



PINE COUNTY

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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 13, 2022
SUBJECT: Second Quarter 2022 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 at or below 50% spent. Total county spending through the end of June was \$23,691,229 or 47% of the budget.

Revenues are below expenditures in the General and HHS funds and above expenditures in Highway and overall. This situation is expected at this point of the year in the General and HHS funds as most county revenues and expenditures are out of sync. These revenues include contracts or reimbursements for services which typically lag 30-60 days or are only made once or twice per year such as the property tax settlement. Revenues are above expenditures in Highway due to state aid reimbursements and the timing of expenditures. Overall revenue is at 58% through the end of June due to receipt of unbudgeted ARPA funds.

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 at a point in time varies from year to year. Planning and Zoning is at 106% due to the 1W1P grants. Assessor revenue is at 0% due to the timing of the assessor contract payments.

Chart 3A & 3B

Chart 3A shows the expenditures of the larger departments in the General Fund through the end of June. All budget departments are below 50% except for Recorder and Sheriff (operations). Recorder is at 93% due to planned spending of compliance and technology fund money on computer servers and the Tax and CAMA upgrade. Sheriff spending is at 52% due primarily to higher than budgeted vehicle insurance costs. 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 generally 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 50% on expenditures, and revenues are where expected at the end of the second 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 in June 2022. Nearly all of the ARPA funds have been allocated by the county board with a total of \$703,833 actually spent by the end of June. Total spending for 2021 was \$358,938 and total spending for the first half of 2022 is \$344,896.

Local Option Sales Tax for Transportation

Sales tax collections for the year through April 30 are \$496,425. This amount is \$2,283 less than the amount collected during the same period in 2021.

Chart 1
Expenditure and Revenue by Major Fund and County Total as of June 30, 2022

