



2026 Proposed Budget and Levy Truth in Taxation Public Meeting December 2, 2025

Prepared by the Office of County Administrator

Summary of Major Factors in the Proposed 2026 Budget and Levy

- The proposed 2026 levy increases 9.56%, or \$2,383,800 from 2025, to a total property tax levy of \$27,315,659
- With this proposed change for 2026, the 10-year average levy change for Benton County is a 3.74% increase (see attached 10-year graph of tax capacity and levy changes)
- The County Assessor expects payable 2026 tax capacity to increase by 5%, which will help to partially offset the effect of the proposed levy increase on the County tax rate; the proposed levy results in a County tax rate of 47.73%, up from 45.61% in 2025 (down from a peak of 77.6% in 2014)
- Based on a median house value of \$267,500 (up 4.25% from payable 2025's median value of \$256,600), a homeowner's County property taxes would increase \$106.11 in 2026, or \$8.84 per month
- The proposed 2026 operating budget totals \$68,796,871, a decrease of \$1,089,887, or a 1.6% decrease from 2025; most of the decrease is due to a smaller 2026 road construction program
- The proposed levy increase is comprised of the following major elements:

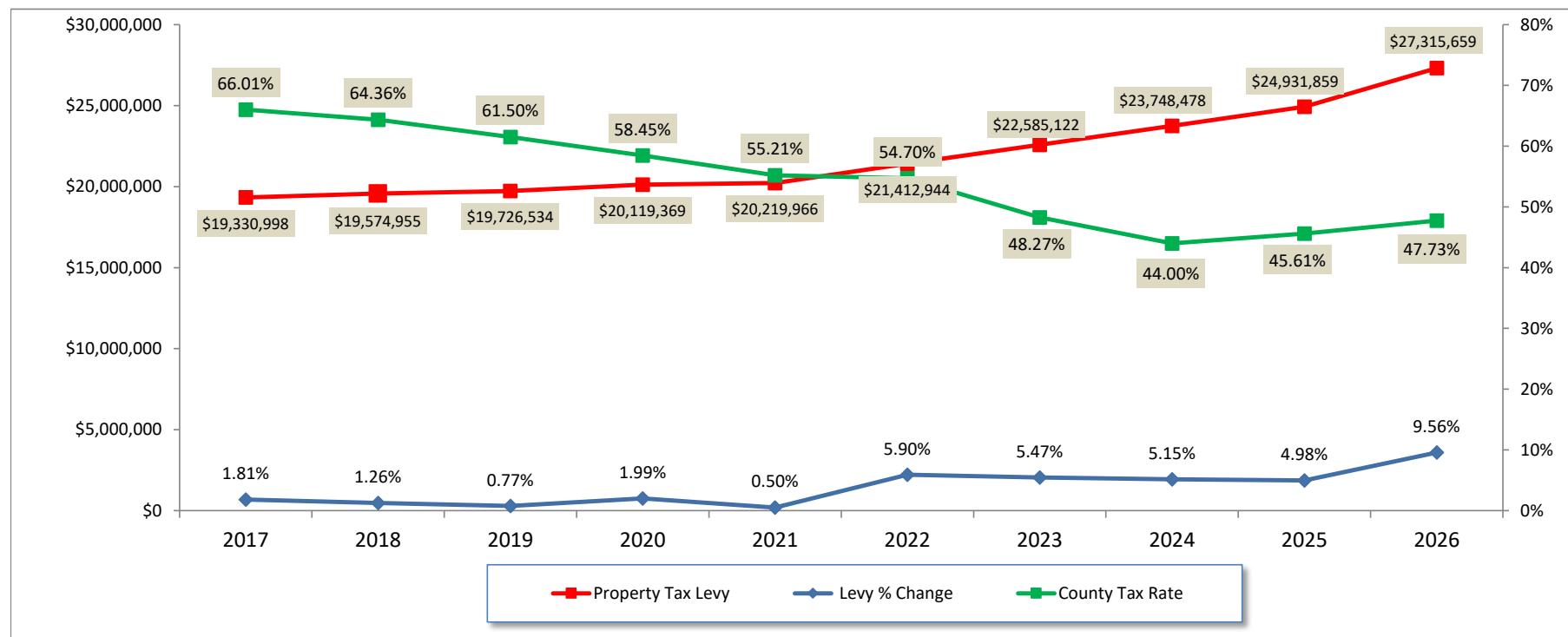
▪ New debt service levy for Government Center project	\$1,739,898
▪ General wage increase	755,402
▪ Step increases and other base wage adjustments	729,309
▪ 3% health insurance funding increase	105,309
▪ Minnesota Paid Family and Medical Leave premiums	103,676
▪ Use fund balance for levy reduction	(500,000)
▪ Increased State Aid for road maintenance	(324,784)
▪ All other revenue and expenditure changes (net)	<u>(225,010)</u>
Total Levy Change for 2026	\$2,383,800

