

## **Proposed county property tax to decline, along with county operating expenditures**

The Washington County Board of Commissioners is reviewing a proposed 2012 budget that would reduce the county's portion of the property tax, as well as the county's operating expenditures.

This is the second year in a row in which the county has not raised its portion of the property tax. The proposed budget decreases operating expenditures to \$139.8 million, a decrease of 4.1 percent from 2011.

The county expects to maintain a low tax rate and low per capita spending and property tax compared to other counties. It has also experienced a reduction in state aid payments of \$11.6 million over the past four years. In 2011 alone, the county will lose \$4.2 million in state funding. The 2012 budget is based on half of the revenue coming from the property tax levy, an increase from 42 percent in 2008. The increased reliance on property taxes is the result of less state revenue, while state mandates for services have increased.

The proposed budget, if it is approved with no county levy increase, may still involve a property tax increase for most property owners because the state eliminated the homestead credit. At the same time, the demand for county services continues to grow. Two examples are the number of requests for health care and food support: requests for health care have increased to 9,395 in 2011, compared to 8,178 in 2010; requests for food support have grown to 4,048 in 2011, compared to 3,177 in 2010.

Commissioners will hear presentations at public meetings from all county departments over several weeks. The public is welcome to attend. A public hearing on the budget will be conducted Dec. 8, and the final budget and levy will be adopted Dec. 13.

The board is required to set a preliminary tax levy for the county portion of property taxes by Sept. 15. After that, the levy may be decreased but it may not be raised.