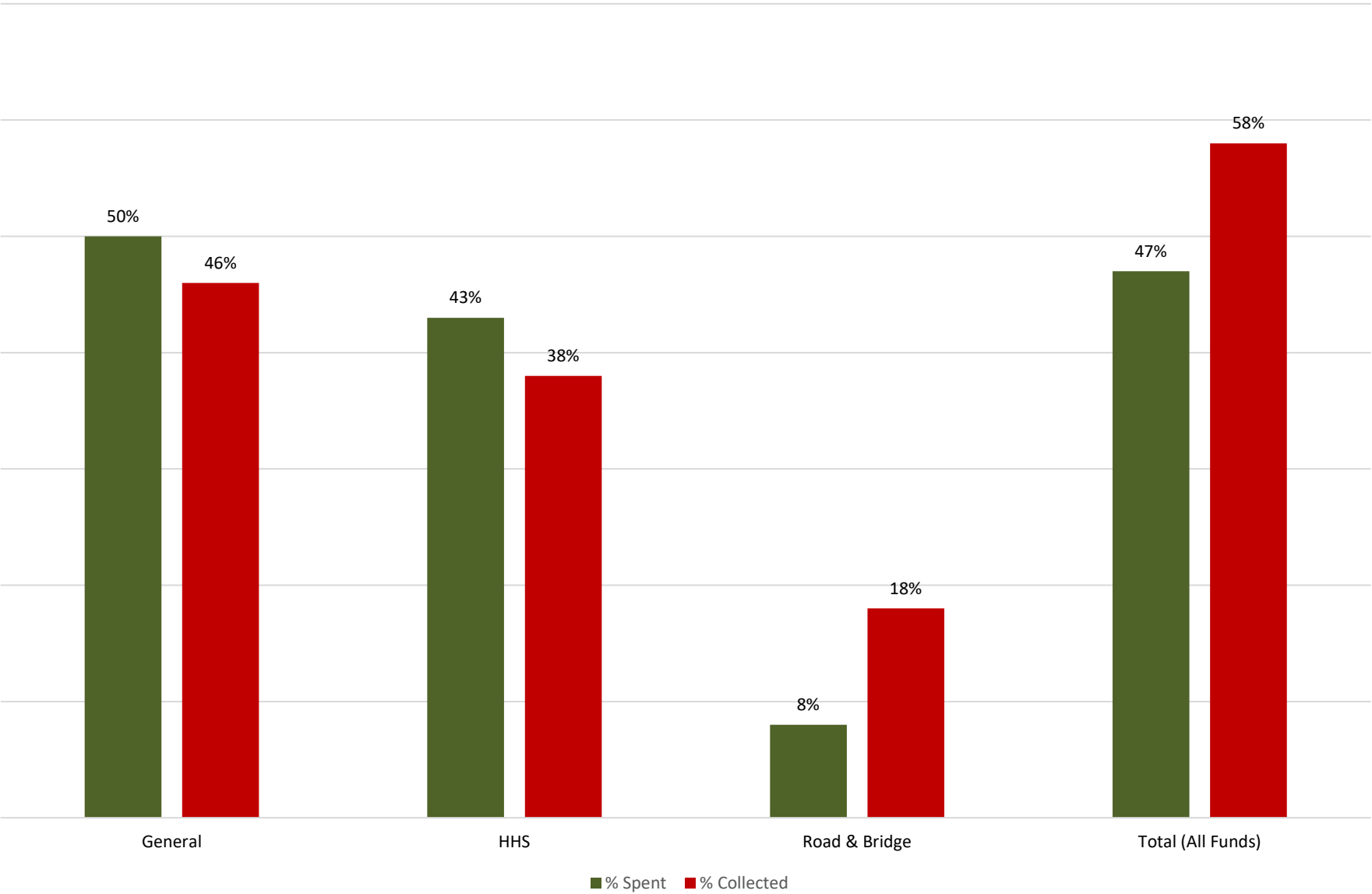


Chart 2
 General Fund Revenue by Department Through June 30 -- 2020, 2021, 2022

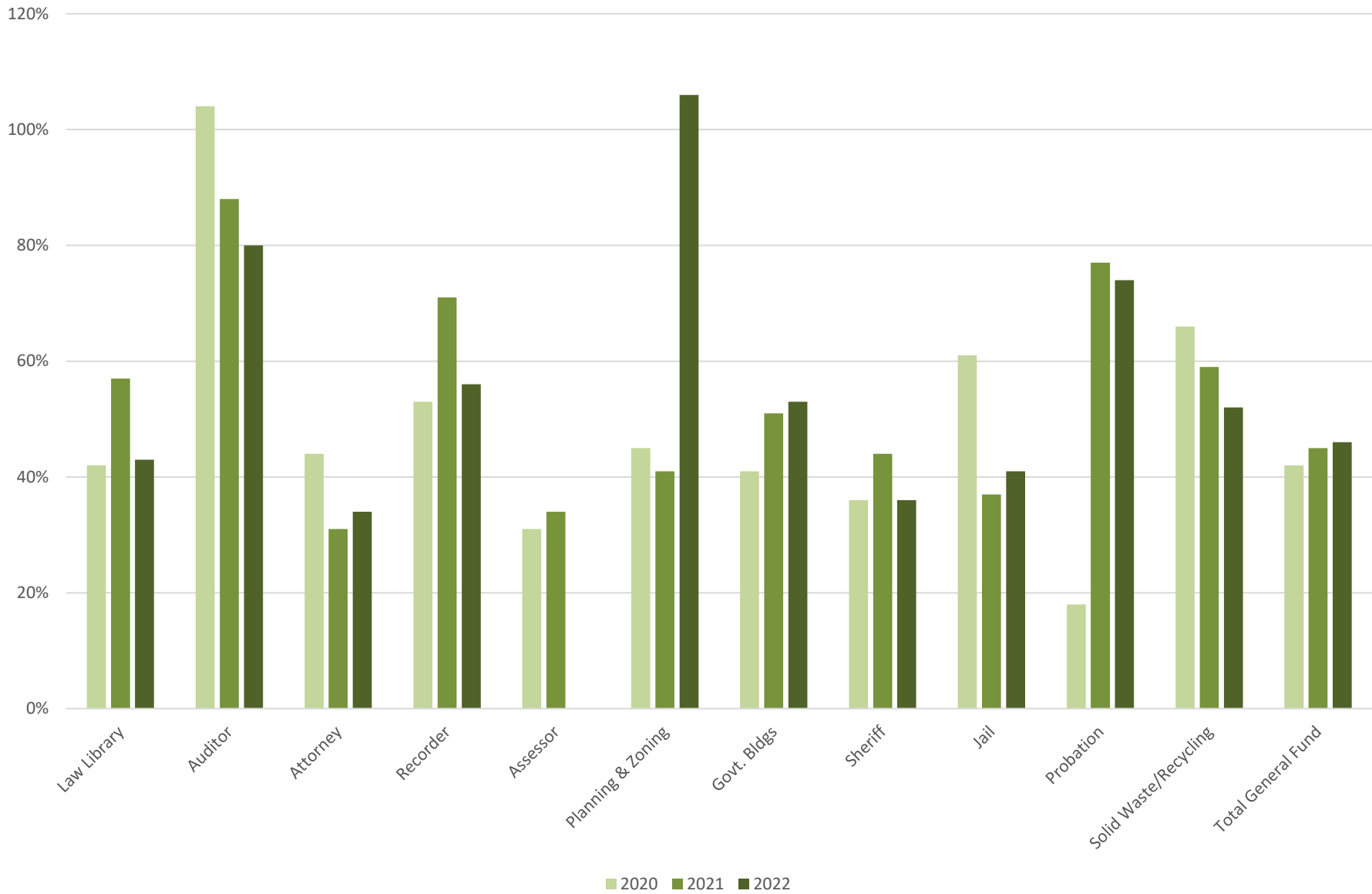


Chart 3A
