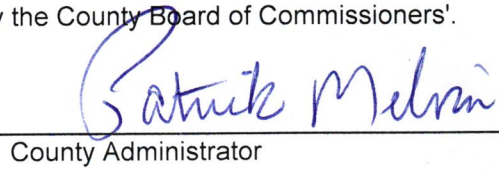


# 2018 Property Tax Levy

**Certification Date:** September 26, 2017

I hereby certify the 2018 Budget and Levy as approved by the County Board of Commissioners'

County Board Chair

County Administrator

Fund	Total Revenues	Total Expenses	Reserves	2017 Certified Levy
<b><u>Levy Funds</u></b>				
<b>01 Revenue</b>	17,309,572	17,534,030	(224,458)	11,584,929
<b>05 Library</b>	202,104	202,104	-	202,104
	\$ 17,511,676	\$ 17,736,134	\$ (224,458)	\$ 11,787,033
<b>02 Road &amp; Bridge</b>	\$ 12,387,397	\$ 12,777,446	\$ (390,049)	\$ 3,262,097
<b>03 Social Services</b>	11,913,170	11,913,170	\$ -	4,838,534
<b>15 Trailblazer Transit</b>	205,650	205,650	-	205,650
	\$ 12,118,820	\$ 12,118,820	\$ -	\$ 5,044,184
<b>12 Special Revenue</b>	\$ 1,439,911	\$ 1,263,229	\$ 176,682	\$ 322,568
<b>Debt Service</b>				
<b>10 Capital Improvement Plan</b>	\$ 436,315	\$ 416,438	\$ 19,877	\$ 436,315
<b>08 Capital Equipment Notes</b>	\$ 262,395	\$ 252,100	\$ 10,295	\$ 262,395
<b>Solid Waste Bonds</b>	\$ 594,891	\$ 571,513	\$ 23,378	
	\$ 1,293,601	\$ 1,240,051	\$ 53,550	\$ 698,710
<b><u>Non-Levy Funds</u></b>				
<b>Solid Waste</b>	\$ 3,760,981	\$ 4,325,164	\$ (564,183)	
<b>Capital Projects</b>	0	644,300	(644,300)	
<b>Grand Totals</b>	\$ 48,512,386	\$ 50,105,144	\$ (1,592,758)	\$ 21,114,592



## Impacts on the 2018 McLeod County Budget

- A) Approximately 1.2 million in new personnel costs resulting from a 2016 market study to attract and retain qualified and competent employees. The previous market study was conducted and implemented in the early 1990's, and the County has been experiencing turnover and has had difficulty hiring top applicants and retaining employees after they are trained in McLeod.
- a. County is working towards an early retirement incentive as an implementation of planned cost savings to wages and benefits
  - b. County is developing succession planning
  - c. County continues to work on the Organizational Study that was approved by the County Commissioners on May 2, 2017 to pool and share talents and improve efficiencies among departments
  - d. County is working on controlling costs by requesting county departments to use a three (3) year average for budgeting their operating costs (excluding utility costs)
  - e. County is investing in their largest asset, which is their employees
- B) Rising health care costs. McLeod County has been a participant with Sibley County in a self-insured health insurance plan, which in the past two years has experienced high claims costs, resulting in a 2018 insurance increase of 35%.
- a. County is researching different options including; changes in providers, plans, and deductibles
  - b. Rising health care costs are concerns at all levels of government
- C) Rising program costs for Social Services totaling \$455,035. This includes increases in foster care costs of \$209,500, state hospital costs for mentally ill of \$94,000, random drug test fees for clients and their children of \$20,000, rule 5 residential treatment costs of \$30,000, detoxification services of \$7,665, extended employment of \$17,000, and consolidate chemical dependent treatment fund of \$25,000. This includes a loss in MNCHOICES assessment revenue of \$51,870. The County also experiences additional Child Protection/Child Welfare costs and expenses arising from parental use and abuse of drugs and alcohol.
- a. County is concerned about the rising expenditures in Social Service programs and the unfunded mandates that the State imposes on county government
  - b. County continues to research avenues to fund mandates
  - c. County continues to lobby their legislators against unfunded mandates
- D) Current use of McLeod County reserves including \$1.9 million to update facility security at the Courthouse. \$3.1 million was spent as intended from the dedicated jail endowment fund.

- a. Jail and security project is near completion and is on target as budgeted
- b. Savings will be recognized from housing inmates within the county and decreasing transfer costs to other county jails
- c. Savings to be realized without increased jail staff
- d. The County is providing a safer more secure facility for Court Administration, Court Services, Courtrooms, County Attorney, jail inmates, county employees and the public

E) Annual utility and building maintenance expenses of approximately \$630,000 to maintain four McLeod County facilities located in Glencoe.

- a. County is researching consolidation of buildings to increase efficiencies in utility and building maintenance expenses
- b. County is addressing current and future space needs for employee accountability and professional customer service
- c. County is striving to streamline public services with the re-organization plans for departments