



PINE COUNTY

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County Administrator

David J. Minke

TO: Pine County Commissioners
FROM: David Minke, County Administrator
DATE: April 19, 2022
SUBJECT: First Quarter 2022 Budget Report

At the end of March, the county's budget is sound for three months, or 25% 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 March 31, all funds are below 25% spent. Total spending through the end of March was \$11,098,199.

Revenues are all below expenditures, except for Road and Bridge. This situation is expected at this point of the year as most county revenues and expenditures are out of sync. These revenues include reimbursements for services which typically lag 30-60 days or are only made once or twice per year such as the property tax settlement or state aid for roads. Through the end of March, total revenue was \$5,999,453.

Chart 2 compares the 2020, 2021, and 2022 revenue in the General Fund by budget department. Only the departments that receive significant program revenue are included. As is evident by the three-year history, revenue can vary over time. The first quarter revenue for Planning and Zoning is above 50%. This spike is caused by the unbudgeted 1W1P grant for \$97,000. The revenue in the Auditor Department is primarily inter-fund/inter-department transfers and are processed during the first quarter.

Chart 3A & 3B

Chart 3A shows the expenditures of the larger departments in the General Fund through the end of the first quarter. All departments are below 25 percent, except for Information Technology (IT), which is due to annual service contracts that are paid at the beginning of the year. Court Security is well underspent because the limited court activity has decreased the need for bailiff support.

Chart 3B uses the same column format to show first quarter 2022 expenditures and adds a line showing the three-year average. As the graph shows, current year spending is in line with the three-year average.

Chart 4 shows the Health and Human Services revenues and expenditures by major division and the fund total. All divisions are below 25% on expenditures and revenues are where expected at the end of the first quarter.

American Rescue Plan Act (ARPA) Funding

Pine County was authorized \$5,745,374 in the American Rescue Plan Act. The county received the first half in May 2021 and the second half is expected May 2022. Nearly all of the ARPA funds have been allocated with about \$100,000 spent in the first quarter of this year and about \$300,000 spent last year.

Strategic Planning Goal Updates

Goal/Priority	Status
Increase Broadband Access	<ul style="list-style-type: none"> • Blandin Grant • CDBG-CV Grant • Federal Grant • ECE Initiative
Community Health (Youth/4H/Blue Zones)	<ul style="list-style-type: none"> • ARPA funding for 4H—Update May 3 • Blue Zone kick off meeting May 12
2023 levy	<ul style="list-style-type: none"> • 2023 Budget process to begin 2nd Quarter
Mental Health	<ul style="list-style-type: none"> • Drop in center; Pine City Senior Citizen Center Tuesdays 10:30 AM-2:30 PM • Potential loss of Moose Lake catchment funds • HHS participated in East Central Schools Mental Health Day • Employee Wellness pilot project in Public Health • ARPA-funded mental health mini-grants (10/2021)
County-Owned Land	<ul style="list-style-type: none"> •
County Attorney Office Workload	<ul style="list-style-type: none"> •
Legislative Priorities	<ul style="list-style-type: none"> • SSIS / Paperwork Reduction • Probation Funding • Highway Funding
	<ul style="list-style-type: none"> • Working with AMC, DHS, and Legislators • MLBO plans two site visits in April for SSIS familiarization • Legislative proposal in the works including SF 2673 & HF 4609 •
Need for Group Homes	<ul style="list-style-type: none"> • Various legislative proposals would increase funding/wages

Chart 1
Expenditure and Revenue by Major Fund and County Total as of March 31, 2022

