



# Saint Louis County

Administration • 100 North Fifth Avenue West, Room 202 • Duluth, MN 55802  
Phone: (218) 726-2450 • Fax: (218) 726-2469 • www.co.st-louis.mn.us

April 11, 2013

## **MEMORANDUM**

**TO:** County Commissioners

**FROM:** Chris Dahlberg  
County Board Chair

Kevin Z. Gray  
County Administrator

**RE: County Board Workshop – April 16, 2013**

A County Board Workshop has been scheduled for **Tuesday, April 16, 2013, beginning at 9:30 A.M. in the Public Works Administration Building Conference Room, 4787 Midway Road, Duluth, MN.** The agenda for the meeting is as follows:

9:30 A.M. Budget Overview - Administration

10:30 A.M. Big Three Departments Budget Trends Presentation: Public Works

**NOTE:** County Board Workshops will not be assigned an adjournment time, but rather will continue until Commissioners are satisfied with the completed policy discussion on the topics presented the day of the workshop.

## March 26 Board & Finance Chair Preliminary Budget Discussion Meeting

---

### I. Status of Legislation on revenue streams and impacts to SLC

- a. 2013 aid level estimates included in budget appear to be reasonable as we watch the legislative session progress
  - i. Continue to watch VCA formula (total of \$850,00 or 18% reduction over next 4 years, has been included in 2013 budget already)
- b. Other legislation or rules changes with impacts: MA expansion, MA for inmates, MN Choices, Wheelage fee and local option sales tax for roads
- c. In addition, watching federal issues including PILT, sequestration

### II. Settlements

- a. Incorporated 1% for 2012 and 1.5% in the 2013 budget based on settlement pattern
- b. Slow progress in other bargaining units
- c. COLA for 2014 needs to be estimated and incorporated (2% settlement and other)

### III. Health Insurance

- a. Use of fund balance over last 2 years will require increase in health insurance premiums for 2014
- b. Projecting 2.5-5% for medical insurance (reviewing with HR)
- c. Projecting 2.5% for dental insurance
- d. Also reviewing impact of Affordable Care Act – this will be a topic in the May Board workshop

### IV. Unique Expenses/Revenues

- a. Assessor merger, no additional funding from Duluth and extra staff fully absorbed
  - i. True County Assessor Model levy impact would be additional
- b. Debt Service
- c. Mineral Royalties, appear on similar track as last year's July payment

### V. Status of Funds, Year End proposals

- a. Cash Flow projections continue to be solid
- b. PHHS: due to revenues exceeding expectations and some operating efficiencies
  - i. Assignment for staffing flexibility required to accommodate MA expansion
  - ii. Possibly for overtime related to MN Choices
  - iii. Possibly for GSC construction project (FFE)
  - iv. Maybe EDMS (?)
- c. PW: very complicated due to flood accounting
  - i. Any available funds would be directed towards equipment
- d. General Fund
  - i. ARMER: used assigned fund balance from 2012 year end; adding additional fund balance
  - ii. Surveyor: mechanics require assigning fund balance although the use was adopted as part of our budget

- iii. Jail: due to per diems slightly lower than in previous year and significant savings in prisoner medical with new provider; assigning for future investments to deal with prisoner overcrowding issue
- iv. Depot - \$138,352 available balance to be set aside for emergency needs
- v. Arrowhead Contract for Camp E capital budget, 2013 portion - \$744,601

