



Richland County Administrator's Office

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26-Oct-21

To: Richland County Board of Supervisors
Marty Brewer — Chair

Subject: 2022 County Budget Report and Condition of the County

Content:

- Budget Objectives
- Process and Preliminary Guidance
- Budget Adjustments
- Budget Impacts
- Short-Term Financing and Capital Improvements
- Future Financial Challenges – Condition of the County
- Attachment A – 2022 Budget Tracking and Adjustment worksheet
- Reference– 2022 Budget Summary

Budget Objectives:

The following objectives for the 2022 Budget were accepted by the Finance and Personnel Committee during their July 16th, 2021 meeting:

Levy:

- Meet the operating levy limit as imposed by the State of Wisconsin

Services:

- Within operating levy limit, protect the effective delivery of essential services
- To the greatest extent possible, maintain current discretionary services provided directly by the county and/or through partnerships

Response to COVID-19 Impacts:

- Utilize American Rescue Plan in accordance with federal guidance to best suit the needs of the County

Capital Improvements and Capital Outlays:

- Within the operating levy limit, maintain the county's infrastructure to ensure that future boards do not have to react to aging and broken systems causing frequent sharp rises in property tax levy and rate
- Continue annual short-term loan financing for capital improvements and a capital outlay program that identifies and prioritizes projects and equipment over \$5,000

Preservation of Undesignated General Fund:

- Strive to build and maintain an appropriate minimum undesignated general fund balance of 25% of the operating budget

Wages and Benefits:

- Meet projected increases and adjustments in health insurance premium costs and fringe benefits
- Make incremental adjusts in employee wages to progress towards the goal of obtaining market value as determined through 2018 study, Resolution 19 – 89

These goals were established to direct the efforts and outcomes of the budgeting process as managed by administration and overseen by the Finance and Personnel Committee.

Additional Challenges We Accounted for at the Onset of the Budgeting Process:

- Chapter 54 and Chapter 44 Adult and Child placements: Increase expenditures by \$500,000 estimate
- Land Conservation: Inclusion of Land Tech and Rent: \$75,000
- Unfunded mandate for District Attorney Office: \$65,000 estimate
- Incorporate wages in Zoning and Land information with reduced use of Land Information Grant: \$25,000
- Increases in Wages = General (estimated \$459,994.32), Pine Valley (estimated 251,400.90)

Meeting the Goals of the Proposed 2022 Budget:

<u>Goal:</u>	<u>Status:</u>
Levy	Met
Services	Met (minimal reduction in services)
Response to COVID-19 Impacts	Met (Continuing allocations to projects)
Wages and Benefits	Met (16% premium increase to plan)
	Met (Res. 19-98 with aging of schedule)
Preserve Undesignated Gen Fund	Met (Res. 15-98 with reduction in fund)

NOTE – Reference the “Impacts” section to understand how these goals were met.

Process and Preliminary Guidance:

The 2022 Operations Budget planning and preparation was completed in multiple phases:

1. Appropriations requests guidance,
2. Department preliminary budgets,
3. Conducted department hearings,
4. Administrator review and recommendations,
5. Finance and Personnel Committee review and recommendations, and
- 5) Submission by the County Administrator.

Departments and partners were instructed to draft preliminary budgets with a 0% increase in levy use, from salaries, fringes, contracts, operations, without consideration for capital outlays to be incorporated in short-term borrowing for capital outlays. The preliminary levy gap totaled to approximately \$464,215.73.

Budget Adjustments:

Departments submitted their budget worksheets, supporting documentation, and a budget narrative that helped describe the impacts imposed by meeting the preliminary guidance. Departments all provided recommendations and costing for adding or reincorporating services. Departments were afforded a hearing before the County Administrator and Finance and Personnel Committee to present their budget and petition for additional funds.

A “Gap Tracking and Adjustment” spreadsheet was built to capture the petitions from departments and additional fill options explored and proposed by the Administrator. (See Attachment A at bottom of document). Through this document the County Administrator made recommendations to amended expenditures, amended revenues, and utilize fund balance as indicated through adjustments found in the “Action List” column. The Finance and Personnel Committee were presented with the recommendation and took action on one item; implementation of a drug court program with offset funding impacting adult placement.