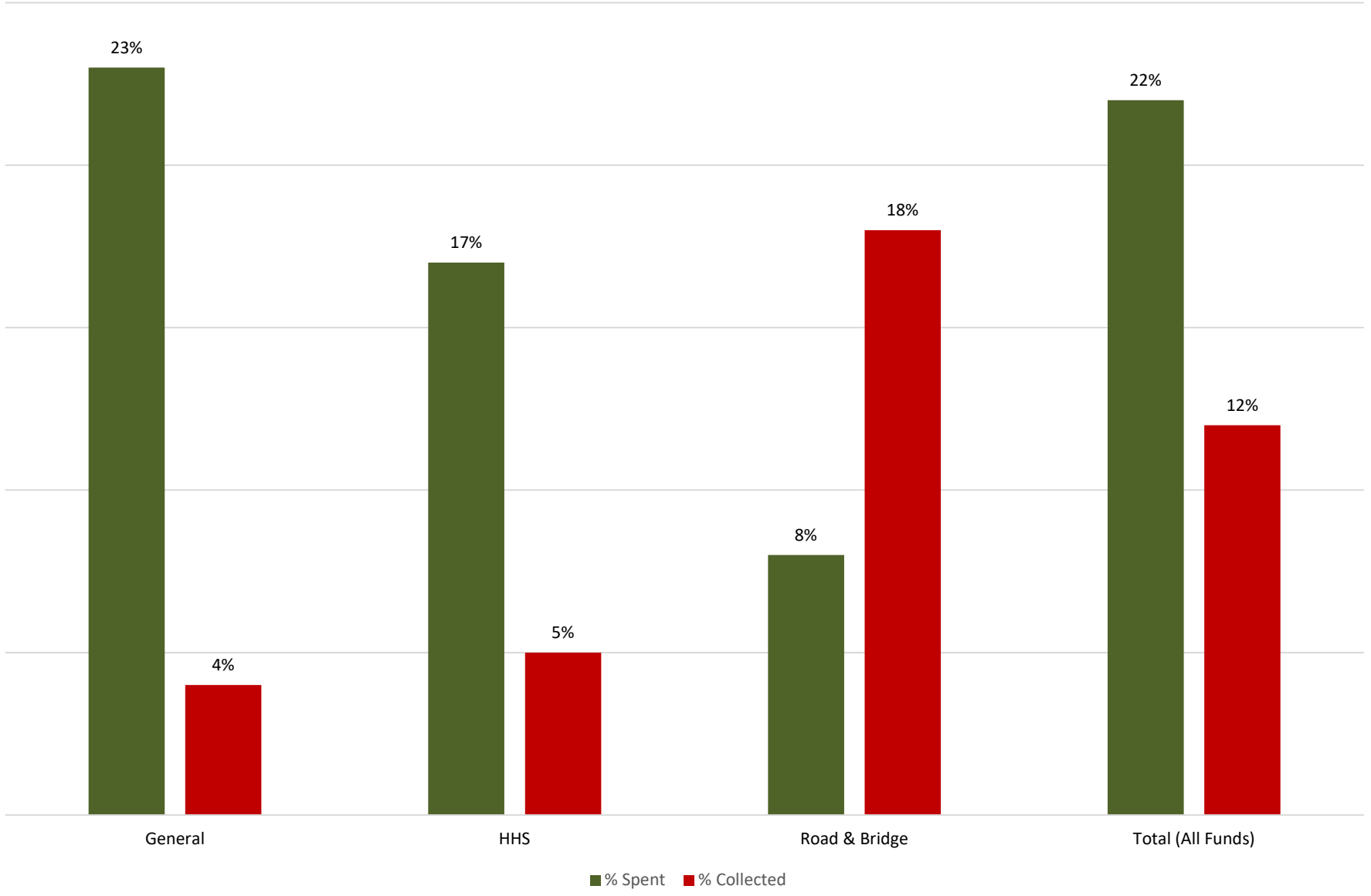


Chart 2
 General Fund Revenue by Department Through March 31 -- 2020, 2021, 2022

