



# PINE COUNTY

## Administrator's Office

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### Commissioners

Steve Hallan – Dist. 1  
Josh Mohr – Dist. 2  
Terry Lovgren – Dist. 3  
J.J. Waldhalm – Dist. 4  
Matt Ludwig – Dist. 5

### County Administrator

David J. Minke

TO: Pine County Commissioners  
FROM: David Minke, County Administrator  
DATE: July 15, 2021  
SUBJECT: Second Quarter 2021 Budget Report

At the end of June, the county's budget is sound for six months, or 50% into the year.

**Chart 1** shows revenue and expenditure as a percentage of the budget for the county by the three major funds (General, Health & Human Services, and Road & Bridge) and the total of all funds. As of June 30, all funds are below 50% spent. Revenues are strong in all funds and at 61% of budget overall. Road and Bridge revenue and expenditure look out of balance but are where expected at this time of the year due to the timing of state aid and the payment schedule of construction work.

**Chart 2** compares the 2020 and 2021 revenue in the General Fund by budget department. Revenues are as expected at this point in the year. Overall revenue is at 45% of budget for 2021 which is slightly ahead of 2020. Probation stands out as a significant change from 2020 to 2021. This situation is due to the timing of the state CPO reimbursement which is the largest single source of non-county revenue in the Probation budget. In 2021, the aid was received before June 30th. In 2020, it was after June 30<sup>th</sup> and so does not show in the Second Quarter Report.

Recorder revenues are trending ahead of budget due to the significant number of real estate transactions. Activity generally slows in the fall, but it is likely this department will exceed budget for revenues. Jail revenue from boarding in prisoners is down from a year ago. There is typically a 60-day lag on border revenue so the chart overstates the lack of revenue, but this is an area that has been negatively impacted by the pandemic.

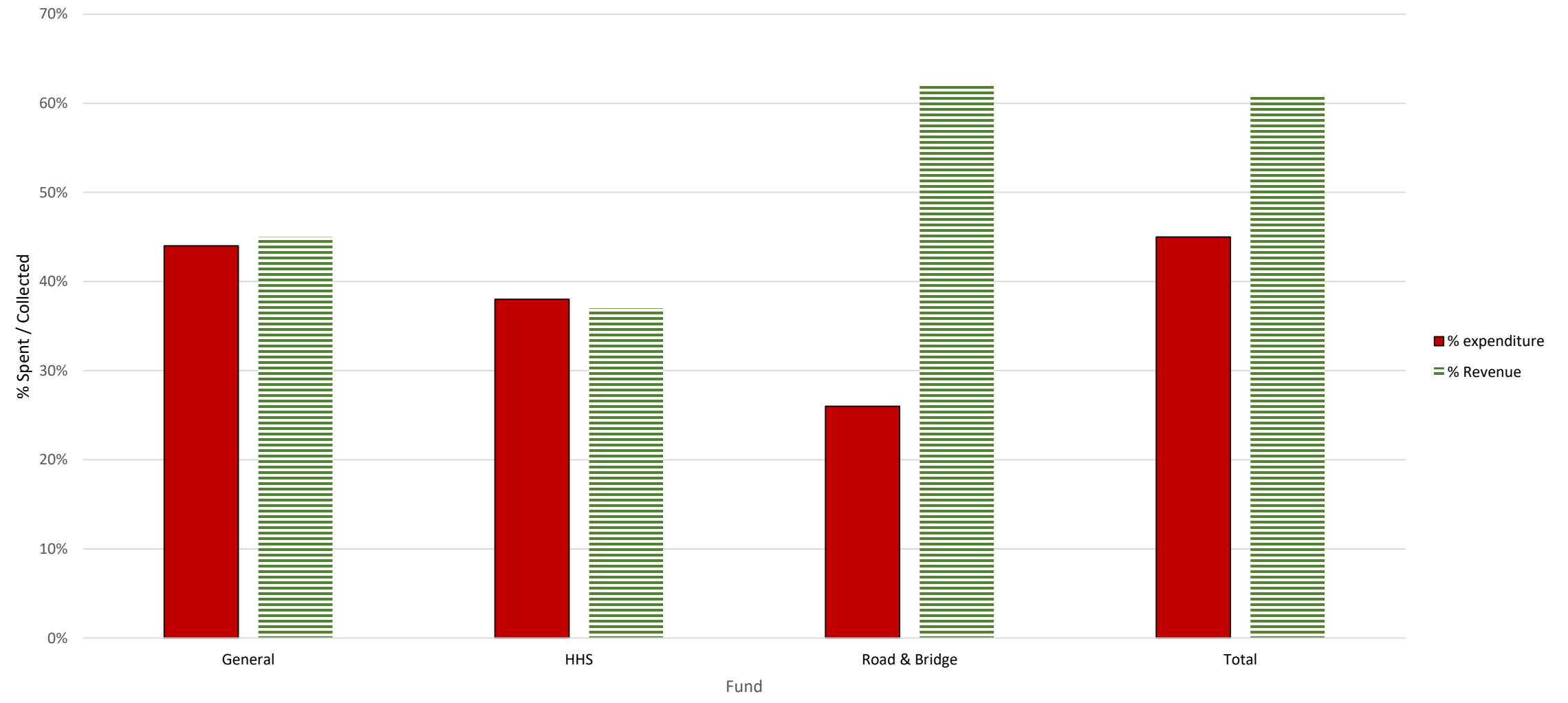
**Chart 3** shows the expenditures of the larger departments in the General Fund through the end of June 2021 compared to the same period last year. All departments are below 50% spent except for the Recorder. The Recorder spending is due to the use of the Recorder Technology and Recorder Compliance Funds which are used for software contracts and capital purchase. These purchases are typically made at the beginning of the year. Court Security is well underspent because the limited court activity has decreased the need for bailiff support.

