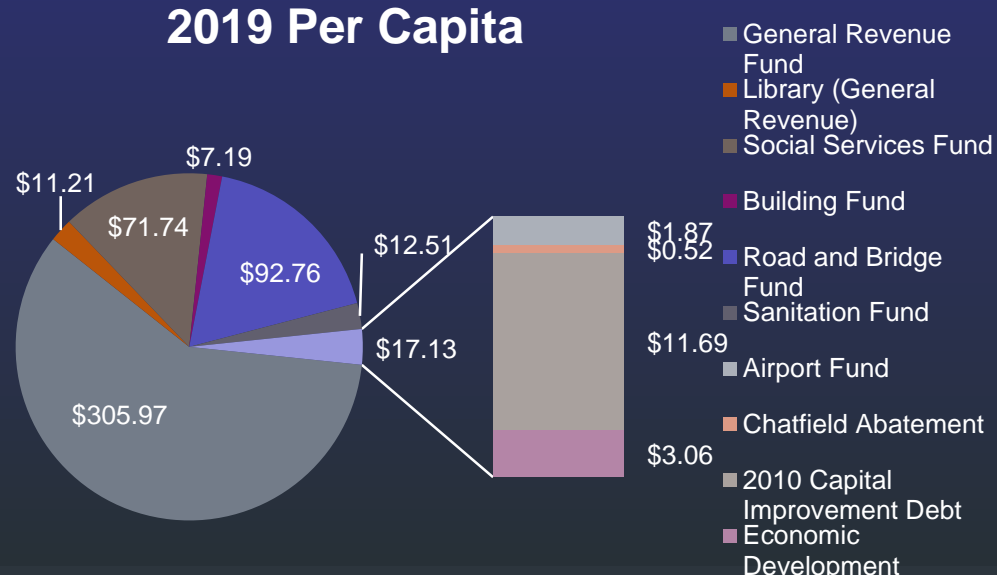
PER CAPITA Comparison

FILLMORE COUNTY FUNDS	2018 Levy	Per Capita	2019 Levy	Per Capita
General Revenue Fund	\$ 6,008,475.00	\$ 287.96	\$ 6,384,299.00	\$ 305.97
Library (General Revenue)	\$ 228,309.00	\$ 10.94	\$ 233,809.00	\$ 11.21
Social Services Fund	\$ 1,325,630.00	\$ 63.53	\$ 1,496,923.00	\$ 71.74
Building Fund	\$ 150,000.00	\$ 7.19	\$ 150,000.00	\$ 7.19
Road and Bridge Fund	\$ 2,209,640.00	\$ 105.90	\$ 1,935,556.00	\$ 92.76
Sanitation Fund	\$ 214,026.00	\$ 10.26	\$ 261,006.00	\$ 12.51
Airport Fund	\$ 53,185.00	\$ 2.55	\$ 39,050.00	\$ 1.87
Chatfield Abatement	\$ -	\$ -	\$ 10,841.00	\$ 0.52
2010 Capital Improvement Debt	\$ 261,306.00	\$ 12.52	\$ 243,853.00	\$ 11.69
Economic Development	\$ 43,904.00	\$ 2.10	\$ 63,756.00	\$ 3.06
Total	\$ 10,494,475.00	\$ 502.95	\$ 10,819,093.00	\$ 518.50
Total Includes Disparity Aid of \$119,773 for 2018 and 2019				
Population = 20,866				

2018 Per Capita



2019 Per Capita



2019 Fillmore County Budget/Levy Summary



- Increase of \$78,766 in CPA (County Program Aid)
- 2.5% proposed COLA
- Proposed 3.49% increase in levy
- Directive from Board to hold fund balance steady or build up the fund balance, goal is to reach state recommendations
- Directive to review each position as it becomes vacant with hire analysis form
- State Aid dollars are all in the General Fund, along with office supplies, copy machines, retirement dollars and for final budget other supplies such as cleaning will be in General Fund
- Part-time positions are budgeted for under Courthouse Security
- Full year operation of Complete Managed IT and replacement of Phone System
- Budgeted dollars for Compensation Plan implementation
- Budgeted donation for the State Veterans Home for \$350,000

Questions/Contact Information

- ❖ Final 2019 Budget and Levy will be presented for Board consideration:

Tuesday, December 18th

Questions:

Bobbie Vickerman

Fillmore County Coordinator

507.765.4566

bvickerman@co.fillmore.mn.us