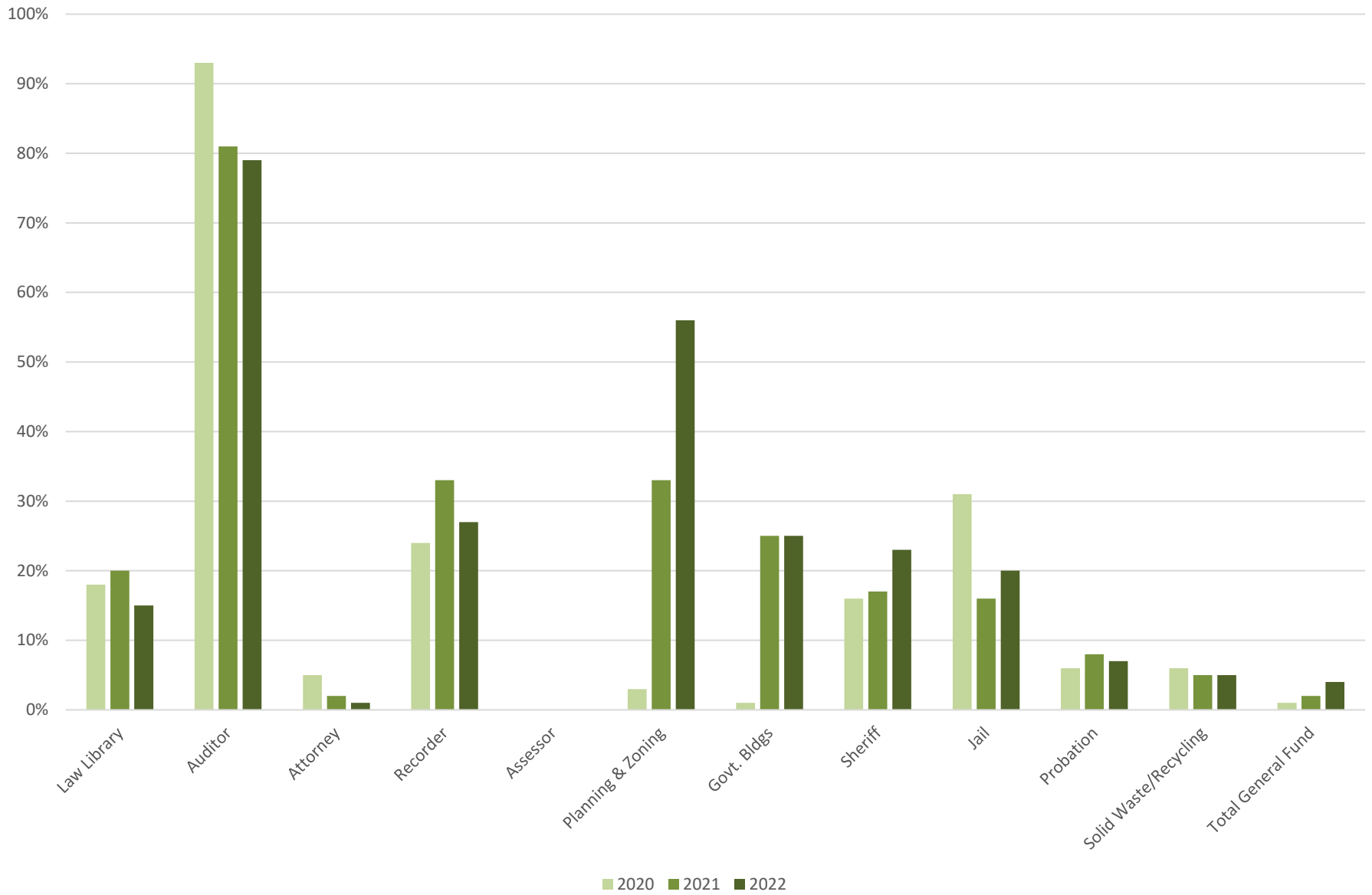


Chart 3A
General Fund Expenditures as Percent by Department March 31, 2022