Impacts of the 2022 Budget:

- The 2022 budget objectives were met with utilization of fund balance from Pine Valley reserves (\$504,996), contingency reserves (\$300,000), undesignated general fund balance (\$88,000) and continued use of short-term financing for capital improvements (\$1,050,000).
- The 2022 budget include the addition of roughly 2.1 full-time equivalent positions. The budget accounts for the continuation of an added Assistant to the Administrator, an added position to the District Attorney Office in response to mandates from Marsy’s Law, and an added casual position in MIS to support the many virtual meetings we use to conduct public business.

- The 2022 budget absorbed a 16% increase in health insurance premiums. The increase are the results of our groups' usage and the increased cost of medical care.
- The 2022 budget allocates additional funds of nearly one-half million to adult and child institutional placements, to reflect the recent trend in expenditures needed to adequately cover those services.
- The 2022 budget results in a slight decrease in millage rate for property owners.

Short-Term Financing and Capital Improvements:

To address the continued needs of a capital improvements and capital outlay program, Richland County will again utilize annual short-term loan financing in 2022 to supplement projects and equipment over \$5,000.

Richland County will borrow \$1,050,000 through bond sale for the purposes of financing capital improvement projects including: highway trunk improvements, vehicles and fleet management, technology capital improvements, the addition of a salt/sand shed, jail improvements and facility maintenance.

The County Board took action to pursue this method of financing by adopting an "authority resolution" during the September 21st meeting by the required three-quarters majority vote. It is anticipated that an "award resolution" will be brought before the County Board on October 26th in conjunction with the budget for approval.

Future Financial Challenges - Condition of the County:

As we enter in to the 2022 budget year, the conditions of Richland County remain that of continued financial challenges resulting from our aging infrastructure, state imposed levy limits, and increased expenditures resulting from rising costs of health insurance, benefits, cost of living, materials, and services. The 2022 Operations Budget is balanced on the use of waning surplus funds and does little to address the County's needs for sustained reductions in operational expenditures and reduced infrastructure liabilities resulting from our ownership of many buildings. With the 2022 Budget, Richland County has made significant efforts to preserve services and compensate our staff with the use of waning surplus funds. The 2023 budget will likely not have fund availabilities to cover sustained expenditure increases.

As we begin to build the 2023 budget, we are entering the process with an anticipation of a roughly \$1,000,000 levy gap resulting from the following items used to build the 2022 budget and estimated expenditure increases:

Unavailable contingency funds=	\$300,000
Unavailable undesignated general funds=	\$85,000
Less revenues from Pine Valley=	\$200,000
Wage increases for general employees=	\$200,000
Health Insurance Increases=	\$250,000
Displaced borrowing from radio/tower project=	<u>\$214,500 (w/o tax increase)</u>

With a 2023 guidance to departments of a 0% increase we would currently be expecting a \$1,035,000 to \$1,249,500 gap to fill with reduced expenditures or increased revenues.

Additional challenges and considerations that we are facing as we enter 2022:

- Decreased Census — census numbers showed a 4.3% decrease in Richland County population. Population record of 17,252 (down from 8,028 residents in 2021).
- Emergency Radio and Tower Project — we are undertaking a needed, and overdue, improvement on our emergency radio and tower system. This undertaking may likely require bonding in the range of 6–10 million. This added debt service will put the county at roughly 50% of our legal capacity which will impact our future borrowing ability for the next decade. This needed investment will make it harder for us to continue maintenance and upkeep on our existing buildings and infrastructure. If we bond under conditions of not increasing the (County's contribution) millage rate this will have to be offset by short-term borrowing and operations levy.
- Deferred maintenance on buildings and infrastructure — The county owns and maintains many buildings: Courthouse, Health and Human Services, Pine Valley Campus, College Campus, Highway Garage Campus, a Fairgrounds, Natatorium (partner), Airport (partner), and a collection of many other smaller buildings, stations and services center, etc. We will soon be closing on the addition of the Richland Electrical Coop. building which will be remodeled into a new Ambulance Garage and Emergency Management Center. We know this building will need roof improvements in the next 3 to 5 years. We are operating with many identified deferred maintenance needs. Without the addition, or identification, of exercise revenue sources we will not be able to safely and responsibly maintain all of our buildings and infrastructure.
- Healthcare staff recruitment and retention — The COVID-19 pandemic has exacerbated the struggles in recruiting and retaining certified healthcare providers and staff at our skilled healthcare, rehabilitation and assisted living center. With current staffing shortages, there is consideration of closing a wing. We currently are declining some resident referrals which means we have open beds and revenue loss.

