



**Jackson County
Board of Commissioners
Work Session Agenda**

August 27, 2024
8:30 a.m.
Jackson County Board Room

(No official action of the County Board will be taken at this work session meeting)

Agenda

1. Preliminary 2025 budget and levy presentation
 - a. Discussion items:
 - i. Annual appropriation requests
 - ii. Preliminary levy discussion
 - iii. Other

Adjourn

Proposed 2025 Jackson County Tax Levy and Budget



August 27, 2024



Review of Existing Finances & Debt

- Fund Balance
- Bond Payments
- Wind Production Tax



Fund Balance

- 12/31/2023 DRAFT financial statement:
 - Available Unassigned General Fund Reserves: \$7,787,722 (6.98 months of expenditures*)
 - Available Road & Bridge Fund Reserves: \$5,815,231 (9.52 months of expenditures*)
 - Total Combined Available Reserves: \$13,602,953 (7.88 months of expenditures*)
 - State Auditor recommends having no less than 5 month of expenditures available in reserves
 - Available Committed Reserves for LEC.GC Project: \$9,152,044 (not in the totals above)

* Expenditures based on 2024 budgeted expenses without road construction and LEC.GC capital expenses

Public Works Facility Bond Payment Levy Schedule



General Obligation CIP Bond 2019C

Year of Tax Levy	Year of Tax Collection	Amount	County Portion 70%
2024	2025	\$ 820,684	\$ 574,479
2025	2026	\$ 818,718	\$ 573,103
2026	2027	\$ 816,544	\$ 571,581
2027	2028	\$ 814,164	\$ 569,915
2028	2029	\$ 816,288	\$ 571,402
2029	2030	\$ 812,562	\$ 568,793
2030	2031	\$ 813,309	\$ 569,316
2031	2032	\$ 812,854	\$ 568,998
2032	2033	\$ 811,155	\$ 567,809
2033	2034	\$ 813,743	\$ 569,620
2034	2035	\$ 808,827	\$ 566,179
2035	2036	\$ 811,803	\$ 568,262
2036	2037	\$ 808,905	\$ 566,234

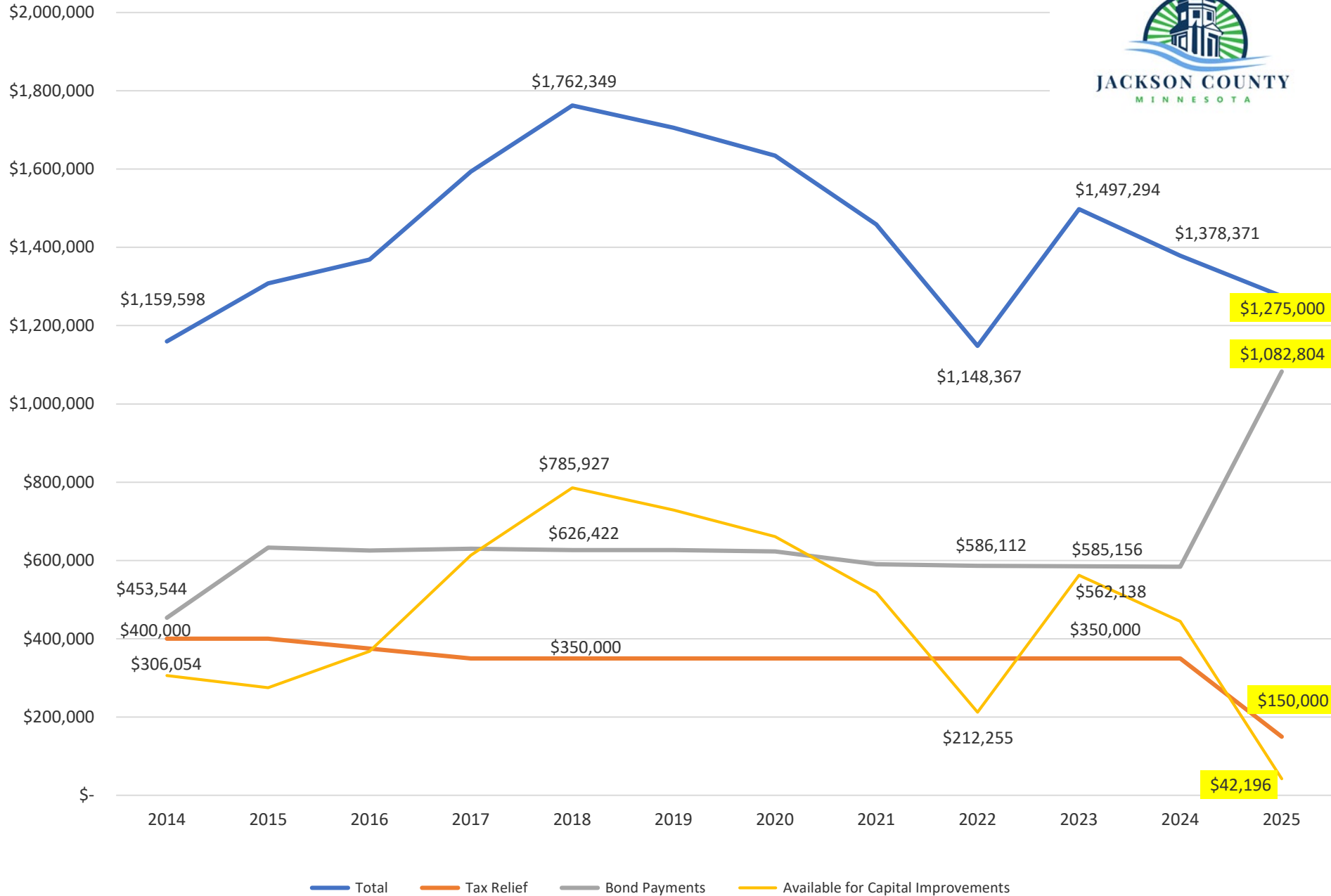
Law Enforcement Center/Jail Bond Payment Levy Schedule

