

Benton County  
Summary of Major Factors in the Final 2013 Budget and Levy

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- ❑ The proposed 2013 property tax levy totals \$20,228,287, an increase of 1.9% or \$377,533 from 2012;
- ❑ The proposed 2013 County budget totals \$40,377,431, an increase of 9.8% or \$3,615,897 from 2012;
- ❑ Of the operating budget increase, \$3.1 million is related to a larger road construction program in 2013, funded primarily from State Aid, federal funds, road bonds and road project fund balance;
- ❑ The 2013 Highway budget includes \$6.8 million in planned expenditures for the second phase of County Road 78 reconstruction, the local share of the Rice Trunk Highway 10 interchange and the County/State-Aid Highway 6 reconstruction project;
- ❑ The proposed levy increase is due to three major factors: 1) employee compensation costs included in 2013 labor agreements add \$302,000; 2) a 6% health insurance premium increase adds \$101,000; and 3) lower County Program Aid (CPA) due to the application of the CPA formula increases the local levy by \$259,000;
- ❑ The County's 2011-2013 labor agreements included a 1.5% general wage increase ("COLA") effective January 1, 2013; also the compensation increase funds step and longevity increases;
- ❑ The 6% health insurance increase from Health Partners had been limited by a guaranteed "rate cap" from Health Partners when the County agreed to remain with Health Partners in 2012; under the County's labor agreements, this increase is shared 50/50 with employees;
- ❑ Local government aid to counties, known as County Program Aid, did not fall in total for counties; however, the CPA formula had not been applied for 5 years due to legislative action; Benton County's 2013 loss is based entirely on the aid formula;
- ❑ The 2013 proposed budget includes no new positions or programs; major new funding added by the County Board includes \$64,865 to allow the replacement of 5-6 Sheriff's vehicles each year (replacement budget had been cut \$75,000 in 2011); \$11,050 for replacement case management software in the County Attorney's Office; and \$25,000 to fund a replacement program for vehicles and lawn equipment maintained by Property Management;
- ❑ To help bring down the levy increase, the Board made the following spending reductions: 1) reduced funds going into the local road improvement budget by \$42,000 (but maintaining a \$500,000 annual commitment to local road projects); 2) reducing the Economic Development budget by \$52,000 with the plan to move to a consultant instead of a full-time employee and more limited hours per month; 3) reduce the County's contingency budget by \$25,000 (but still maintain \$75,000 as a contingency); and 4) use \$50,000 in reserves (current fund balance in the general revenue fund exceeds the level established in County policy and the State Auditor's recommended guidelines).