



Board of County Commissioners Agenda Request

3A
Agenda Item #

Requested Meeting Date: September 25, 2018

Title of Item: Adopt 2019 Preliminary Levy

<input checked="" type="checkbox"/> REGULAR AGENDA	Action Requested:	<input type="checkbox"/> Direction Requested
<input type="checkbox"/> CONSENT AGENDA	<input checked="" type="checkbox"/> Approve/Deny Motion	<input type="checkbox"/> Discussion Item
<input type="checkbox"/> INFORMATION ONLY	<input type="checkbox"/> Adopt Resolution (attach draft)	<input type="checkbox"/> Hold Public Hearing* <i>*provide copy of hearing notice that was published</i>

Submitted by: Jessica Seibert, County Administrator	Department: Administration
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Presenter (Name and Title): Jessica Seibert, County Administrator	Estimated Time Needed: 10 minutes
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Summary of Issue:

Please see the attached memo and 2019 budget recommendations from the Budget Committee. MN Statute 275.067 requires the Board to adopt the 2019 preliminary levy prior to September 30, 2018. A draft resolution is also attached.

Alternatives, Options, Effects on Others/Comments:

Recommended Action/Motion:
Adopt 2019 preliminary levy.

Financial Impact:

Is there a cost associated with this request? Yes No

What is the total cost, with tax and shipping? \$ 14,737,749

Is this budgeted? Yes No *Please Explain:*

AITKIN COUNTY ADMINISTRATION

Aitkin County Courthouse
Jessica Seibert, Administrator
217 Second Street N.W. Room 134
Aitkin, MN 56431
218-927-3093
Fax: 218-927-7374

To: Aitkin County Commissioners
From: Jessica Seibert, County Administrator
Date: September 25, 2018
Re: Budget Committee Recommendations

On September 12, 2018, the Budget Committee met to further review each department budget, identify potential adjustments to revenues and expenditures, and discuss long-range planning. The Committee has identified adjustments totaling \$372,085 lowering the initial 2019 preliminary levy from \$15,109,834 to \$14,737,749.

This amount represents a 9.18% levy increase. Of this amount, 2.3% is attributed to the general levy and 6.8% is reflected for bond payments on the general government center building project.

The attached 2019 Budget and Levy summary reflects this proposed preliminary levy and outlines the total revenues and expenditures. Also attached is a property tax calculation worksheet that reflects the impacts of the proposed preliminary levy.

The proposed preliminary level represents a "not to exceed" amount. The Budget Committee will continue to work with department heads and the Board to find additional adjustments if possible prior to adoption of the final 2019 levy in December.

Aitkin County - 2019 Budget and Levy

	Adopted 2018	Initial Preliminary Levy 2019	Preliminary Levy w/Options 2019
Funds			
General Fund	\$13,867,623	\$14,351,370	\$14,351,370
Parks	\$470,839	\$481,556	\$481,556
Road and Bridge	\$13,339,370	\$8,819,377	\$8,819,377
Health and Human Services	\$7,177,108	\$7,273,094	\$7,273,094
Bond (Interest)		\$168,908	\$168,908
Surveyor		\$112,490	\$112,490
Options - Additions/Reductions	-\$89,515		-\$249,085
Total Expenditures	\$34,765,425	\$31,206,795	\$30,957,710
Revenues	\$20,392,960	\$16,635,721	\$16,635,721
Levy	\$13,499,059	\$15,109,834	\$14,737,749
Total of Other Funding Options	\$0	\$0	\$123,000
Planned Project Reserves (HHS & R&B)	\$873,406	-\$538,760	-\$538,760
Total Revenues	\$34,765,425	\$31,206,795	\$30,957,710
Funding Options			
Increase boarder fees			\$20,000
Use of R&B wetland credits			\$50,000
Phase in boarder revenue decrease			\$50,000
Recycling fees			\$3,000
Total of Other Funding Options			\$123,000
Additions			
Total Additions			\$0
Reductions			
Reduce Appropriations			-\$66,000
Overtime Adjustments			-\$22,089
Insurance Adjustments			-\$42,996
Postpone Assessor Hiring			-\$36,000
Sheriff Ins. Reimbursement			-\$12,000
Jail groceries			-\$10,000
License Center			-\$10,000
Reduce Community Corrections Detention Costs			-\$50,000
Total Reductions			-\$249,085
Calculations			
Levy Increase - Dollars	\$616,130	\$1,610,775	\$1,238,690
Levy Increase - Percentage	4.78%	11.93%	9.18%
Tax Capacity-(2018 estimate)	\$27,203,390	\$28,586,594	\$28,586,594
Fiscal Disparity Distribution	\$165,633	\$194,162	\$194,162
Estimated Tax Rate (before Disparity Aid Adjustment)	49.014%	52.177%	50.876%

