

Traverse County Commission
Truth in Taxation Meeting
December 12, 2018

The meeting was called to order at 6:16 pm by Commission Vice-Chair, Dave Salberg. Other Commissioners present included Tom Monson, Mark Gail, and Todd Johnson. Commission Chair, Kevin Leininger joined the meeting at 6:26 pm. The Pledge of Allegiance was recited.

Kit Johnson went through a handout comparing 2018 and 2019 levy summaries. The preliminary level was set at a 12.06% increase over 2018, as of today the levy increase over 2018 is 11.56%. The Board is not allowed to go over the preliminary level amount but can go under. Since 2008, Traverse County's total levy increase has been 9.29%, which is less than 1% per year. Kit went over the revenue fund budget for 2019 and pointed out the social service budget for 2019, Rhonda Antrim, Social Services Director, was present to answer any questions. The highway budget for 2019 was not included, Chad Gillespie, County Engineer, asked that the public come to the Highway Department if they would like a copy and to direct questions to him. K. Johnson told the public that if they have any questions regarding a specific parcel to come see him and he can explain, each parcels has its own story; it depends on how the parcels are linked together.

Dean Frisch asked questions regarding the revenue fund. K. Johnson explained that we had a lot of unbudgeted expenses which had to be paid for out of our fund balance which is continuing to decrease because we have been using it to spend down the levy each year and for expenses that are not budgeted for. At the end of 2017 we were under what the State recommends to have in the fund balance by \$450,000 based on our revenues and \$1.35 million under based on our expenditures. Frisch asked why we are putting \$250,000 into the building fund when we already have a balance of \$579,000 in the capital project fund. He asked why we can't use the \$579,000 for capital improvements instead of budgeting \$250,000 more. He stated that the intent of the building fund was to be used to upkeep the existing facility not to be used to build a new courthouse. Steve Boehmlehner asked the Board why we need to put \$250,000 in a building fund, is it to build a new courthouse? Salberg didn't answer, Monson said no, Gail said that it is a possibility, the Courthouse isn't in good shape and this is one way to start saving for it. T. Johnson said that putting this money into the fund isn't going to take away the taxpayers right to vote. Leininger isn't in favor of putting the \$250,000 in the building fund. Boehmlehner inquired about the Sheriff's budget, there was discussion regarding the increase of crime and the 911 system upgrade. There was discussion about raising the daily rate in the jail, Salberg said that we tried to raise it \$5 per day and the other counties stopped using Traverse County, we lowered it back to \$55 and they starting using us again. T. Johnson brought up the loss of County Program Aid, 10 years ago our levy was at \$2.2 million and we would receive \$600,000 - \$700,000 in County Program Aid. Now that our levy is at \$5.2 million we are only receiving \$436,000 this is where the real financial strain is in Traverse County. We were receiving more in County Program Aid 20 years ago then what we are getting today. K. Johnson said that the State is sitting with a projected \$1.5 billion dollar surplus so this is the time to talk to your legislatures to try to get it increased.

Salberg relinquished the meeting back to Leininger.

Dean Frisch asked the Board to continue to look at doing more joint powers agreements with other counties. Monson said that with joint powers agreements we end up sending our tax payer money to the other counties to pay for the help, we won't gain a lot from joining together. Leininger said that it will also take kids out of our schools and families out of our towns. We are lucky that the probation joint powers agreement is based in Traverse County. Frisch said that the \$579,000 in the capital project fund should be used to buy extra computers and other things not just sitting there. Leininger said that that amount is part of the fund balance that we need to have on hand so if we take it out of there we would need to put that amount somewhere else. Monson said that we need to have 5/12 on hand and we are at 3/12 right now.

Joe Murphy asked what the Commissioners would project the tax increase to be over the next 20 years. Leininger said that we had all those years at 0% and now we are paying for it.

The Board will set the 2019 levy at the December 18, 2018, Board meeting

The meeting was adjourned at 7:15 pm.

Attested to by:

Lisa Zahl/County Coordinator

Kevin Leininger/Board Chair