General Obligation Jail Bond 2024A

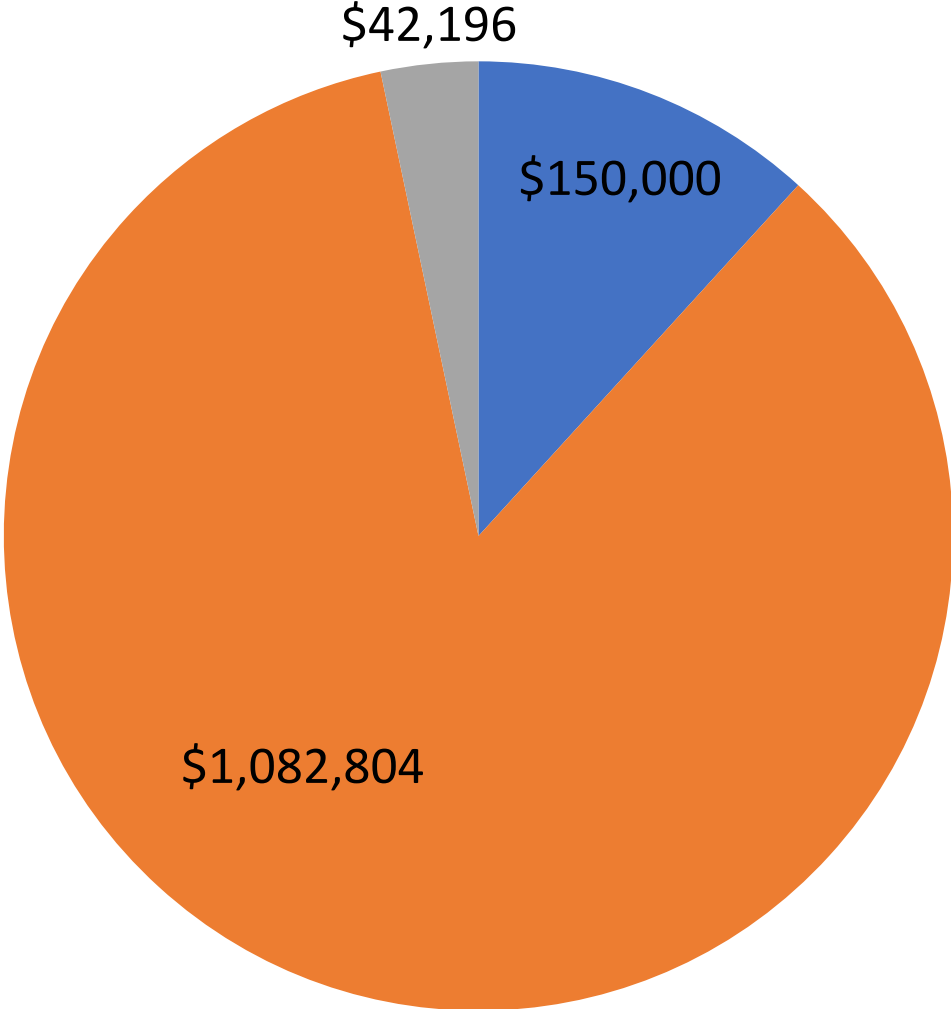
Year of Tax Levy	Year of Tax Collection	Amount
2024	2025	\$ 2,039,100
2025	2026	\$ 2,034,690
2026	2027	\$ 2,034,480
2027	2028	\$ 2,027,760
2028	2029	\$ 2,025,240
2029	2030	\$ 2,021,460
2030	2031	\$ 2,021,670
2031	2032	\$ 2,015,160
2032	2033	\$ 2,012,640
2033	2034	\$ 2,008,650
2034	2035	\$ 2,008,440
2035	2036	\$ 2,011,800
2036	2037	\$ 2,018,520
2037	2038	\$ 2,023,140
2038	2039	\$ 2,025,660
2039	2040	\$ 2,031,330
2040	2041	\$ 2,039,940
2041	2042	\$ 2,046,030
2042	2043	\$ 2,054,850
2043	2044	\$ 2,060,940
2044	2045	\$ 2,074,800
2045	2046	\$ 2,085,510
2046	2047	\$ 2,098,320
2047	2048	\$ 2,113,020
2048	2049	\$ 2,129,400