CASH FLOW REQUIREMENTS - Object as shown below								
as of December 31, 2012								
	2013	5/12 2013	100% 2013		Cash	2012		
	Levy	Levy	Program Aid	Flow	100%	Actual	%	UNASSIGNED
General Fund - Fd 100	51,447,805	21,436,585	6,563,201	27,999,786		26,480,600	94.6%	
Public Works - Fd 200	19,872,649	8,280,270	901,457	9,181,727			0.0%	
Social Services - Fd 230	32,280,310	13,450,129	1,335,757	14,785,886		14,785,886	100.0%	
Capital Projects - Fd 400	861,940	359,142	36,470	N/A				
Capital Projects - Fd 405	480,702	200,293	17,865	N/A				
Capital Projects - Fd 407	1,182,123	492,551	-	N/A				
Debt Service Funds	5,239,649	2,183,187	-	N/A				
Enterprise Funds	303,996	126,665		N/A				
Totals	111,669,174	46,528,823	8,854,750	51,967,400		41,266,486	79.4%	

**VI. Management Strategies**

- a. Strengthen and sustain excellence in customer service
- b. Implement effective business practices, principles and service delivery models
- c. Provide for the effective and efficient use of county resources
- d. Recruit, develop and train the best possible workforce

Business & Organizational Efficiencies	Location & Social Delivery	Outside/Other Revenue & Revenue Maximization	Deferral or one-time monies	Smaller Government, Core Services & Service Levels
--	----------------------------	--	-----------------------------	--

**VII. Last Year's Initiatives**

- a. Finance Chair hosted meetings with each Committee Chair and relevant departments
- b. Focused on customer service, service delivery (priorities, action steps, potential gaps) and policy impediments or enablers

**VIII. Other**

- a. Role of Finance Committee
- b. Commissioner Engagement
- c. Administration action & communication
- d. Discussion of Calendar
  - i. March 21 workshop – includes legislative overview and CIP
  - ii. April 16 workshop – includes budget overview and other items
  - iii. May 21 workshop – includes “big 3” budget trends & overview
  - iv. July 1 OSA Local Government Results & Innovation Performance Reporting due
  - v. July 28 or 31 workshop?; August 12 or 14 workshop?
  - vi. September 10<sup>th</sup> preliminary maximum levy certification
  - vii. October 15 workshop?
  - viii. November 26 COW discussion/review of budget resolution
  - ix. December 3<sup>rd</sup> levy & budget adopted @ Board
- e. Business Plan updates?

# St. Louis County Budget Calendar 2013 For 2014-15 Budget Cycle

**Feb 13-14:**  
Duluth & SLC  
Days at the  
Capitol

**March 19:**  
Board Workshop  
including Capital  
Improvement  
Plan amendment  
and 2013  
Bonding  
preparation

**April 16:** Board  
Workshop  
including 2014  
Budget  
Assumptions

**March 2-6:**  
NACo Legislative  
Conference, no  
Board Meeting  
March 5

**March 21:**  
Budget training,  
register through  
HR Employee  
Training

**March 20-21:**  
AMC Legislative  
Conference

**March 29:**  
Mandatory year  
end (2012) KPI  
reporting and  
MN State  
Auditor  
Performance  
Measures Due

**April 16:** Board  
Workshop  
including 2014  
Budget  
Discussion

## JANUARY

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## FEBRUARY

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

## MARCH

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**May 21:** Board  
Workshop  
including 2014  
Budget  
Discussion

**June 21:**  
Preliminary  
budget due in  
MH, file closed

**June 24-July  
12:** Financial  
Analyst review  
of department  
budget  
submissions

**July 1:** State  
Auditor  
Performance  
Reporting Due

**July 15-  
August 2:**  
County  
Administration  
budget meetings  
with  
Departments

**July 19-22:**  
NACO Annual  
Conference, no  
Board Meeting  
July 23

**September 10:**  
Preliminary  
Maximum levy  
certified

**December 3:**  
2014 Capital  
and Operating  
Budget adopted

**December 8-  
10:** AMC Annual  
Conference, no  
Board Meeting  
December 10

## APRIL

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

## MAY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## JUNE

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

## JULY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

## AUGUST

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## SEPTEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## OCTOBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## NOVEMBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

## DECEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### Key to Calendar Symbols

1	Board workshop (some tentative)
1	Key deadlines
1	Other important dates