General Fund Expenditures as Percent by Department June 30, 2022

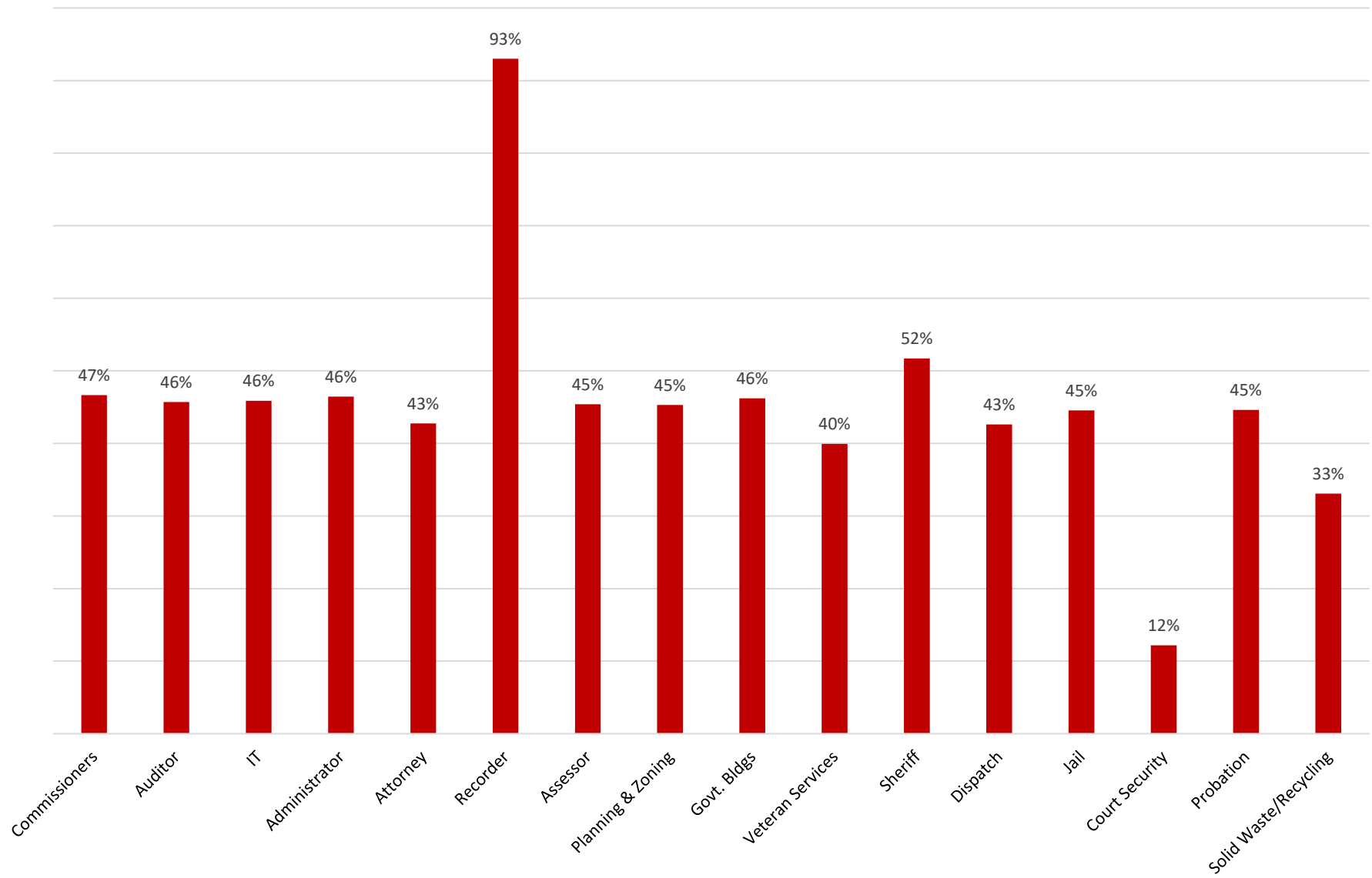


Chart 3B
General Fund Expenditures as Percent by Department June 30, 2022
Compared to 3-year Average