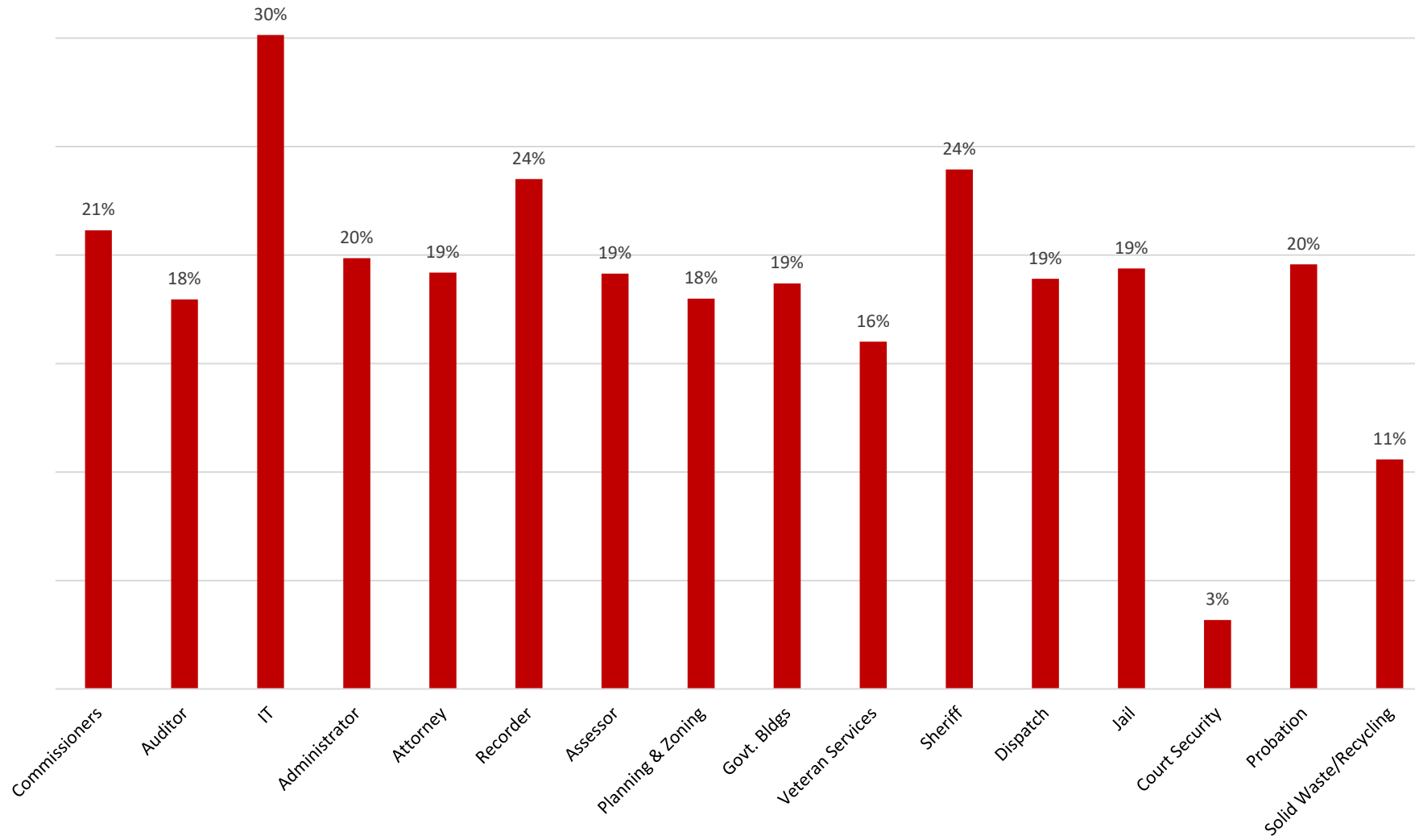


Chart 3B
General Fund Expenditures as Percent by Department March 31, 2022
Compared to 3-year Average