Wind Production Tax Revenue & Uses



2025 Estimated County Wind Tax



- Tax Relief
- Bond Payments
- Available for Capital Improvements

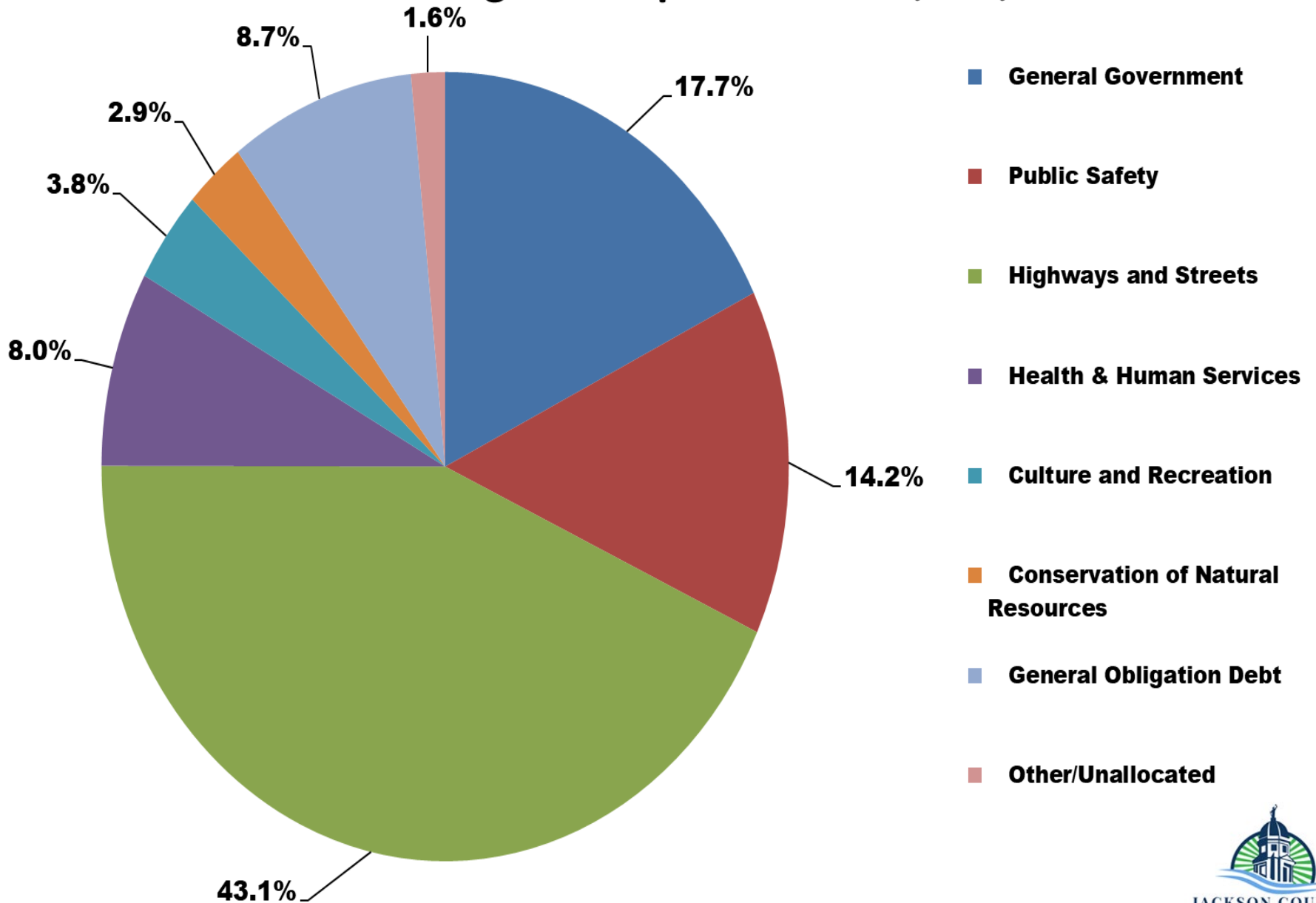




2025 Proposed Budget & Tax Levy

- Total 2025 Budgeted Expenses
- 2025 Preliminary Tax Levy
- Key 2025 Tax Levy Increases
- Key Factors that would Decrease the 2025 Tax Levy
- County Program Aid
- Wages
- Employee Insurance
- New Positions Requests
- Appropriations
- New Law Enforcement Center/Government Center Financing

2025 Total Budgeted Expenses = \$32,964,321



Jackson County 2025 Preliminary Tax Levy



Jackson County

2025 Budget

Preliminary Tax Levy - August 27, 2024

Fund	2024 Levy	2025 Levy	2025 CPA Distribution	2024 Adjusted Levy	2025 Adjusted Levy	Increase (Decrease)	% Increase (Decrease)
General	\$8,399,798.00	\$8,564,611.00	\$431,770.00	\$7,945,431.00	\$8,132,841.00	\$187,410.00	2.36%
Public Works	\$2,947,851.00	\$2,916,891.00	\$147,050.00	\$2,788,394.00	\$2,769,841.00	(\$18,553.00)	-0.67%
Library	\$588,432.00	\$618,521.00	\$31,182.00	\$556,602.00	\$587,339.00	\$30,737.00	5.52%
Bonds	\$1,995,926.00	\$2,871,678.00	\$144,771.00	\$1,887,961.00	\$2,726,907.00	\$838,946.00	44.44%
Total	\$13,932,007.00	\$14,971,701.00	\$754,772.00	\$13,178,388.00	\$14,216,928.00	\$1,038,540.00	7.88%

Key factors in 2025 preliminary tax levy increase

- \$ 429,000 - Wages, related payroll tax and PERA pension match increase
- \$49,000 – Appropriation/Program Requests (Extension/4H contract +22%, Ag Society request +12.5%, Historical Society request +10%, Ambulance Service request +11%)
- \$200,000 – Budgeted less wind production tax revenue for property tax relief due to a trend of declining revenue
- \$ 839,000 – Additional revenue needed for the new law enforcement center/government center bond payment (this number will be reduced by \$700,000 in the 2025 and 2026 property tax levies if the sales tax is approved at the November election)

