

Washington County, Minnesota

Board of Commissioners - Actions

Actions at the Tuesday, August 9, 2011 Board Meeting

This page is a brief view of the actions taken by the Washington County Board of Commissioners. For further information, please telephone 651-430-6001.

Washington County's mission is to provide quality public services in a cost-effective manner through innovation, leadership, and the cooperation of dedicated people.

Proposed levy to decline, along with county operating expenditures

The Washington County Board of Commissioners received its first view of the county's 2012 budget Aug. 9, which will be deliberated by the board for the remainder of 2011.

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. A final property tax levy will be set in December.

An overview of the budget shows the County Board budgeting parameters within which the county's Office of Administration developed and recommended a budget that:

- decreases Operating Expenditures (excluding capital and debt) to \$139.8 million, a decrease of 4.1 percent from 2011;
- decreases Capital Expenditures to \$23 million, a decrease of 63.2 percent from 2011;
- decreases Gross Tax Levy (includes County Program Aid from the state) to \$92.6 million, a decrease of 2.5 percent from 2011;
- decreases Net Tax Levy (excludes County Program Aid from the state) to \$86.5 million, a decrease of .3 percent from 2011;
- decreases Non-Levy Revenues of \$82.2 million, a decrease of 6.2 percent from 2011.

Guiding principles that are used to shape the budget focus on providing effective core services and programs, and identifying programs and services that could be reduced, delayed, or phased out over time. Additional principles include focusing on measurement and outcomes, and identifying areas where technology and process improvement could improve service, reduce the need for additional staff or streamline operations.

The county has been able to maintain a low tax rate and low per capita spending and property tax compared to other counties in the metropolitan area and the state. 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 be losing \$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.

Operating costs per capita in the county are projected to fall from \$612 in 2011 to \$587 in 2012. The number of county employees will also be reduced to 1,065 in 2012, from 1,111 in 2008.

The proposed budget, if it is approved with no county levy increase, may still involve a property tax increase for most property owners because of the elimination by the state of the homestead credit. For example, a home valued at \$250,000, assuming a 2.8 percent value reduction from 2011 to 2012, will likely see a \$32 increase, or 4.4 percent, in its county property tax bill, even though the county is proposing no property tax levy increase.

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.

The board also saw budget proposals for four departments, Administration, Accounting and Finance, Human Resources and Information Technology.

The departments are planning no changes in personnel. The Office of Administration is planning to update the county's website in the coming year. Accounting and Finance will also need technology upgrades during the year, including the county's financial management system.

Also, the board received information on the county's general operations budgets, which include state-mandated costs for Court Administration costs of \$1.64 million, including the cost of maintaining the court facility, and paying for court appointed attorneys, civil commitments, title examiners, guardianships and conservators, and services to juveniles. Individual department heads in the county will present their department budgets in the coming weeks. A public hearing on the budget will be conducted Dec. 8, and the final budget and levy will be adopted Dec. 13.

MICA representative offers insight on legislative session

A representative from the Minnesota Inter-County Association (MICA) offered insights into the recently completed legislative session to the Washington County Board of Commissioners Aug. 9.

Keith Carlson, executive director of MICA, provided a wrap-up report. His opening statement was "Legislature Leaves Behind a Deficit Time Bomb – Again," noting that the state's budget was balanced by shifting funds budgeted for school districts in the current biennium to later budget years. The county will lose funding from a reduction in state tax aids and credits, and from reduced revenue for health and human services programs.

Carlson noted that the early Medicaid expansion remained intact, levy limits were lifted from counties, and counties received relief from two maintenance of efforts requirements, mandates that the governmental units continue to spend at previous levels for certain services.

There will be changes in how property taxes are applied, due to changes in state law. The former Homestead Credit received by homes valued at \$414,000 or less was eliminated in 2012. It was replaced by a homestead value exclusion. The change will cause tax rates and taxes for most properties to go up unless local governments cut levies below 2011 levels, Carlson said.

Carlson cautioned that if the economy continues to stumble, more cuts will be coming in 2012, as it will not be possible for the state to delay making budget cuts until 2013. After K-12 education, health and human services is the second-largest state expenditure, and further cuts to those programs are most likely, Carlson said.

Fiber optic cabling will connect county buildings

Fiber optic cabling will connect several Washington County buildings, after the Washington County Board of Commissioners approved a contract for the work Aug. 9.

The board approved a contract with Access Communications for \$614,079 to install the fiber optic cabling. It will connect the Government Center in Stillwater with the Headwaters Service Center in Forest Lake. It will also run between the Lake Elmo Park Reserve, the Wildwood Library in Mahtomedi, the Washington County Public Works North Shop, which is in Stillwater Township, and Big Marine Park Reserve in May Township.

Contracts awarded to Hardrives, Inc., for two road projects

Hardrives, Inc., will complete two road projects, after bids for the projects were accepted by the Washington County Board of Commissioners Aug. 9.

County State Aid highways 6, 7 and 22 will have a bituminous overlay placed on them. Work to be completed will be:

- a bituminous mill and overlay, guardrail ends on County State Aid Highway (CSAH) 6 (Stillwater Boulevard North) from Granada Avenue to 530 feet south of Minnesota Highway 5 in Oakdale and Lake Elmo;
- bituminous overlay on CSAH 7 (Nason Hill Road) from 2,145 feet east of Paul Avenue to Highway 95 in Marine on St. Croix; and
- bituminous reclamation, mill bituminous pavement, bituminous paving, (70th Street South) from Hinton Avenue south to 2,610 feet west of CSAH 19 in Cottage Grove.

One bid was received for the project from Hardrives, Inc., in the amount of \$2,011,314. The engineer's estimate for the project was \$2,162,790.

The funding for CSAH 6 of \$596,233 will be reimbursed by state aid in 2011. The funding for CSAH 7 of \$187,848 and CSAH 22 of \$1,227,231 will be from budgeted pavement preservation funds in the county's road and bridge capital projects fund.

Hardrives' bid to do an overlay on County Road 13B (DeMontreville Tail North) in the amount of \$775,619 was also accepted.

This project consists of bituminous reclamation, bituminous paving, and curb and gutter on County Road 13B from County State Aid Highway 35 (50th Street North) to Trunk Highway 36 in Lake Elmo. The total engineer's estimate for the project was \$775,306. Bond funds will pay for the project.
