

A Report to Our Citizens

County Commissioners

District 1	Dennis C. Hegberg
District 2	Bill Pulkrabek
District 3	Gary Kriesel
District 4	Myra Peterson
District 5	Lisa Weik

Mission Statement

To provide quality public services in a cost-effective manner through innovation, leadership, and the cooperation of dedicated people.

Values

- Fiscal Responsibility** – To provide good stewardship of public funds.
- Ethics and Integrity** – To maintain the public trust.
- Openness of the Process** – To promote citizen participation.
- Our Heritage and Natural Resources** – To conserve and preserve them.
- The Individual** – To promote dignity and respect.

History of Washington County

Washington County was officially created on October 27, 1849, in the Territory of Minnesota. As one of Minnesota’s original nine counties, Washington County is located on the eastern edge of the Twin Cities metropolitan area and is comprised of 423 square miles of land. Washington County government has been serving residents since its creation in 1849. The county seat is located in Stillwater, Minnesota, along the scenic St. Croix River.

Washington County has historically played a diverse role in the region, serving the Twin Cities with its commercial, industrial, natural, and agricultural resources. The residents of Washington County take great pride in the rich, historical significance of the area.

While much of Washington County has retained its rural atmosphere, it is considered a “suburban” county. However, the county continues to maintain its diverse image – from the corn fields of Denmark Township to the residential neighborhoods of Woodbury; from the office and retail complexes along Interstate 94 to the cooling waters of the St. Croix River; from the lakeshore communities around White Bear Lake and Forest Lake to the pastoral wooded settings of the city of Scandia and May Township. Each area of Washington County possesses a distinct set of landscapes and resources.

County Organization and Demographics

Minnesota is one of a minority of states whose form of government is state managed and county administered. This means that many government services are provided by the county rather than the state. Washington County is led by a Board of Commissioners, with each commissioner representing one of five districts located in Washington County. The county carries out high quality yet efficient services to its 234,300 citizens in the areas of criminal justice, health and community services, libraries, property and taxation, public works, parks, and general government services. Washington County will have 1,083.93 adopted full-time equivalent employees (FTE) in 2010 providing these services; 4.6 employees for every 1,000 residents. Washington County had the second highest median household income in the state

during 2007 at nearly \$77,500, and an estimated per capita income of \$47,400, which is the third highest per capita income in the state.

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How Are We Doing?

Health, Safety, and Quality of Life

The health, safety, and quality of life of citizens are important to Washington County. Helping county residents get and stay healthy will be the goal of the department of Public Health and Environment as it implements a new statewide healthy communities initiative. This initiative will build community programs to decrease obesity and tobacco use by residents, saving both lives and health care dollars.

Providing 911 emergency communications for the public was enhanced with the opening of the new 911 Communications Center whose staff handles 911 calls for a county population of more than 234,000 citizens and directs the emergency traffic for 14 fire departments, 10 law enforcement agencies, and seven ambulance services. The new equipment is state of the art and replaces some 15-year old equipment, putting the county at the leading edge of providing 911 emergency communications for the public.

Accessible, High-Quality Services

Washington County strives to provide high-quality services to residents. We have seen increased service needs in many areas due to the uncertainty of today's economy, and the commissioners and other elected officials staff members have stepped up to meet the challenge of the current situation. We are dealing with residents who are experiencing great personal stress and frustration and are coming to the county to seek help with the problems they are facing. We approach this as our opportunity to demonstrate to taxpayers that our services are of great value, whether they are looking for a job; applying for veterans benefits; seeking financial assistance; purchasing a license; reviewing a property assessment; visiting a county park; using a library; visiting a flu shot clinic; seeking help in dealing with family problems; or simply looking for the right place to pay a traffic fine or keep a court date.

Proactively Planning for the Future

One of Washington County's primary goals is to meet residents' current needs while continuing to plan for future needs. Planning for the future ensures that the county will continue to make wise long-term decisions.

An example of this is the new County Courthouse facility which will provide space for the judicial branch of government for the next 20 to 30 years or more. It is a facility of which our citizens can be proud, not only because of how it looks and operates, but also how it was financed through a prudent long-term capital plan. This same type of vision, planning, and action sequence also made it possible for us to bring two major service centers, a library, and a new environmental center online. We will also continue our efforts at maintaining and developing our infrastructure, particularly our roads and transitways. We will continuously reassess our priorities to ensure that we are putting our limited resources to the services, programs, and projects that are the most important and most effective in meeting our responsibilities. County government is an essential part of our society and we are doing what we need to do to adapt to the challenges of the next 160 years as we have for the county's first 160 years.