Staffing Shortages and Evaluations— We have identified the need of more staffing support for courthouse and Health and Human services maintenance. We are maintaining two large buildings (one with 24/7 operations) with 3 FTE (one

contracted). We have identified a need to review our (MIS) Management Information Systems staffing and functions as our computer and communications needs continue to expand. We have identified needs in jail administration and radio tower management.

Opportunities we are facing as we enter 2022:

- Capital Plan and Budget – In preparation of the 2023 Budget, it is the intentions of the County Administrator to build a capital plan that identifies: our buildings and infrastructure, asset value, annual maintenance costs, and deferred liabilities to better understand the county's long-term obligation to responsibly maintain its growing real estate portfolio.
- Bear Creek/ Richland County Solar Project — once operational, the solar farm near Lone Rock will provide \$116,667 in energy credit revenues annually to the county.
- De-federalized Housing Funds – Housing Authority has held and managed legacy funds of a de-federalized housing grant initiative from a time prior to their separation with the County. The County exploring legal means of appropriating these funds towards future housing and economic development. The County intends to recoup and allocate about \$80,000 towards future initiatives and budgetary expenses.
- American Rescue Plan Act (ARPA) Funds — the County has been granted \$3,350,999 in ARPA funds. The Finance and Personnel Committee has taken action to allocate 10% to public health response, 10% towards assistance to households and businesses, 10% towards premium pay for essential workers, 20% towards water and broadband infrastructure, and 50% towards discretionary spending claimed as loss revenue.
- Infrastructure Bill – Richland County is awaiting to see how funds from these large federal packages will be appropriated to local government.
- Opioid Settlement – Richland County is awaiting administrative guidance on how funds will be appropriated to local government.
- Strategic Plan and Evaluation of Non-Mandated Services: in working with the Strategic Planning Committee and Finance and Personnel, the County Administrator has begun the development of a plan to evaluate our non-mandated services. It is the Administrator's recommendation that a portion of our ARPA funds be used to: 1) contract industry experts to evaluate operations and develop a sustainable business plans for some of our non-mandated services, and 2) possibly help launch services outside county ownership.

County Condition Statement:

Richland County continues to provide a very wide range of services including, but not limited to: maintaining bridges, roads, law enforcement, land conservation,

zoning, parks and trails, public health, human services, a judiciary system, a jail, registration of records, a college campus, an airport, an ambulance service, a nursing home, a fair, a natatorium, service support to departments and tax collection, just to name a few. Despite being underfunded for state and federally mandated programs and the competing demands for service, Richland County continues to be a strong leader in responsible and cost effective local government. Richland County takes pride in its services to its people. The leadership and staff of Richland County understand that we are overextended with financial liabilities and that our model of services has reached a point of unsustainability in relation to our current revenue sources. Richland County, through its Elected Officials, Administrator, Staff and Finance and Personnel Committee will need to take action on these understandings in 2022 with a 2023 budget that imposes sustained reductions in expenditures and/or identifies sustained increases in revenue sources.

Acknowledgements:

I would like to thank and acknowledge the dedication, hard work, and commitment of the Richland County Board of Supervisors, Department Heads, and our Richland County Employees. This past year saw a collection of unpredictable circumstances and unprecedented challenges. From the lingering of a pandemic, to staff shortages, to operational changes, to many missed expectations, to an understanding of needed changes yet to come; Staff and Board members alike endured with integrity and delivered with professionalism. Richland County is blessed with many supportive community partners and a fine following of citizen officials and volunteers. Together we will continue in our worthy goal of local governance for the purposes of peace and prosperity.