- Explanation of major elements in the proposed budget and levy
 - During 2025 the County Board and its Housing and Redevelopment Authority authorized the issuance of \$22,085,000 in lease-revenue bonds to finance the construction of a new County Government Center; those bonds will mature over a 20 year period; interest payments begin in 2026, with principle payments starting in early 2027
 - The proposed budget provides funding for a County employee general wage increase, step increases (which average 3.2%) and career ladder promotions
 - The County's health insurance broker (Marsh McLennan) recommended a 3% funding increase in the County's self-insurance plan to cover expected increases in reinsurance
 - Minnesota Paid Family and Medical Leave begins on January 1, 2026, with required premium contributions starting in April; the County has chosen to use the State plan with a 0.88% total premium contribution; the proposed budget assumed this contribution will be split equally between the County and employees
 - The County Board has chosen to use \$500,000 in reserves to help lower the proposed 2026 levy increase (see fund balance explanation below)
 - The proposed 2026 budget includes no new positions.

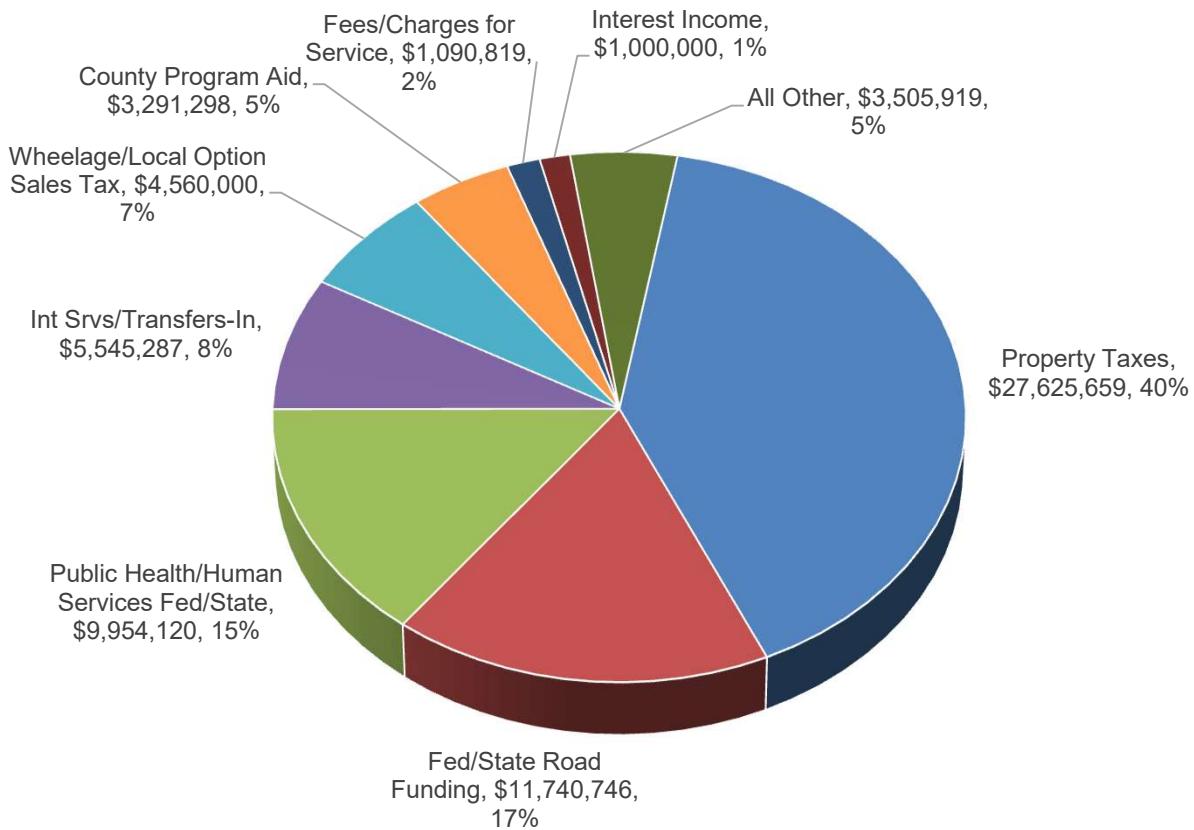
- The County's General Revenue fund balance at the end of 2024 stood at 6.7 months of expenditure coverage, versus a goal standard of 5 months expenditure coverage; the Human Services fund balance equaled 6.1 months of expenditure coverage at December 2024; the proposed budget uses \$1,000,000 in fund balance: 1) \$500,000 to support the County's five-year capital improvement plan for major building maintenance and technology projects and 2) \$500,000 in reserves to help reduce the 2026 levy increase. With these planned drawdowns of reserves, the County will remain at or above its fund balance standard (5 months of expenditure coverage).