**Chart 4** shows the Health and Human Services revenues and expenditures. Public Health is at 51% spent, while all other divisions are below 50% and revenues are where expected at the end of the second quarter.

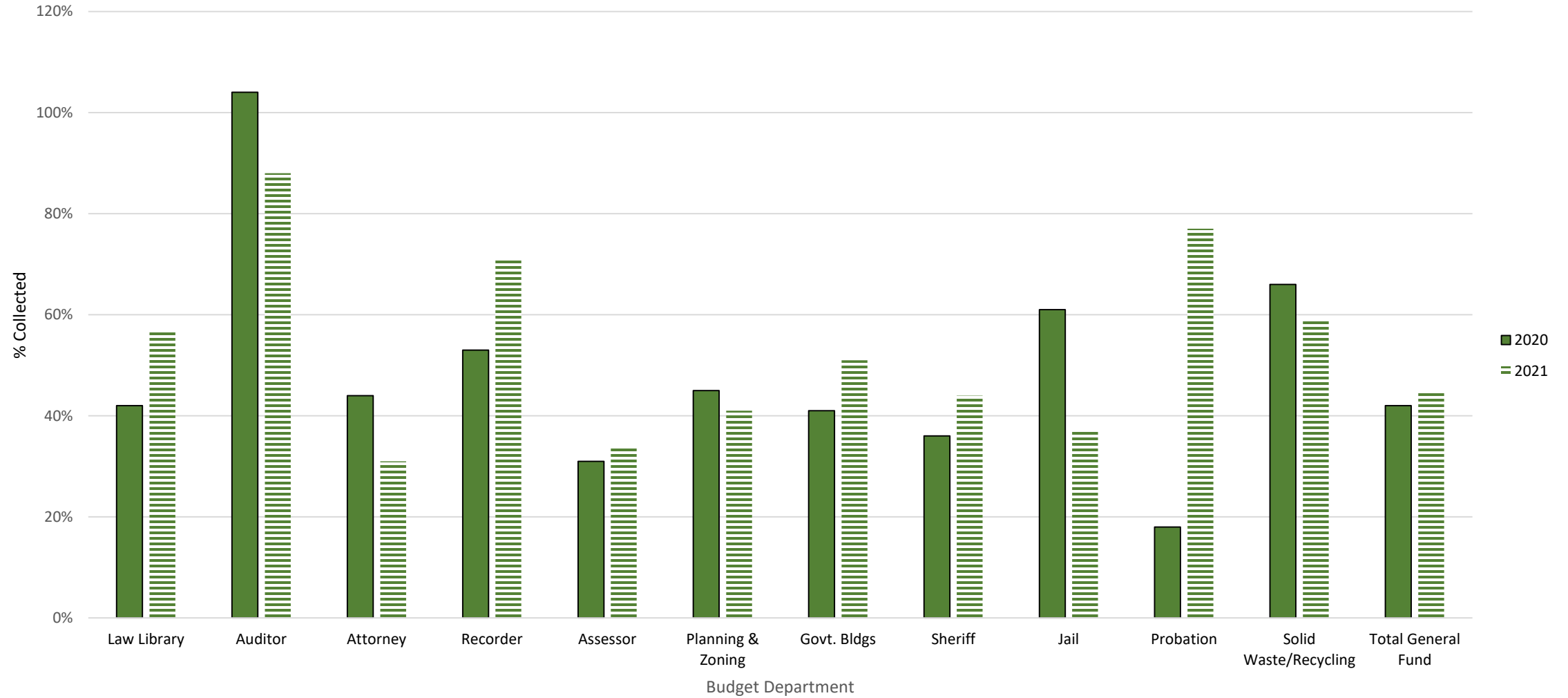
**Sales Tax:** Total sales tax collections through the end of May are \$5,300,866. This amount represents 63% of the total authorized amount. Sales tax collections for the first five months of 2021 are 34% above the same period a year ago.