Clinton Langreck
Richland County — Administrator

Sincerely,

Clinton Langreck
County Administrator

CC:

Attachment B: 2022 Budget Gap Tracking and Adjustment Recommendations: (08 Sep 2021) (Final Actions)

Summary and Preliminary Gap:

This document is intended to track any existing gap between submitted preliminary budgets and arriving at a balanced budget to present to the Richland County Board. This tracking documents is intended for the use of the Administrator, Finance and Personnel and Board Supervisors to be able to view the proposed reductions, additions and amendments to services with projected costs in efforts prioritize 2022 services and allocate 2022 funds. Significant items built into the Preliminary Budget under direction of the Administrator, and/or Finance and Personnel are listed below.

Specified Budget Guidance (These Items were built into the Preliminary)

#	Department	Item / Add-in / Amendment:	Impacts:	Additional Gap	Fill Option
A	DA	Added position	Mandated Marcy's Law	\$70,000.00	
B	Zoning	Displacement from land grant	Reduced use of Land Information Grant by \$55,000 from 2021 budget to better align with grant intentions	\$55,000	
C	Zoning	Overinflated Revenues in 2021 due to 2021 GL// input error	Additional \$130,000 was allocated from revenues, which appeared to be an accounting error in 2021 budget.	\$130,000.00	
D	Health and Human Services	Guidance in increase chapter 50 and 51 placements	Historically we have not budgeted to meet needs, this amount takes us to estimated trend	\$490,381.00	
E	Land Conservation	Include 2nd Land Technician	Was not added back into 2021 GL // error	\$45,000.00	
F	Administration	Included Wage increases and 7% Ins increase	Estimated increases to general employees of \$294,093.28 with absorptions into the HHS of \$73,800.	\$220,293.00	

Adjust

Existing Gap With Proposed Add-ins and Fills

				Preliminary Gap
Richland County	Preliminary Budget Gap	Based on submitted preliminary numbers		\$ 464,215.73

\$ 464,215.73

Department and Fund Impacts, Proposals and Options:

Not in
Preliminary and
option to add

Included in
Preliminary
and option to
cut

Action List:

Recommended

#	Department	Add-in / Take-out/Amendment:	Impacts:	Additional Gap	Fill Option	
1.1	Health & Human Services	Implement New Drug Court Program	HHS will operate without the program unless added in	\$ 15,000.00		\$ 15,000.00
1.2	Health & Human Services	Expanded Psychiatric (Recommend defer to 2023) \$60,000	Add 4 hours additional Psychiatric help per week			
1.3	Health & Human Services	Decrease preliminary placement funds (\$200,000)	Incremental increase to reach the trending Placement Costs. May result in underfunding and rely on operational overages to cover. The overall increase in the funds will be \$290,381.00.		\$ 200,000.00	\$ (15,000.00)
2.1	County Clerk	Restore Deputy to 40 hours/week	Reduction of Deputy to 30 hours impacts	\$ 11,782.56		\$ 11,782.56
2.2	County Clerk	Restore Operation Funds for Training	Clerk Kalish will be attending at own expense	\$ 900.00		\$ 900.00
2.3	County Clerk	Restore Office Supplies	May struggle on production and advertising	\$ 1,300.00		\$ 1,300.00
2.4	County Clerk	Take out Codification and/or Digitization	Codification of Ordinances (currently in budget) utilize ARP funds.		\$ 10,870.00	\$ (10,870.00)
3.1	Highway	Restore Highway Clerk to 35 hours (Reduced by Resolution to displace funds for Assistant to the Administrator	Concerns on administrative support and overtime with a clerical position reduced to 20 hours (\$15,780) absorbed by revenues			
3.2	Highway	Levy Reduction to cover Resolution to reduce the Highway Clerk	Additional reduction on road or equipment maintenance from levy		\$ 15,780.00	