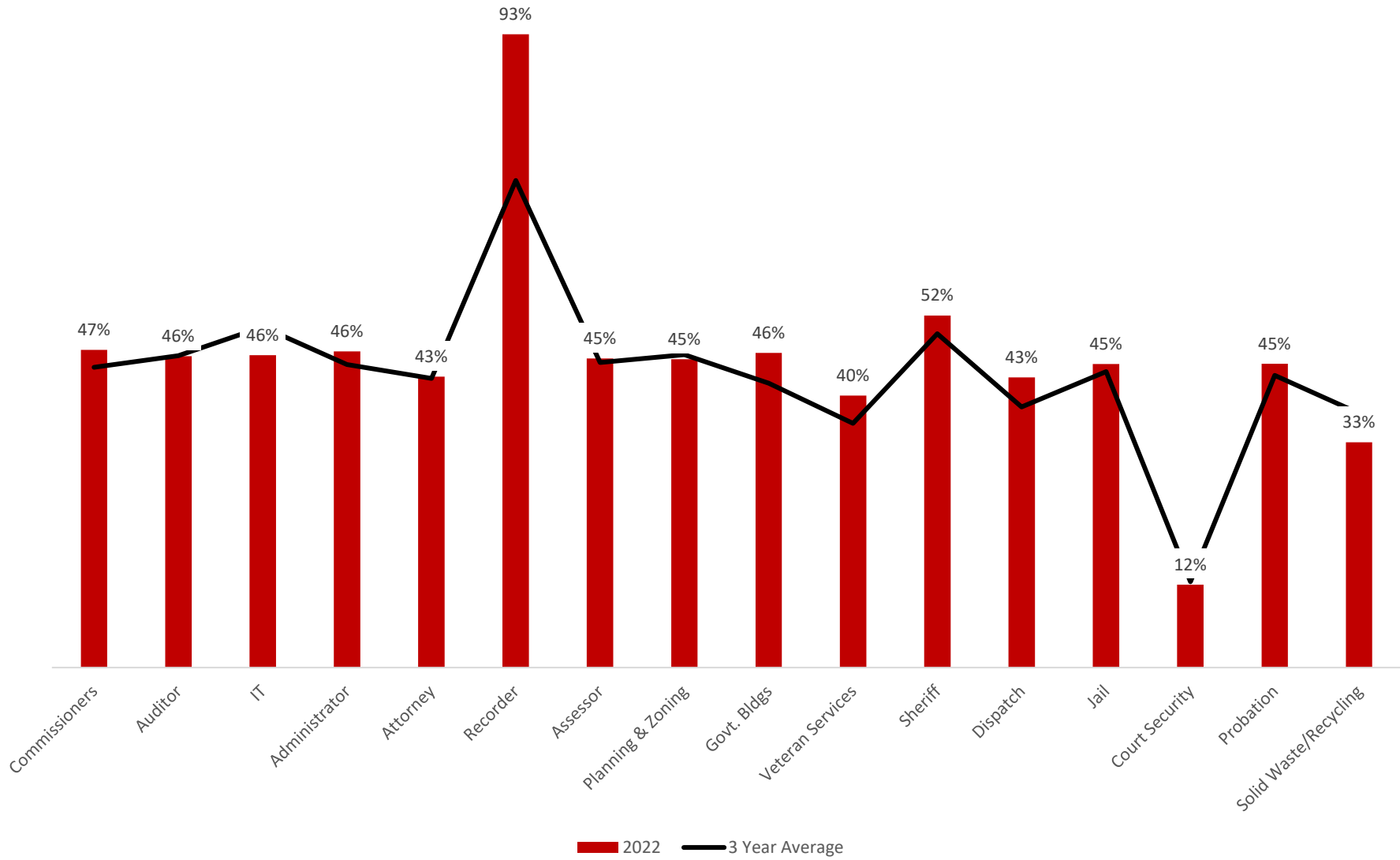


Chart 4
HHS Revenue and Expenditures as Percent through June 30, 2022