Benton County Tax Capacity, Levy and Tax Rate Summary - 10 Year Trend

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Net Tax Capacity	\$29,284,974	\$30,414,097	\$32,076,157	\$34,419,085	\$36,624,701	\$39,147,262	\$46,786,177	\$53,978,544	\$54,488,050	\$57,226,301
% Change	3.4%	3.9%	5.5%	7.3%	6.4%	6.9%	19.5%	15.4%	0.9%	5.0%
Property Tax Levy	\$19,330,998	\$19,574,955	\$19,726,534	\$20,119,369	\$20,219,966	\$21,412,944	\$22,585,122	\$23,748,478	\$24,931,859	\$27,315,659
Levy % Change	1.81%	1.26%	0.77%	1.99%	0.50%	5.90%	5.47%	5.15%	4.98%	9.56%
County Tax Rate	66.01%	64.36%	61.50%	58.45%	55.21%	54.70%	48.27%	44.00%	45.61%	47.73%
Chg in Rate	-1.1%	-1.6%	-2.9%	-3.0%	-3.2%	-0.5%	-6.4%	-4.3%	1.6%	2.1%

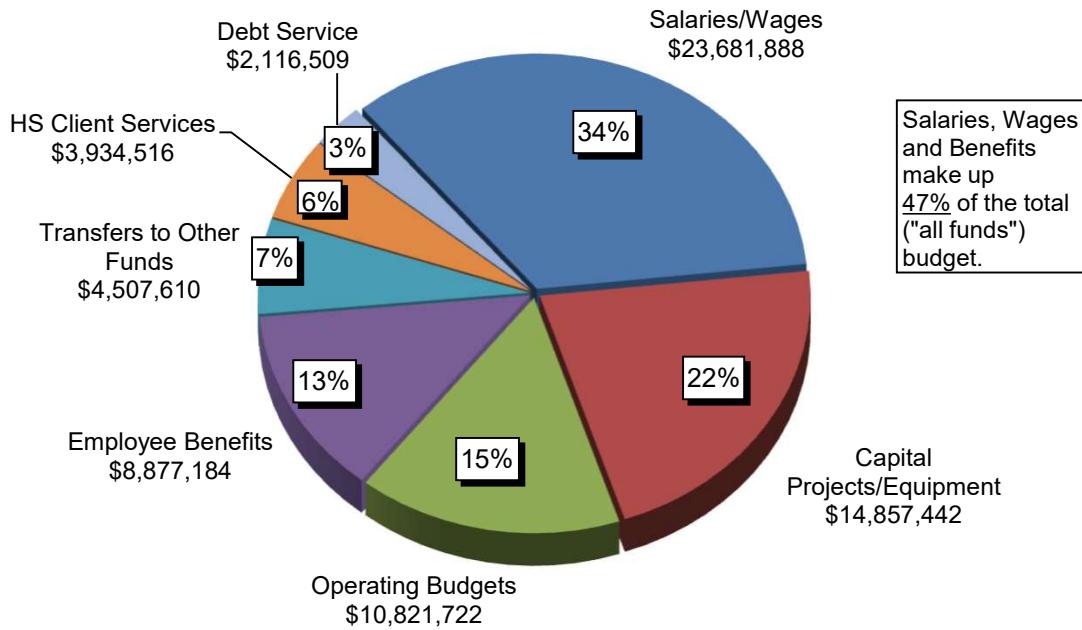


Benton County Proposed 2026 Budget - Where It Comes From



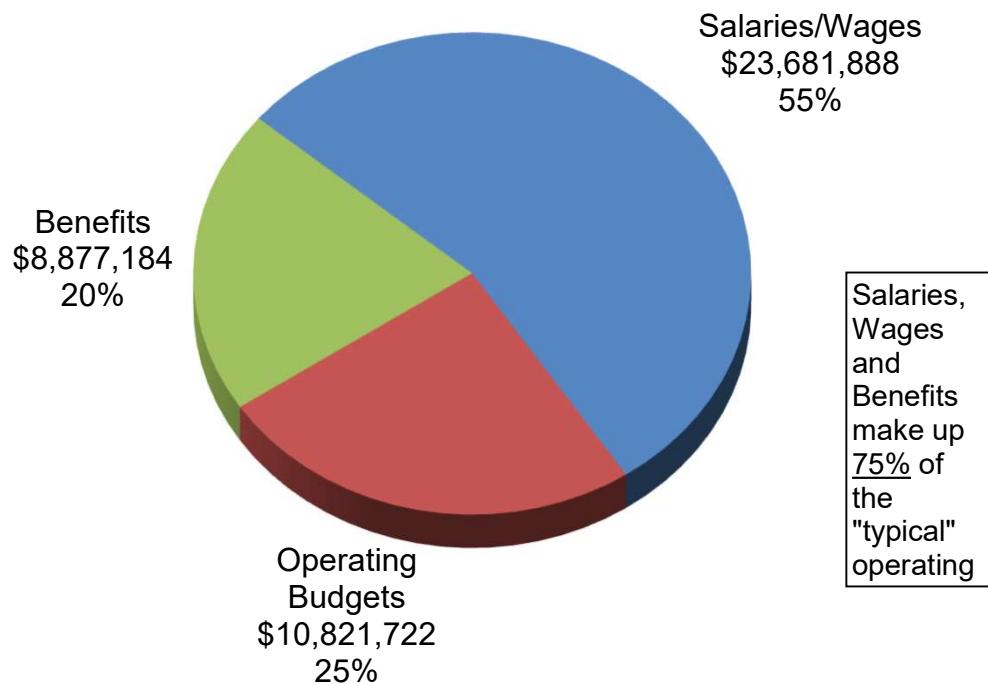
Total Revenues: **\$68,313,848**

Benton County 2026 Proposed Budget - Where It Goes

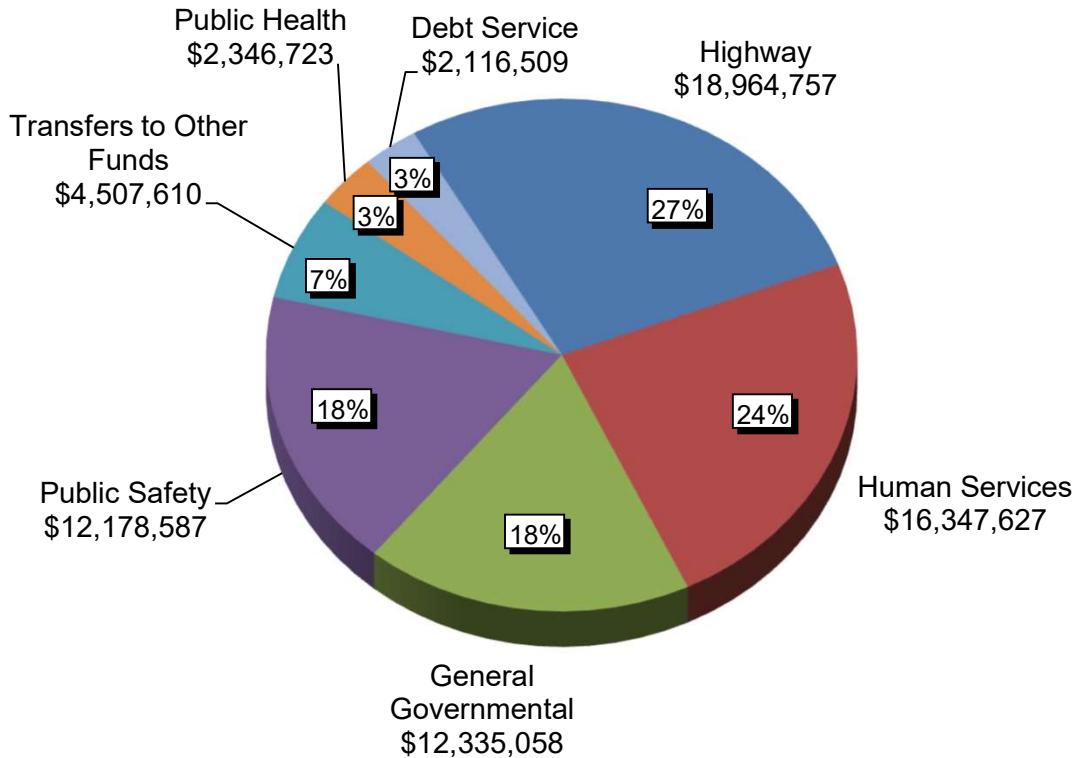


Total Proposed 2026 Budget: **\$68,796,871**

2026 Proposed Budget - Where It Goes "Typical" Department Operating Budget



Benton County
2026 Proposed Budget - Where It Goes by Major Function



BENTON COUNTY

QUALITY PUBLIC SERVICE