4.1	Child Support	Built in increase with anticipation of Reclassification	Positon was evaluated at the same grade. Recommendation resulted in no increase.		\$ 2,100.00	\$ (2,100.00)
5.1	Circuit Court	Reduce operations as to meet the 0% guidance	Preliminary budget is submitted with overage		\$ 5,922.02	
5.2	Circuit Court	Increase projected revenue	Potential for increased revenues to cover expenditures		\$ 5,922.02	\$ (5,922.02)
6.1	Coroner	Reduce to 2021 levy expenditure limit.	Requesting additional \$6,000 in contracted expenses due to need for more medical examinations		\$ 6,000	
7.1	Sheriff's Office	Reduction in operations to meet 0% guidance	May require additional position cuts and overtime impacts		\$ 22,934.00	
7.1	Sheriff's Office	Add back in Jailer/Dispatcher	Reduced jailer/dispatcher places the department back into a challenging position of maintaining staff requirements and impacts on overtime	\$ 65,083.00		\$ 65,083.00
7.1	Sheriff's Office	Add back in Patrol Deputy	Reduced patrol deputy leads to impacts in overtime or reduced patrol coverages	\$ 78,625.00		\$ 78,625.00
7.1	Sheriff's Office	New Hires not utilizing Health Insurance			\$ 8,000.00	\$ (8,000.00)
8.1	Family Court Commissioner	None				
9.1	Property Lister	Reinstate from 35 hours to 40 hours		\$ 6,306.80		\$ 6,306.80

9.2	Property Lister	Increased fees for software expenses		\$ 686.00		\$ 686.00
10.1	District Attorney's Office	Eliminate Proposed Added Position	Reduces ability to keep up with increased victim witness requirements which carry legal liabilities against the county if new constitutional amendments are violated.		\$ 74,000.00	
10.2	District Attorney's Office	Increase to Victim Witness Coordinator	Reclassification of position to lead. Figure reimbursement rate which would be less. Estimate at \$2,000		\$ 2,000.00	
11.1	Land Conservation	Well Study (Fund 66)	Go without the well study		\$ 5,000.00	\$ (5,000.00)
11.2	Land Conservation	Wild Parsnip	Parsnip Control	\$ 500.00		
11.3	Land Conservation	Accelerate Timber Sales	Potential accelerated cut/pulp (\$19,000) seen as an Ash creek fund (Divert to Parks)		\$ 15,000.00	
12.1	MIS		Reclassification of MIS Assistant Position	\$ 5,560.00		\$ 5,560.00
12.2	MIS		IPad Purchases	\$ 5,896.00		
12.3	MIS		Casual P/T support to assist with meetings etc. Casual/Temp @ \$13.00/hr. @ hours 17 per month	\$ 3,000.00		\$ 3,000.00
12.4	MIS		On-call rate of \$1.25 per hour when designated to an hourly employee by the director. Estimating 352 annually	\$440		\$ 440.00
12.5	MIS		(Permanent Position) Radio/Tower and 911 Coordinator	\$ 72,000.00		
13.1	Register in Probate	No requests				

14.1	Register of Deeds	Impose a reduction in 5 hours from Deputy	Reduction to make the 0% level		\$ 5,873.79	
15.1	Treasurer's Office	Reinstatement of Deputy from 35 to 40 hrs.	Reduction impacts services in conjunction with incoming replacement		\$ 5,873.79	
15.2	Treasurer's Office	Reduction in postage			\$ 100.00	
15.3	Treasurer's Office	Reduction in advertising			\$ 200.00	
16.1	Veteran's Services	No request				
17.1	Zoning	Utilize Land Grant against more wages	Reduced \$55,000 use in Land Information Grant from 2021 re-utilizing this grant becomes questionable in context or meeting grant criteria		\$ 55,000.00	
18.1	Courthouse Maintenance	No request				
19.1	Administrator	Assistant to the Administrator	Adds back administrative support	\$ 74,124.46		\$ 74,124.46
19.2	Administrator	Reduce Preliminary Training Expenses	Limits Training and Networking Opportunities		\$ 2,024.00	
19.3	Administrator	Transition back to Administrative Coordinator	Designate the County Clerk with an administrative coordinator title and supplement with admin assistant = \$110,611.35 - \$74,124.46 = \$36,486.89 net		\$ 110,611.35	