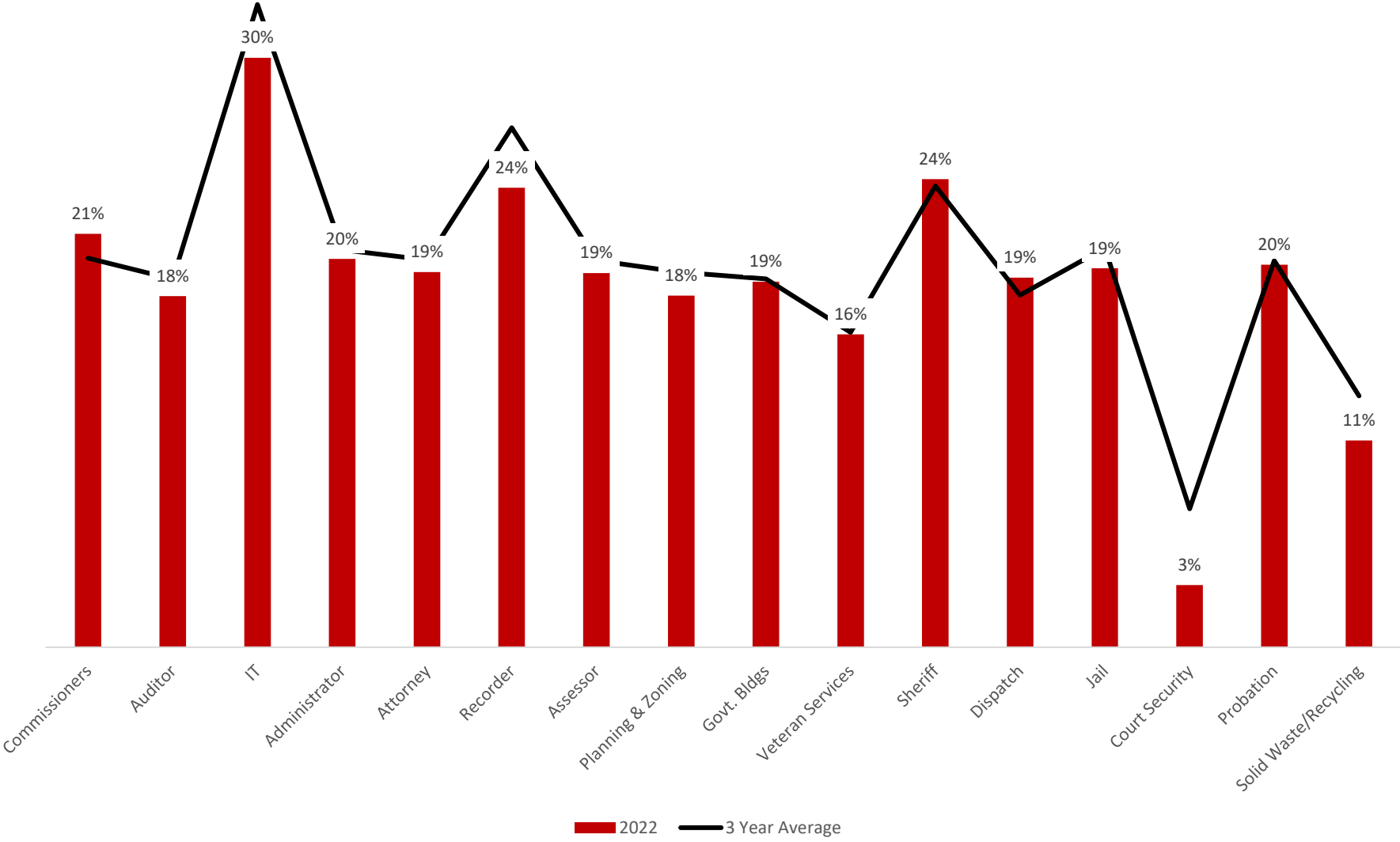


Chart 4
HHS Revenue and Expenditures as Percent through March 31, 2022