Benton County Budget and Levy Summary 2026 Proposed Budget and Levy

	<u>2025 Adopted</u> <u>Budget</u>	<u>2026 Proposed</u> <u>Budget</u>	\$ Chg	% Chg
Revenue/Transfers-In (Other Than Property Tax Levy and County Program Aid)				
Revenue Fund	\$4,731,847	\$5,091,408	\$359,561	7.6%
Highway	18,903,744	16,267,527	(2,636,217)	-13.9%
Public Health/Human Services	10,484,987	11,117,956	632,969	6.0%
Capital Projects	662,482	500,000	(162,482)	-24.5%
Capital Projects - Highway	4,480,000	4,730,000	250,000	5.6%
Debt Service	0	0	0	0.0%
Tax Abatements (Fund 70)	0	0	0	0.0%
Totals	\$39,263,060	\$37,706,891	(\$1,556,169)	-4.0%
Expenditures				
Revenue Fund	\$22,733,954	\$23,577,304	\$843,350	3.7%
Highway	21,820,437	19,355,943	(2,464,494)	-11.3%
Public Health/Human Services	18,091,085	19,194,350	1,103,265	6.1%
Capital Projects	758,462	631,341	(127,121)	-16.8%
Capital Projects - Highway	6,153,445	3,956,610	(2,196,835)	-35.7%
Debt Service	304,375	2,056,323	1,751,948	575.6%
Tax Abatements (Fund 70)	25,000	25,000	0	0.0%
Totals	\$69,886,758	\$68,796,871	(\$1,089,887)	-1.6%
Levy Required (Before Fund Balance Used/State Aid Reduction)				
Revenue Fund	\$18,002,107	\$18,485,896	\$483,789	2.7%
Highway	2,916,693	3,088,416	171,723	5.9%