20.1	Tri-County Airport	Added Operations Expenses - As per action on August 3rd F+P	2021 level is \$20,199. Requested operational expenses with increased funding apportionment of 35% operations and 30% capital projects. 2022 request = \$27,555.15	\$7,356.15		\$ 7,356.15
20.2	Tri-County Airport	Added Capital Expenses of improvements	Utilize ARP Funds for local share.			
20.3	Tri-County Airport	Stop funding and end partnership (\$20,199.00)	Need to notify in July for following year. Not an option for 2022.		\$ 20,199.00	
21.1	Ambulance Services / Emergency Management:	None	Anticipated 2022 increases as one time ARP injection will not be available in the future.			
22.1	Pine Valley Community Village:	Not allow increase to step 6 increases	Decrease pay increase and increase return to Fund #10. This would not be in line with the intensions of the Medicaid increases to target staffing retention and recruitment for nursing facilities.		\$ 119,600.00	
23.1	UW Extension Office	Reduce to bring down to 0%	Possible reduction in addiitonal support staff hours		\$ 1,496.45	
23.2	UW Extension Office	Increase to 2021 Level of funding is a restoring of \$6,123.45	This would restore staff hours, mileage, equipment, and supplies	\$ 6,123.45		
23.3	UW Extension Office	Reduce all levy funding for 2022 (\$185,032.12)	Displace existing revenues will have staffing impacts on support staff and partial funding for educators, and result in discontinued services to the community.		\$ 185,032.12	
24.1	Fair & Recycling	Mower Purchase	Allows more flexibility in performing needed cuts	\$ 3,500.00		

24.2	Fair & Recycling	Pay connection building staff	Other superintendents are being paid and this raises concerns of inequity. (15 people)	\$ 2,718.75		
	Fair & Recycling	Pay current species superintendent staff and helpers not currently paid	Others are being paid and this raises concerns of inequity. (17 people)	\$ 3,081.25		
24.3	Fair & Recycling	Increase support of 3 staff	Currently abiding a resolution salaried distribution of fair coordinator wages	\$ 25,000.00		
24.4	Fair & Recycling	Reduce all levy funding for 2022 (\$15,000)	Displace existing revenues will likely have staffing impacts and ability to coordinate events and manage grounds.		\$ 15,000.00	
25.1	Parks Commission	Potential Reduction in 2021 Levy	Spend off surplus (\$43,000 balance), reduce request, <u>some of this has salary impact</u>		\$ 10,000.00	\$ (10,000.00)
25.2	Parks Commission	End partnership with Hidden Valleys	Per Parks Commission action		\$ 1,367.96	\$ (1,376.96)
25.3	Parks Commission	Reduce all levy funding for 2022, additional to proposed \$10K would equal (\$27,060.44)	Displace existing revenues will likely have staffing impacts on Land Conservation and general maintenance of parks and trails system.		\$ 27,060.44	
26.1	Symons Recreation Complex	No request				
26.2	Symons Recreation Complex	Reduce all levy funding for 2022 (\$34,291.50)	Displace existing revenues will likely have staffing impacts. Any reductions we do would be matched by the city to equal = \$68,583 impact on Symons. Such action would require communication with the city.		\$ 34,291.50	

27.1	UW Food Services	No request				
27.2	UW Food Services	Reduce all levy funding for 2022 (\$3,171.52)	Displace existing revenues will likely have staffing impacts. UW Food Services provides meals for meal sites.		\$3,171.52	
28.1	UW Campus	Restore to 2020 level	Restore budget to \$60,000	\$ 10,000.00		
28.2	UW Campus	Additional \$10,000 reductions in maintenance Funding, reflecting staff and enrollment reductions.	Observing continual staff reductions and enrollment in campus operations, however are deferred maintenance issues will only increase.		\$ 10,000.00	\$ (10,000.00)
28.3	UW Campus	Stop maintenance apportionments. Remaining (\$40,000) to reduce all levy funding in 2022.	Discontinuing all funding would be a breach of agreement. We would have to end or amend our agreement with the UW System. This would have significant impact on our existing deferred maintenance issues.		\$ 40,000.00	
29.1	Economic Development	Reclassification	Economic Director Position (Share)	\$ 4,369.67		
29.2	Economic Development	Increase Contract Support Budget	More project completion and delivery (county Only)	\$ 15,000.00		
29.3	Economic Development	Reallocation of Chamber of Commerce Appropriation	Reallocation of apportionments dedicated to the Richland Center Chamber of Commerce, currently cut \$4,000 current 10.5771 account	\$ 4,000.00		
29.4	Economic Development	Reallocation of Hidden Valleys Fund	Currently in the Parks Budget 65.5651.0000.5324; Transfer to 5762.0000.5326 = \$1,367.96 (proposed to cut)			
29.5	Economic Development	Marketing and branding initiatives	County apportion; not matched. City is taking on their own.	\$ 20,000.00		

