

August 30, 2016

FY 2015/2016 Preliminary Budget
Public Hearing

10:00 AM Present were Commissioner Cole, Commissioner Peck, Commissioner Larson, Clerk and Recorder Robin Benson, Accounting Deputy Wendy Drake, Gerald Wallace, Chuck Gernheim, and John Righter.

Commissioner Cole opened the meeting with the **Pledge of Allegiance**.

Robin presented the FY 2016/2017 Levy Requirement Schedule as of today's date. The schedule reflects an overage of 8.31 mills or \$268,039. The maximum mills allowed for Lincoln County is 107.11 mills. The commission shared that during FY 2015/2016 the county transferred \$257, 609 to the general fund to reduce the mills and will most likely transfer the current overage to the General Fund to reduce the mills to what is allowable by statute. These mills do not include voted levies, permissive levy, district budgets, or 2 mills for Disaster Emergency Fund.

Robin submitted a Secure Rural Schools (SRS) Payment History handout reflecting a graph chart of the steady decline. As of today's date there has been no information or assurance that Congress will re-authorize those funds during FY 16/17. FY 2015/2016 the county received \$2,487,117 from SRS that was put into the road budget. Currently there is zero SRS budgeted at this time. Robin made note that Lincoln County is only one of two counties in the State of Montana that does not levy (use taxpayer dollars) to fund the road budget of approximately \$4 million. As Federal and State shared revenues decrease as well as investment income, the road reserves will steadily decline. If SRS is not received during FY 16/17, road reserves may decline from approximately \$14 million to \$12 million.

Robin submitted a breakdown of the levied general fund expenditures showing a pie chart and percentages of totals per department for review by the public. Robin clarified that the *General Fund* budget includes a multitude of departments such as Commissioner, Clerk & Recorder, Treasurer, County Attorney, Justice Court, Building Maintenance, Elections, Sanitarian, Emergency Management, Network Administration and a few others. Total expenditures are shown as \$9,459,555. The General Fund stands at 39.53% of the total expenditures and Public Safety stands at 39.36%. The rest of the county departments make up 21.11% of the total expenditures.

Robin explained the structural accounting changes for county insurance beginning in FY 2016/2017. Each department now has a line item in its budget reflecting the insurance cost for that department. Each department is responsible for its insurance cost for its department employees. It is transparent, honest, and better reflects actual costs per department. The structural change was favored and approved by the county auditor.

Commissioner Peck asked any members of the public if they were interested in being a part of a committee to serve looking at mandatory vs. discretionary funds/services and take a look at increasing and maximizing revenues, stating this is where we are now headed. Chuck said it would take a clear description of expectations and authority to ask difficult questions and determine if the committee would be looking at long term planning and level of required spending.

Other topics of discussion were the associations of the Ambulance Departments and Sr. Citizen's Transportation to Lincoln County. Commissioner Peck said the county will no longer be paying worker's comp. for private non-profit people (according to state statute) who are not county employees, although he admires what they do and is aware of the critical service they provide.

Commissioner Cole thanked everyone for attending and shared the commission's appreciation for their interest in county government.

LINCOLN COUNTY BOARD OF COMMISSIONERS

Mike Cole, Chairman

ATTEST: _____
Robin Benson, Clerk of the Board