Public Health/Human Services	7,606,098	8,076,394	470,296	6.2%
Capital Projects	95,980	131,341	35,361	36.8%
Capital Projects - Highway	1,673,445	(773,390)	(2,446,835)	-146.2%
Debt Service	304,375	2,056,323	1,751,948	575.6%
Tax Abatements (Fund 70)	25,000	25,000	0	0.0%
Totals	\$30,623,698	\$31,089,980	\$466,282	1.5%
Fund Balance Used				
Revenue Fund	(\$200,000)	(\$500,000)	(\$300,000)	150.0%
Highway	0	(162,000)	(162,000)	0.0%
Public Health/Human Services	(423,060)	(500,000)	(76,940)	18.2%
Capital Projects	(95,980)	(131,341)	(35,361)	36.8%
Capital Projects - Highway	(1,673,445)	773,390	2,446,835	-146.2%
Debt Service	30,890	36,428	5,538	17.9%
Tax Abatements (Fund 70)	500	500	0	0.0%
Totals	(\$2,361,095)	(\$483,023)	\$1,878,072	-79.5%
Net Property Tax Levy				
Revenue Fund	\$17,802,107	\$17,985,896	\$183,789	1.03%
Highway	2,916,693	2,926,416	9,723	0.33%
Public Health/Human Services	7,183,038	7,576,394	393,356	5.48%
Capital Projects	0	0	0	0.00%
Capital Projects - Highway	0	0	0	0.00%
Debt Service	335,265	2,092,751	1,757,486	524.21%
Tax Abatements (Fund 70)	25,500	25,500	0	0.00%
Totals	\$28,262,603	\$30,606,957	\$2,344,354	8.29%
Less County Program Aid	(3,330,744)	(3,291,298)	39,446	-1.18%
Net Property Tax Levy	\$24,931,859	\$27,315,659	\$2,383,800	9.56%