2.38% regular levy, 6.8% bond payments

	Adopted 2018	Initial Preliminary Levy 2019	Preliminary Levy w/Options 2019
Tax Rate	49.014%	52.177%	50.876%
<u>Residential</u>			
Incr/Decr in Value	0%	0%	0%
Market Value	\$100,000.00	\$100,000.00	\$100,000.00
Mkt Exclusion	\$28,240.00	\$28,240.00	\$28,240.00
TMV less Exclusion	\$71,760.00	\$71,760.00	\$71,760.00
Tax Capacity	\$717.60	\$717.60	\$717.60
*Property Tax	\$351.72	\$374.42	\$365.08
Incr/Decr in Value	0%	0%	0%
Market Value	\$200,000.00	\$200,000.00	\$200,000.00
Mkt Exclusion	\$19,240.00	\$19,240.00	\$19,240.00
TMV less Exclusion	\$180,760.00	\$180,760.00	\$180,760.00
Tax Capacity	\$1,807.60	\$1,807.60	\$1,807.60
*Property Tax	\$885.97	\$943.15	\$919.63
Incr/Decr in Value	0%	0%	0%
Market Value	\$400,000.00	\$400,000.00	\$400,000.00
Mkt Exclusion	\$1,240.00	\$1,240.00	\$1,240.00
TMV less Exclusion	\$398,760.00	\$398,760.00	\$398,760.00
Tax Capacity	\$3,987.60	\$3,987.60	\$3,987.60
*Property Tax	\$1,954.48	\$2,080.62	\$2,028.71
<u>Residential over \$500K</u>			
Incr/Decr in Value	0%	0%	0%
Market Value	\$600,000.00	\$600,000.00	\$600,000.00
Mkt Exclusion	\$0.00	\$0.00	\$0.00
TMV less Exclusion	\$600,000.00	\$600,000.00	\$600,000.00
Tax Capacity	\$6,250.00	\$6,250.00	\$6,250.00
*Property Tax	\$3,063.36	\$3,261.07	\$3,179.72
<u>Commercial</u>			
Incr/Decr in Value	0%	0%	0%
Market Value	\$500,000.00	\$500,000.00	\$500,000.00
Tax Capacity	\$9,250.00	\$9,250.00	\$9,250.00
*Property Tax	\$4,533.78	\$4,826.39	\$4,705.99

* This calculation represents only Aitkin County's share of the property taxes.

CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA

ADOPTED September 25, 2018

By Commissioner: xx

20180925-0xx

2019 Preliminary Levy

BE IT RESOLVED, that the preliminary Aitkin County tax levy for payable 2019 be set at
\$ _____.

Commissioner xx moved the adoption of the resolution and it was declared adopted upon the following vote

FIVE MEMBERS PRESENT

All Members Voting Yes

**STATE OF MINNESOTA}
COUNTY OF AITKIN}**

I, Jessica Seibert, County Administrator, Aitkin County, Minnesota do hereby certify that I have compared the foregoing with the original resolution filed in the Administration Office of Aitkin County in Aitkin, Minnesota as stated in the minutes of the proceedings of said Board on the 25th day of September 2018, and that the same is a true and correct copy of the whole thereof.

Witness my hand and seal this 25th day of September 2018

Jessica Seibert
County Administrator