29.6	Economic Development	Reduce contracted services line 10.5762.0000.5970	Currently budgeted at \$16,323.84 (we share half with City, and reduction would =1/2 levy impact) reduce \$8,000 in total		\$4,000	
29.7	Economic Development	Reduce all levy funding for 2022 (\$72,935.38)	This would have matching impact by the city and would discontinue the operation. We would have to end or amend our agreement with the City.		\$72,935.38	

Health Insurance Renewal

#	Department	Add-in / Take-out/Amendment:	Impacts:	Additional Gap	Fill Option
101.1	Health Insurance	Renewal (Preliminary set at 7%) of current plan	Initial renewal is 16% increase for county portion of premiums. Quartz is firm on renewal rate.	\$ 258,714.72	\$ 258,714.72
101.2	Highway Absorption	Amount highway can absorb outside levy	Highway accounts for approximately \$70,101.36 of increase and is able to absorb into revenues	\$ 70,101.36	\$ (70,101.36)
101.3	Pine Valley Absorption	Amount Pine Valley can absorb outside levy	Pine Valley accounts for approximately \$105,000 of increase and is able to absorb into revenues	\$ 105,000.00	\$ (105,000.00)
101.4	Health and Human Services	Amount Health and Human Services can absorb outside levy	Health and Human Services have utilized all foreseeable revenues	\$ -	
101.5	Health Insurance	Plan Design Adjustment	Premium share could be adjusted. Increased costs on higher tier medications can be implemented. Both not recommended at this time. Insurance options will be investigated in 1st quarter 2022 for 2023 implementation. Challenges remain with our high MLR ratio.		

Options and Resources for Additional Fills:

#	Department	Add-in / Take-out/Amendment:	Impacts:	Additional Gap	Fill Option	Fill (Y/N)
102.1	Tax Deed Sales	Incorporate tax deeds sales	Projection: Could incorporate if we also incorporate making whole, liens, and fees associated. The risk on some is seen as balancing possible revenues.			
102.2	Sales Tax	Amendments in projected sales tax	Not recommended at this time			
102.3	Interest Income	Amendments in projected interest	Not recommended at this time			
102.4	Property Tax	Amendments in projected property tax	Not recommended at this time		\$ 61,439.00	\$ (61,439.00)
102.5	Wheel Tax	Amendments in projected wheel tax	Not recommended at this time			
102.6	Undesignated Fund Spending	General Fund Balance Applied	Estimated \$268,692 in potential cash (non-asset) in staying over the 25% ratio of budgeted expenditures		\$ 250,000.00	\$ (88,285.08)
102.7	Contingency Fund Spending	Spend contingency Surplus	Fund balance will be utilized as a revenue.		\$ 300,000.00	\$ (300,000.00)
102.8	Contingency Fund Spending	Preliminary as an expenditure	2021 levied for Contingency fund plus		\$ 300,000.00	\$ (300,000.00)
102.9	American Rescue Plan	Applied American Rescue Plan to 2022 operations	Discretionary Funds that may be up to roughly 3million. Recommend allocating to one-time projects.		\$ -	

103.1	Opioid Settlement	Utilization of Opioid Settlement Funds	We will likely not have guidance in time to incorporate		
103.2	FED Infrastructure	Utilizing FED infrastructure	We will likely not have guidance in time to incorporate		
103.3	Pine Valley	Increase from PV Debt Service Fund (Preliminary is built with \$504,996)	The preliminary plan is built with full utilization of anticipated fund balance for 2021	\$ -	
103.4	Pine Valley	Take from PV Contingency Fund	Spend down puts Pine Valley operations at risk if unforeseen financial problem occurs	\$ -	
103.5	Pine Valley	Take from Capital Improvement Fund	Puts Pine Valley at risk of requesting operation levy or additional borrowing for capital improvements and maintenance	\$ -	

Estimated Existing Gap With Proposed Adjustments

Totals:	\$ 1,165,283.54	\$ 2,183,905.70	\$ -
	Gap + requested add- ins	Total fill options	Total gap w/ adjustments