Benton County Revenue and Expenditure Summary
\$ and % Change from 2025

Department	Revenue				Expenditures			
	2025 Adopted Budget	2026 Proposed Budget	\$ Change	% Change	2025 Adopted Budget	2026 Proposed Budget	\$ Change	% Change
Commissioners					\$354,384	\$329,809	(\$24,575)	-6.9%
General Government	\$138,000	\$106,000	(\$32,000)	-23.2%	1,224,001	1,247,189	23,188	1.9%
Public Defender					157,000	157,000	0	0.0%
Auditor/Treasurer	1,653,001	1,937,671	284,670	17.2%	921,251	1,046,720	125,469	13.6%
Information Technology	476,457	477,517	1,060	0.2%	1,437,371	1,480,773	43,402	3.0%
Attorney	199,647	183,300	(16,347)	-8.2%	1,629,461	1,740,278	110,817	6.8%
Land Services								
Assessor Division	156,848	174,919	18,071	11.5%	797,171	939,312	142,141	17.8%
Recorder Division	221,000	221,000	0	0.0%	281,805	299,556	17,751	6.3%
Planning and Zoning Division	172,765	186,036	13,271	7.7%	557,128	593,930	36,802	6.6%
Land Services - Total	\$550,613	\$581,955	\$31,342	5.7%	\$1,636,104	\$1,832,798	\$196,694	12.0%
Administrator								
Administration					1,059,951	1,106,355	46,404	4.4%
Property Management	392,926	392,926	0	0.0%	981,403	1,013,477	32,074	3.3%
Veterans Services					100,899	104,310	3,411	3.4%
Emergency Management	24,000	23,104	(896)	-3.7%	145,280	156,133	10,853	7.5%
Administrator - Total	\$416,926	\$416,030	(896)	-0.2%	\$2,287,533	\$2,380,275	\$92,742	4.1%
Outside Agencies					1,005,986	1,057,744	51,758	5.1%
Sheriff's Office								
Sheriff	437,881	485,508	47,627	10.9%	5,860,531	6,085,201	224,670	3.8%
Jail	116,500	87,300	(29,200)	-25.1%	4,453,941	4,823,792	369,851	8.3%
Sheriff - Total	\$554,381	\$572,808	\$18,427	3.3%	\$10,314,472	\$10,908,993	\$594,521	5.8%
Department of Corrections	702,822	776,127	73,305	10.4%	1,172,261	1,113,461	(58,800)	-5.0%
Extension					274,130	282,264	8,134	3.0%
Transfers From/To Other Funds	40,000	40,000	0	0.0%	320,000		(320,000)	-100.0%
Total - Revenue Fund	\$4,731,847	\$5,091,408	\$359,561	7.6%	\$22,733,954	\$23,577,304	\$843,350	3.7%
Other Funds								
Highway Fund	18,903,744	16,267,527	(2,636,217)	-13.9%	21,820,437	19,355,943	(2,464,494)	-11.3%
Human Services Fund								
Public Health	1,491,134	2,126,159	635,025	42.6%	1,983,318	2,346,723	363,405	18.3%
Human Services	8,993,853	8,991,797	(2,056)	0.0%	16,107,767	16,847,627	739,860	4.6%
Human Services Fund Total	\$10,484,987	\$11,117,956	\$632,969	6.0%	\$18,091,085	\$19,194,350	\$1,103,265	6.1%
Capital Projects Fund	662,482	500,000	(162,482)	-24.5%	758,462	631,341	(127,121)	-16.8%
Capital Projects - Highway Fund	4,480,000	4,730,000	250,000	5.6%	6,153,445	3,956,610	(2,196,835)	-35.7%
Debt Service					304,375	2,056,323	1,751,948	575.6%
Tax Abatements (Fund 70)					25,000	25,000	0	0.0%
Total - Other Funds	\$34,531,213	\$32,615,483	(\$1,915,730)	-5.5%	\$47,152,804	\$45,219,567	(\$1,933,237)	-4.1%
Grand Total - All Funds	\$39,263,060	\$37,706,891	(\$1,556,169)	-4.0%	\$69,886,758	\$68,796,871	(\$1,089,887)	-1.6%

Major Factors Affecting the Benton County 2026 Proposed Levy

Revenue Fund

2026 general wage adjustment	\$385,191
Step increases, MN Paid Leave premium, dental insurance & other base wage adjustments	726,675
Health insurance enrollment changes/health insurance premium increase	32,640
Operating Account Changes	
> Eliminate \$200,000 transfer to CIP; eliminate \$120,000 transfer for dental insurance	(320,000)
> Base adjustment for Probation Agent salaries and benefits	(59,270)
> Negotiated reduction in Jail food agreement (new vendor)	(35,000)
> Increased MCIT Prop/Casualty and Workers Comp premiums	20,674
> Eliminate one-time increase added to County Board contingency	(19,000)
> Great River Regional Library	18,190
> Jail medical contract escalation provision	12,051
> New Sheriff records management system hosting expense (Stearns County hosted)	10,000
> All Other Operating Account Changes	39,202
Capital Outlay Base Budget Adjustments	7,000
Net Revenue Changes (negative indicates increased revenue)	(359,561)
Change in Fund Balance Used (\$200,000 in 2025)	(300,000)
Policy Issues Funded in the Proposed Budget	24,997
Total Changes	\$183,789

Highway Fund

2026 general wage adjustment	\$58,818
Step increases, MN Paid Leave premium, dental insurance & other base wage adjustments	32,126
Health insurance enrollment changes/health insurance premium increase	(60,880)
Operating Account Changes	
> All Other Operating Account Changes	14,944
Net Change in Road Program (2025 to 2026)	(2,509,502)
All Other Capital Equipment Base Budget Adjustments	0
Net Revenue Changes	2,636,217
Change in Fund Balance Used	(162,000)
Policy Issues Funded in the Proposed Budget	0
Total Changes	\$9,723

Human Services Fund

2026 general wage adjustment	\$311,393
Step increases, MN Paid Leave premium, dental insurance & other base wage adjustments	675,540
Health insurance enrollment changes/health insurance premium increase	83,251
Operating Account Changes	
> Add operating budget for Public Health Foundational Grant	57,623
> Increased transfer-out from reserves for capital projects (\$500,000)	118,518
> All Other Operating Account Changes	(143,060)
Capital Outlay Base Budget Adjustments	0
Net Revenue Changes (negative indicates increased revenue)	(632,969)
Change in Fund Balance Used	(76,940)
Policy Issues Funded in the Adopted Budget	0
Total Changes	\$393,356