*All amounts are rounded

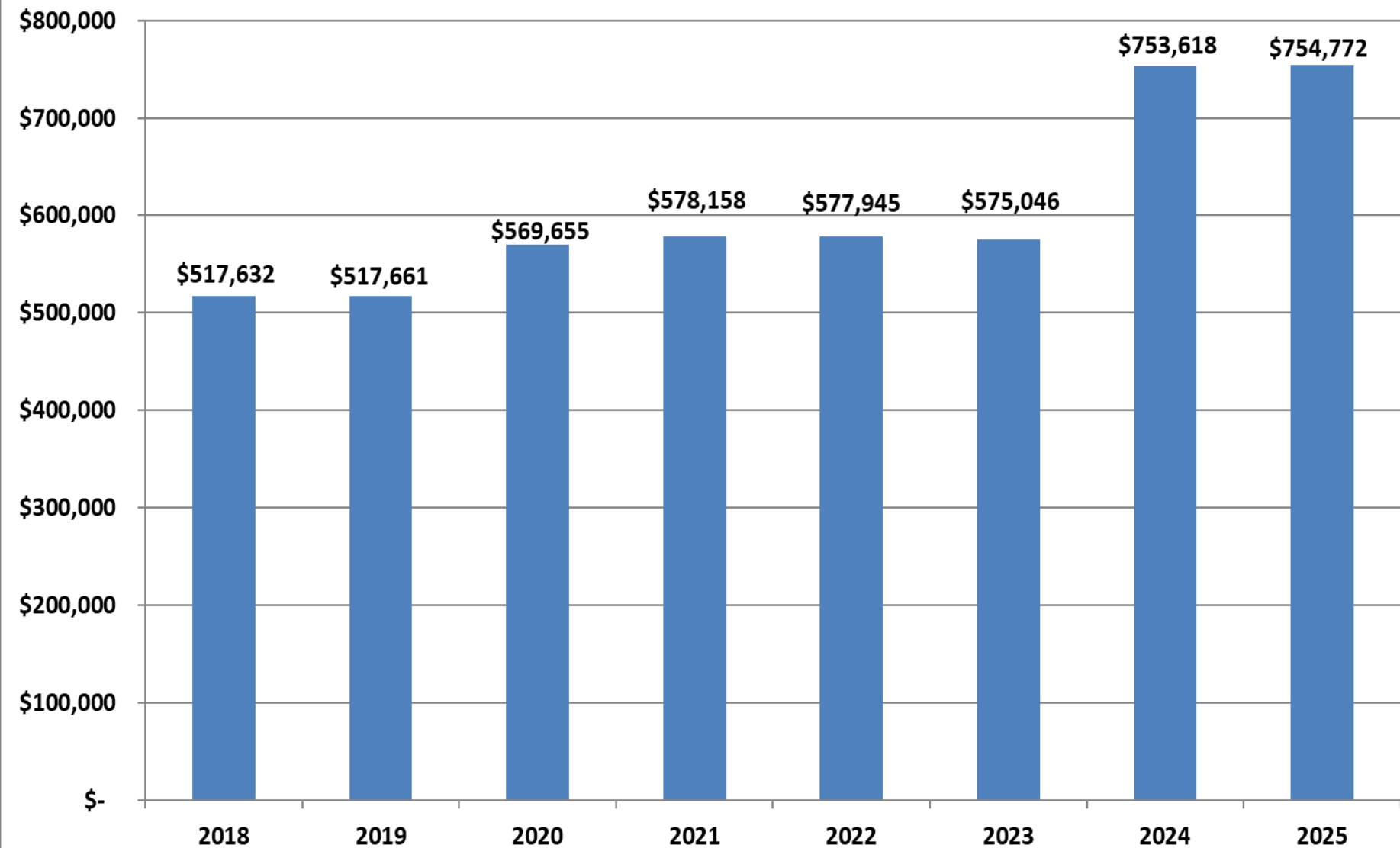


Key factor to decreasing 2025 tax levy

- \$(700,000) - Sales tax (if voter approved) would replace tax levy revenue
 - **\$700,000 equals a 5.3% property tax levy reduction**
 - \$525,000 would be collected in 2025; \$700,000+ would be collected annually starting in 2026
 - **Proposed 7.88% 2025 tax levy increase would be reduced to a 3.89% increase for the final 2025 levy**
 - An additional 1.3% property tax reduction or offset would occur in 2026



