

COMMITTEE REPORT

COMMITTEE: Finance Committee
CHAIRPERSON: Yerda Potter, Chairperson
DATE/TIME: July 22, 2002 9:00 am

PRESENT: ___ Berlage ___ Lyons _x_ Schubert
 ___ Bielenda _x_ Montelius ___ Sisler
 ___ Breckenridge _x_ Potter ___ Stoffregen
 ___ Carroll _x_ Powers ___ Toepfer
 ___ Creighton ___ Rosenthal ___ Zillig
 x Hasken _x_ Rutherford

Others: Duane Olivier, County Administrator

FY2003 Budget:

1. Preliminary revenue estimate. The County Administrator reviewed an estimate of General Fund revenues for FY2003. In general, nearly all sources of General Fund revenue are estimated to be the same as or below the current year end estimate. Although sales tax revenues are expected to exceed this year's estimate, these increase revenues are more than offset by a decline in the County's share of the State income tax. Overall, it is estimated that the FY2003 Budget will need to be based on estimated total revenue that is less than the FY2002 Budget.

The County Administrator also reviewed a preliminary Tax Levy estimate. Although total assessed valuation has increased, because of the Property Tax Limitation Law (PTLL) the County cannot realize the full potential of the increased valuation. With known increases for employee pension plans, social security, and insurance, other levies will need to be maintained at their current levels with only a modest increase in the corporate levy to offset losses in other General Fund revenues.

In view of the lower revenue estimates, the Committee concluded that if current staffing and salary plans are to be maintained all other County expenditures will need to be at or less than 95% of the current year's budget expenditures. Consequently, the Committee asked the County Administrator to request that all County departments submit budgets for FY2003 that are no more than 95% of their FY2002 budgets in all expenditure categories other than salaries.

2. Non-County Agency Funding. The Committee discussed funding for organizations and agencies that are not part of the County government. It was agreed that all such organizations and agencies must submit complete budgets to be considered for FY2003 funding. The County Administrator will inform all such organizations and agencies of such requirement.

There being no further business, the meeting adjourned.