Major Factors Affecting the Benton County 2026 Proposed Levy

Other Operating Funds		
Capital Projects Fund		
No levy allocated to capital projects; projects funded with reserves		\$0
Capital Projects - Highway		
No levy allocated to 5-Year Road Program		0
Debt Service Fund		
Increase based on bond-repayment schedule (see Debt Service Fund for detail)		1,757,486
Tax Abatements (Fund 70)		
Adjust Performance Foods tax abatement to actual amount (Phase 2 complete)		0
County Program Aid		
Reduced 2026 County Program Aid (due to CPA formula)		39,446
Total Changes - All Funds		<u>\$2,383,800</u>

Major Factors - Recap	
2026 general wage increase	\$755,402
Step increases, MN Paid Leave premium, dental insurance & other base wage adjustments	1,434,341
Health insurance enrollment changes/health insurance premium increase	55,011
Operating Account Changes	(285,128)
Capital Outlay Base Budget Adjustments	(2,502,502)
Net Revenue Changes	1,643,687
Change in Fund Balance Used	(538,940)
Capital Projects Fund	0
Debt Service Fund	1,757,486
Tax Abatements	0
County Program Aid	39,446
Policy Issues Funded in the Proposed Budget	24,997
Total Change in the 2026 Proposed Levy (from 2025)	<u>\$2,383,800</u>

Base Budget Revenue/Transfers-In Summary						
	2025 Revenue Budget	2026 Revenue Budget	\$ Change from 2025	% Change from 2025	Notes	
Commissioners	\$0	\$0	\$0	0.0%		
General Government	138,000	106,000	(32,000)	-23.2%	Declining MCIT dividend	
Public Defender	0	0	0	0.0%		
Auditor/Treasurer	1,653,001	1,937,671	284,670	17.2%	Improving interest earnings	
Information Technology	476,457	477,517	1,060	0.2%		
Attorney	199,647	183,300	(16,347)	-8.2%	Reduced billing to Human Services	
Land Services						
Assessor Division	156,848	174,919	18,071	11.5%	Planned increase in per parcel charge to Townships & Cities	
Recorder Division	221,000	221,000	0	0.0%		
Planning and Zoning Division	172,765	186,036	13,271	7.7%	Resumption of State water plan grant pass-thru to SWCD	
Land Services - Total	550,613	581,955	31,342	5.7%		
Administrator						
Administration	0	0	0	0.0%		
Property Management	392,926	392,926	0	0.0%		
Veterans' Services	0	0	0	0.0%		
Emergency Management	24,000	23,104	(896)	-3.7%		
Administrator - Total	416,926	416,030	(896)	-0.2%		
Other Agencies	0	0	0	0.0%		
Sheriff's Office						
Sheriff	437,881	485,508	47,627	10.9%	Increased state Police Aid	
Jail	116,500	87,300	(29,200)	-25.1%	Reduced inmate boarding	
Sheriff - Total	554,381	572,808	18,427	3.3%		
Department of Corrections	702,822	776,127	73,305	10.4%	Increased State reimbursement for Probation Agents	
Extension	0	0	0	0.0%		
Transfers From/To Other Funds	40,000	40,000	0	0.0%		
Total - Revenue Fund	4,731,847	5,091,408	359,561	7.6%		
Other Funds						
Highway	18,903,744	16,267,527	(2,636,217)	-13.9%	Smaller 2026 road program	
Human Services Fund						
Public Health	1,491,134	2,126,159	635,025	42.6%	Adds Foundational Public Health grant	
Human Services	8,993,853	8,991,797	(2,056)	0.0%		
Human Services Fund Total	10,484,987	11,117,956	632,969	6.0%		
Capital Projects	662,482	500,000	(162,482)	-24.5%	Smaller transfer-in needed from reserves	
Capital Projects - Highway	4,480,000	4,730,000	250,000	5.6%		
Debt Service	0	0	0	0.0%		
Tax Abatements (Fund 70)	0	0	0	0.0%		
Total - Other Funds	34,531,213	32,615,483	(1,915,730)	-5.5%		
Grand Total - All Funds	\$39,263,060	\$37,706,891	(\$1,556,169)	-4.0%		

