

BENTON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING MINUTES
SEPTEMBER 28, 2021

The Benton County Board of Commissioners met for a special meeting on Tuesday, September 28, 2021 in the Benton County Board Room in Foley, MN with Commissioners Beth Schlagen, Scott Johnson, Ed Popp, Jared Gapinski and Steve Heinen present. Call to order by Chair Popp was at 9:00 AM followed by the Pledge of Allegiance to the flag.

After several budget work sessions regarding the County's proposed 2022 property tax levy and budget, County Administrator Montgomery Headley requested the County Board consider a Resolution setting the proposed 2022 levy at \$21,412,944. Headley noted the major factors in the proposed 2022 budget and levy and asked that these factors be included in the record as follows:

1. The proposed 2022 levy increases 5.9%, or \$1,192,978 from 2021, to a total property tax levy of \$21,412,944 ("gross" increase partially offset by expected 1.14% growth from new construction)
2. With this proposed change for 2022, the 10-year average levy change for Benton County is a 0.8% increase
3. The proposed levy increase falls below the 7.7% expected growth in the County's payable 2022 tax capacity, which translates into a reduced County tax rate in 2022; the estimated 2022 County tax rate will fall from 55.21% to 54.30% of tax capacity (down from a peak of 77.74% in 2013)
4. Based on a median house value of \$250,000 and expected 5.3% value growth in 2022, a homeowner's County property taxes would increase \$57.32 in 2022, or \$4.78 per month
5. The proposed 2022 operating budget totals \$49,401,951, an increase of \$6,888,058, or a 16.2% increase from 2021; \$3.9 million of the increase is due to a larger 2022 road construction program
6. The proposed levy increase is comprised of the following major elements:

a) Employee compensation and benefits	\$1,381,810
b) New positions	554,176
c) Restore Highway capital equipment funding	330,000
d) Use ARPA funds for revenue losses	(671,903)
e) Revenue offsets of new positions	(255,472)
f) Use additional reserves to reduce levy	(181,761)
g) All other operating and capital budget changes	<u>36,128</u>
Total Levy Change for 2022	\$1,192,978
7. The proposed budget includes the following "Policy Issues" from County Board action:
 - a) New positions in Human Services, including a Homeless Outreach Social Worker, a MNCHOICE Assessor Social Worker, a Public Health Nurse (First Steps Collaborative) and Adult Services Case Aide
 - b) An additional Help Desk position for Information Technology and a Human Resources Professional position
 - c) A 20 hour per week Investigative Aide in the Sheriff's Office
 - d) Increased funding to the Benton Economic Partnership by \$50,000 to allow BEP to hire support staff
8. Employee compensation and benefits comprise the largest portion of the 2022 levy increase; the 2022 budget funds a 2.5% general wage increase in all labor agreements, plus step increases and

the effects of the 2021 wage study. Also, the proposed 2022 budget includes a 12% increase in employee health insurance premiums, based on the recommendation of the County's health insurance broker

9. The County's general revenue fund balance at the end of 2020 stood at 6.8 months of expenditure coverage, versus a goal standard of 5 months expenditure coverage; this level allows a modest usage of reserves during 2022 to help reduce the County levy

Motion by Heinen and seconded by Gapinski to adopt a Resolution setting the proposed 2022 levy at \$21,412,944.

In addition to the setting the proposed 2022 levy, Headley requested a motion from the County Board to approve a Resolution establishing the proposed 2022 Benton County budget as presented. Motion by Gapinski and seconded by Heinen to approve a Resolution establishing the proposed 2022 Benton County budget as presented.

Chair Popp was not in favor of approving several of the positions and felt we needed to give the Class and Compensation Study more time to see the results and said we will need to be sure we "hold these new positions in check" in the future.

Last, the Board Chair announced that the Benton County Board of Commissioners will conduct a Truth in Taxation Public Meeting on Tuesday, December 14, 2021 at 6:00 PM in the County Board Room.

The special meeting adjourned at 9:16 AM.

Ed Popp, Chair
Benton County Board of Commissioners

ATTEST:

Montgomery Headley
Benton County Administrator