County Program Aid





Wages

- 3% general wage increase negotiated with all unions for 2024-2026
- 3% general wage increase budgeted for all union and nonunion staff for 2025
- Performance step increases budgeted for all union and nonunion staff for 2025
- Employee wage and benefit study budgeted (\$25,000) for 2025

Employee Insurance

- 0% rate increase for 2025 health insurance
- 15% rate increase for 2025 dental insurance (currently requesting bids)
- 2025 budgeted cost of health, dental and life insurance and related HSA contributions: \$2,333,353



New Position Requests

- Network/Cybersecurity Specialist – IS Department: 50% funded for 2025; DVVHS will pay for 50% of the position
- Accounting Specialist – Administration: 75% funded for 2025; budget the remaining cost in 2026; part of the Auditor/Treasurer, Assessor, Recorder & Administration restructuring plan



2025 Budgeted Appropriations

<u>Entity</u>	<u>2024 Budget</u>	<u>2025 Budget</u>	<u>Change</u>	<u>Notes</u>
Des Moines Valley Health & Human Services	\$2,627,986	\$2,627,986	\$0	
Family Service Network	\$10,000	\$10,000	\$0	
Addiction Prevention Coalition	\$2,000	\$2,000	\$0	
SW MN Arts Council	\$750	\$750	\$0	
Historical Society	\$51,000	\$56,000	\$5,000	Also asking for \$62,823 for Olson Cabin repairs
Ag Society/Fair Board	\$40,000	\$45,000	\$5,000	
Extension/4H	\$156,486	\$187,423	\$30,937	3-year statewide MOA w/ UM Extension
Ambulance Service	\$50,000	\$55,500	\$5,500	Request has more than doubled since 2019
United Community Action Partnership	\$5,500	\$5,500	\$0	
Greater Blue Earth River Basin Alliance	\$1,619	\$907	(\$712)	
Food Shelf	\$6,500	\$6,500	\$0	
Rural MN Energy Board	\$2,500	\$3,000	\$500	
SW Initiative Foundation	\$3,800	\$3,800	\$0	
SW MN Workforce Center	\$2,730	\$2,730	\$0	
Plumb Creek Library System	\$3,250	\$3,250	\$0	
SW Regional Solid Waste	\$2,500	\$2,500	\$0	
MN Rural Counties	\$2,200	\$2,200	\$0	
Small Business Development Center	\$2,000	\$2,000	\$0	
Southern MN Tourism Association	\$499	\$499	\$0	
Explore SW MN	\$1,500	\$1,500	\$0	

New Law Enforcement Center/Government Center Financing

Uses of Funds:

Project Cost	<u>\$41,200,000 *</u>
TOTAL	\$41,200,000 *

Sources of Funds:

Bond Proceeds	\$30,800,000*
Cash Reserves	<u>\$10,400,000*</u>
TOTAL	\$41,200,000 *

* All numbers rounded



New Law Enforcement Center/Government Center Bond Payment

	\$
<u>Bond Payment</u>	\$2,039,100
<u>Payment Sources w/ Sales Tax</u>	
Wind Production Tax	\$500,000
Tax Levy	\$839,100
Sales Tax	<u>\$700,000</u>
TOTAL	\$2,039,100
<u>Payment Sources w/out Sales Tax</u>	
Wind Production Tax	\$500,000
Tax Levy	<u>\$1,539,100</u>
TOTAL	\$2,039,100



Questions?
Discussion.



JACKSON COUNTY
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