2026 Policy Issue Summary						
			<u>Requested Full Year Cost</u>	<u>Revenue Offsets or Budget Reductions</u>	<u>Requested Net Cost</u>	<u>Net Levy Amt Funded in the Proposed 2026 Budget</u>
	Department	Policy Issue Title				Notes
1	Commissioners	None Submitted				
2	General Government	Implement Class and Comp Maintenance - Year 2	\$42,511	\$0	\$42,511	\$42,511
3	Public Defender	None Submitted				
4	Auditor/Treasurer	None Submitted				
5	Information Technology	None Submitted				
6	County Attorney	Full-Time Executive Assistant	92,046		92,046	0 Not funded
7	Land Services	None Submitted				
8	Administrator (CIP Fund)	Accounts Payable Automation Solution	51,011		51,011	0 Funded in CIP using CIP fund balance
9	Administrator (CIP Fund)	CivicPlus Agenda Management System	15,210		15,210	0 Funded in CIP using CIP fund balance
10	Administrator (CIP Fund)	Replace Lakeview Center Deck	60,000		60,000	0 Funded in CIP using CIP fund balance
11	Outside Agencies	See Outside Agency Detail	73,571		73,571	24,997 See outside agency detail
12	Sheriff's Office	None Submitted				
13	Corrections	None Submitted				
14	Extension	None Submitted				
Total - Revenue Fund			\$334,349	\$0	\$334,349	\$67,508
15	Highway	Five-Year Road Program Projects	1,097,026		1,097,026	0 Not funded
	Highway					
Total - Highway Fund			\$1,097,026	\$0	\$1,097,026	\$0
16	Public Health	Community Health Supervisor	131,877		131,877	0 Not funded
17	Human Services	None Submitted				
Total - Human Services Fund			\$131,877	\$0	\$131,877	\$0
18	Capital Projects Fund	None submitted				
Total - Capital Projects Fund			\$0	\$0	\$0	\$0
19	Highway Capital Projects Fund	None submitted				
Total - Highway Capital Projects Fund			\$0	\$0	\$0	\$0
20	Debt Service Fund	None submitted				
Total - Debt Service Fund			\$0	\$0	\$0	\$0
21	Tax Abatement Fund	None submitted				
Total - Tax Abatement Fund			\$0	\$0	\$0	\$0
Grand Total - All Funds			\$1,563,252	\$0	\$1,563,252	\$67,508

Summary of Funding to Outside Agencies

		Adopted 2025 Budget	2026 Request	Requested \$ Increase from 2025	Requested % Increase from 2025	2026 Proposed Budget	2026 \$ Chg from 2025	2026 % Chg from 2025
APO (JPO)	170-151	\$9,215	\$9,644	\$429	4.7%	9,644	\$429	4.7%
Historical Society	170-153	14,070	15,070	1,000	7.1%	15,070	1,000	7.1%
Humane Society	170-154	2,000	5,000	3,000	150.0%	2,000	0	0.0%
Initiative Foundation	170-155	5,700	5,700	0	0.0%	5,700	0	0.0%
Great River Regional Library (JPO)	170-156	528,480	546,670	18,190	3.4%	546,670	18,190	3.4%
SWCD	170-157	255,000	265,000	10,000	3.9%	260,000	5,000	2.0%
RSVP	170-158	15,000	16,995	1,995	13.3%	15,000	0	0.0%
Smart Moves (Boys and Girls Clubs)	170-159	6,700	6,700	0	0.0%	6,700	0	0.0%
United Way 2-1-1	170-160	3,000	3,000	0	0.0%	3,000	0	0.0%
Council on Aging	170-161	2,534	2,610	76	3.0%	2,534	0	0.0%
Greater St. Cloud Development Corporation	170-162	7,500	10,000	2,500	33.3%	7,500	0	0.0%
Career Solutions	170-164	1,000	2,500	1,500	150.0%	2,500	1,500	150.0%
Central MN Emergency Services Board (JPO)	170-166	14,787	15,426	639	4.3%	15,426	639	4.3%
CARE	170-167	7,500	10,000	2,500	33.3%	7,500	0	0.0%
Highway 23 Coalition	170-168	3,000	3,000	0	0.0%	3,000	0	0.0%
Central MN Child Advocacy Center	170-170	3,000	3,000	0	0.0%	3,000	0	0.0%
AnnaMarie's Alliance	170-171	2,500	5,000	2,500	100.0%	2,500	0	0.0%
Benton Economic Partnership	170-701	125,000	150,000	25,000	20.0%	150,000	25,000	20.0%
Visit Greater St. Cloud		0	10,000	10,000	0.0%	0	0	0.0%
CROSS Center		0	7,000	7,000	0.0%	0	0	0.0%
St. Cloud Downtown Alliance		0	9,000	9,000	0.0%	0	0	0.0%
AVIVO Village St. Cloud		0	100,000	100,000	0.0%	0	0	0.0%
Totals		\$1,005,986	\$1,201,315	\$195,329	19.4%	\$1,057,744	\$51,758	5.1%
<i>(JPO = Joint Powers Organization)</i>								