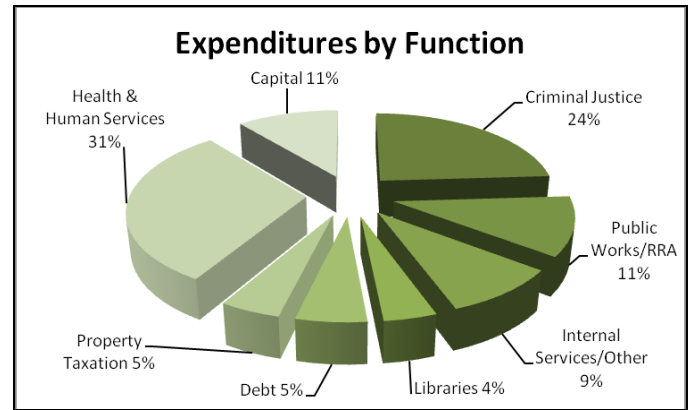
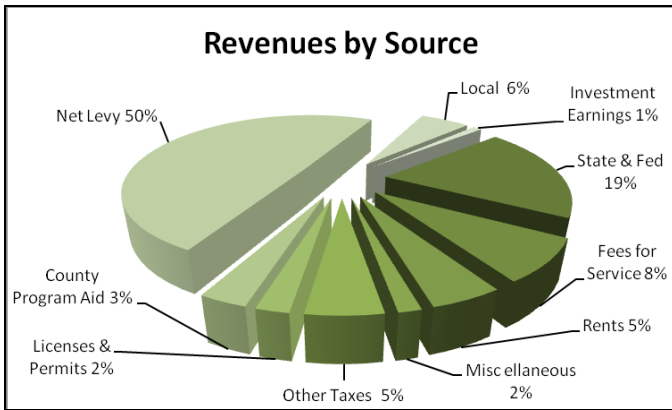
Maintain Public Trust

The ability of Washington County to meet the needs of its citizens is directly related to its ability to achieve and sustain fiscal stability. Effective and efficient use of resources is necessary to achieve the goals and objectives of the county. Washington County participates in a variety of mandatory and voluntary programs to help maintain the quality of its financial management practices by ensuring openness and accountability for public resources. Through the Government Finance Officers Association, Washington County has been awarded the Certificate for Excellence in Financial Reporting each year since 1986, and the Distinguished Budget Presentation Award each year since 1998. In the financial marketplace, the highest level of scrutiny is reserved for those organizations that seek to borrow money. Washington County's process for borrowing money in the financial markets takes the form of a bond sale. Each sale of bonds is subjected to a rating of the county's economic stability, management practices, and financial prospects by independent rating agencies. The county is one of only 48 counties nationally to receive the AAA rating from Standard and Poor's rating agency.

Performance Measurements

Since the mid-1990s, Washington County departments have continued to track, report, and monitor performance measures to support decision-making and to drive continued improvement in its core functions and the services it provides. Washington County also measures residents' satisfaction of services through focus groups and surveys. How are we doing? Please contact amanda.hollis@co.washington.mn.us with your feedback and let us know what other information you are interested in and we will incorporate your perspective into our future reporting efforts. More performance information is available on Washington County's website: www.co.washington.mn.us

2010 County Budget



Graphs exclude Land & Water Legacy Program (LWLP)

Description	Adopted 2009	Proposed 2010	Inc. (Dec.) 2010-2009	Change %
Net County Tax Levy	\$85,131,600	\$85,933,800	\$802,200	.94%
RRA Levy/LWLP Levy (new in 2010)	\$245,300	\$1,416,400	\$1,171,100	477.41%
County Program Aid	\$7,386,700	\$5,506,600	(\$1,880,100)	(25.45%)
Other Revenue (includes LWLP bond proceeds)	\$79,241,000	\$91,463,200	\$12,222,100	15.42%
Total Revenues:	\$172,004,600	\$184,320,000	\$12,315,300	7.16%
Direct Payments	\$37,476,500	\$34,581,200	(\$2,895,300)	(7.73%)
Wages & Benefits	\$86,555,800	\$86,312,900	(\$242,900)	(.28%)
Operations	\$22,328,500	\$23,445,600	\$1,117,100	5.00%
Subtotal: County Operations:	\$146,360,800	\$144,339,700	(\$2,021,100)	(1.38%)
Capital (includes LWLP projects)	\$14,929,400	\$29,036,500	\$14,107,100	94.49%
Debt	\$9,413,400	\$10,100,300	\$686,900	7.30%
Total Expenditures:	\$170,703,600	\$183,476,500	\$12,772,900	7.48%
Fund Balance Inc/(Dec):	\$1,301,000	\$843,500	(\$457,500)	(35.17%)
Adopted FTEs:	1,106.64	1,083.94	(22.7)	(2.05%)