The tax will automatically expire when \$8,450,000 is collected, or December 31, 2026, whichever occurs first. The average per month collection amount for the last 12 months is \$133,330. Projecting this number as the per month amount going forward would mean that the remaining sales tax will be collected in two years, or by June 2023.

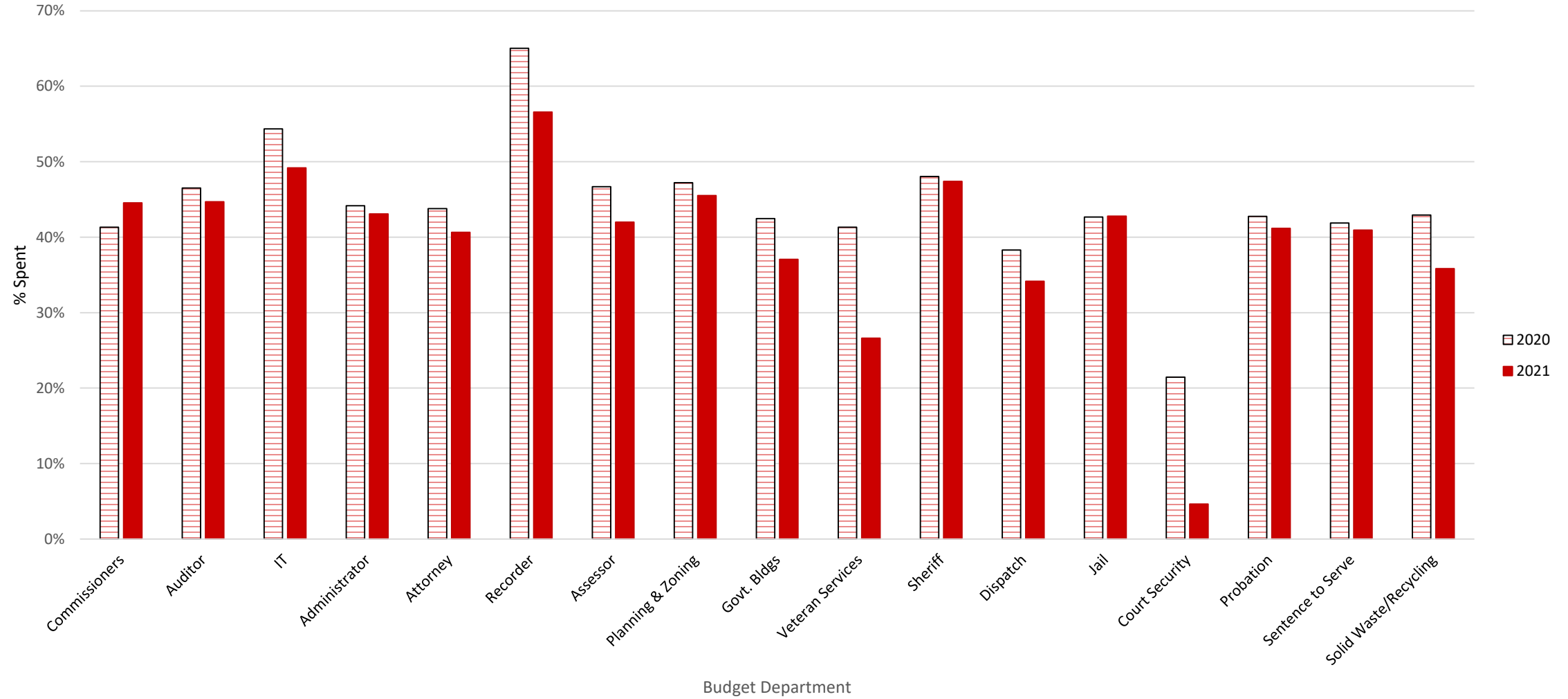
**Chart 1**  
**2021 Revenue & Expenditure by Major Fund and County Total as of June 30, 2021**



**Chart 2**  
**General Fund Revenue by Dept -- 2020 compared to 2021 -- Through June 30, 2021**



**Chart 3**  
**General Fund Expenditures by Budget Department Through June 3, 2021**



**Chart 4**  
**HHS Revenue and Expenditures Through June 30, 2021**