On average, 24 cents of your property tax dollar goes to Washington County.

The remaining 76 cents goes to your city/township, school district, and other taxing districts.

An independent audit is completed annually. The county continually receives a clean audit opinion. Complete budget and financial information is available at: www.co.washington.mn.us

What's Next? *Economic Outlook and Budget Challenges*

Key Economic Trends

The economic strength of Washington County's tax base derives from its diverse, yet balanced mix of residential, commercial, and industrial properties. Without the dominance of one or a few industries, Washington County has the particular advantage of **remaining relatively stable** during economic crisis that may affect particular sectors.

The economic storm clouds that were gathering a year ago seem to be breaking up – the stock market is climbing again, economic confidence is growing, housing prices are finding a footing.

While those **national economic indicators** forecast brighter times ahead, it is not as easy to translate those numbers into daily bright spots – friends, family members, and neighbors continue to seek jobs, another home on the block goes into foreclosure, officials in St. Paul speak of a continuing state budget deficit for several years to come, and we continue to see ever-growing numbers of people seeking the **safety net** of services provided by the county.

Our Public Health and Environment Department has been responding to the H1N1 **flu pandemic**. Our Property Records and Taxpayer Services Department has been working with home and business owners who are facing **falling property values**, possible foreclosures, and delinquent property tax payments.

Because of the economy, Washington County is facing **unprecedented demand** for our employment services, veterans' services, and financial and housing foreclosure assistance. Our libraries and parks are busy places providing services for residents who are looking for **low-cost options** for families struggling to manage their household budgets.

Nonetheless, we are reminded that much of what we are experiencing is based on the fact that the primary role of government is to **help the community** deal with the kinds of problems we are currently facing in this economy.

A look back in history shows many examples of this type of **call to duty**, including weather disasters; public health epidemics; wars; recessions; human services crises; transportation dilemmas; and so on. It is government that is called upon to respond to these situations.

Washington County Budget Implications

Washington County commissioners and officials have prepared a budget to guide the county through 2010.

While creating that budget, they juggled the need to continue to deliver the core services of the county and to remain **fiscally responsible** to the taxpayers of Washington County.

During the budget process, department leaders were able to build on the county's fiscal accomplishments of the past – a **low tax rate**, a high bond rating, and a winner of government finance awards. At the same time, they took into account the **fiscal realities** that the recession has left in its wake.

The State of Minnesota has reduced its spending for the coming year by \$2.7 billion, which translated into an estimated **revenue loss** for the county of \$1.1 million in county program aid for 2009 and an additional \$2.2 million loss in 2010. The county responded to those losses by **reducing expenditures** in 2009 by \$3.1 million, through the reduction of 21 employee positions, the reduction in operating capital expenses, and a revision of contracts with organizations that provide services to residents. Those reductions were carried forward into 2010.

Even with an **economic recovery**, it will be years before that recovery translates into additional dollars in the county's coffers, and until then, county leaders need to be **vigilant** and exercise strong control over county expenditures. Thus far, **strong financial management** on the part of county leaders and hard-working, dedicated employees has meant a reduction in spending with **minimal impact on taxpayers**. A tight rein on hiring has allowed the county to reduce its wage and benefit costs primarily through attrition with minimal layoffs. Going forward, such "vacancy management" will remain an important overall **cost control strategy** for the county, recognizing that staff costs are the single largest operating expense. It is expected that the county's levy growth during the coming budget year will be minimal – again reflecting the economic realities of the community – keeping the largest cost in check will be key to **responsibly managing** the coming year's budget.

The county continues to be **committed** to its clients and the taxpayers, and will continue to focus its budget on providing core services and programs, and **tangible results** for the work that is being done to serve the residents of Washington County.