



Efficient, Effective, Responsive

General Government & Policy Committee

2020 Levy and Budget Discussion

September 10, 2019

Discussion Items



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- County Manager's Maximum Levy Recommendation
- 2020 Property Tax Impacts
- Levy Planning Model 2020-2022
- Future Levy Management Account

County Manager's Recommendation for the 2020 Maximum Levy



	2019	2020 Recommended Maximum Levy	
Dakota County Levy	\$ 140,614,675	\$ 147,786,023	5.1%
Dakota County Levy	\$ 140,614,675	\$ 145,395,574	3.4%
Dakota County Levy	\$ 140,614,675	\$ 144,692,501	2.9%

What can be funded at 2.9%:

- All current level cost growth after internal reallocations
- Some funding for new request (consistent with prior years)
- Cahill Place funding
- Co-Response continued as a pilot (expanded to one additional city)
- Increased funding for on-going building CIP maintenance needs (CIP Levy reallocations potentially phased in)

How do we get to a 2.9% Levy Increase?



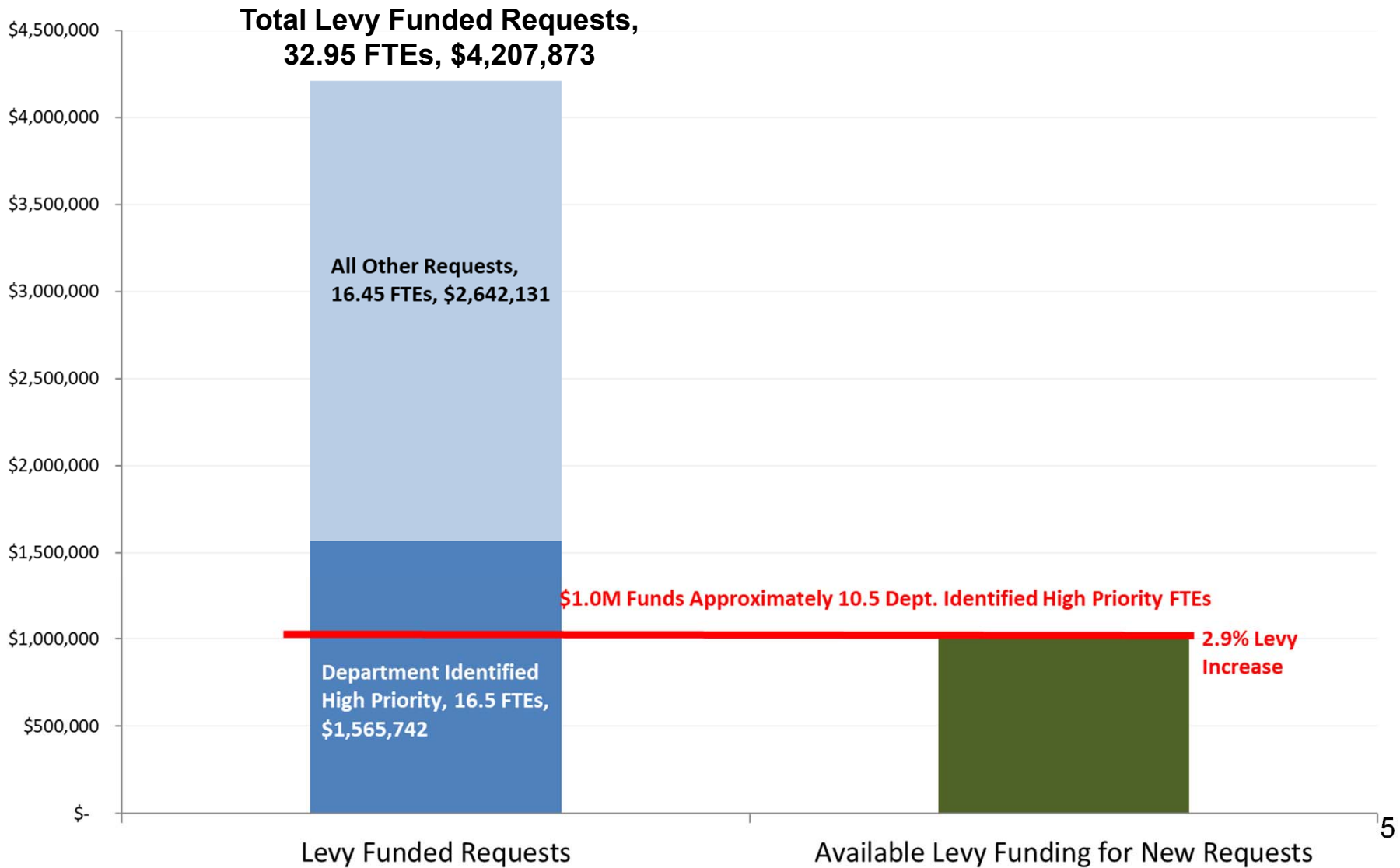
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		<u>% Levy Increase</u>	
2019 Levy	\$ 140.61		
Add:			
Current level Cost Growth (Personnel & Non-Personnel Costs)	8.79		
Total Allowance for New Net Levy Budget Recommendations	1.00		
Cahill Place	0.66		
Co-Response Pilot Plus One New City	0.19		
Additional Funding for Building CIP Ongoing Maintenance (Levy & CIP CPA Reallocations and Increase Interest Earnings)	-		
	<u>\$ 10.64</u>		
Less:			
Recognition of New Permanent Funding Sources	(5.05)		
Environmental Resources Levy Reallocation	(0.44)		
Departmental Rightsizing	(0.40)		
Use of Levy Management Account	(0.67)		
	<u>\$ (6.56)</u>		
Total 2020 Current level	<u><u>\$ 144.69</u></u>	2.9%	4

Levy Funding for New Requests



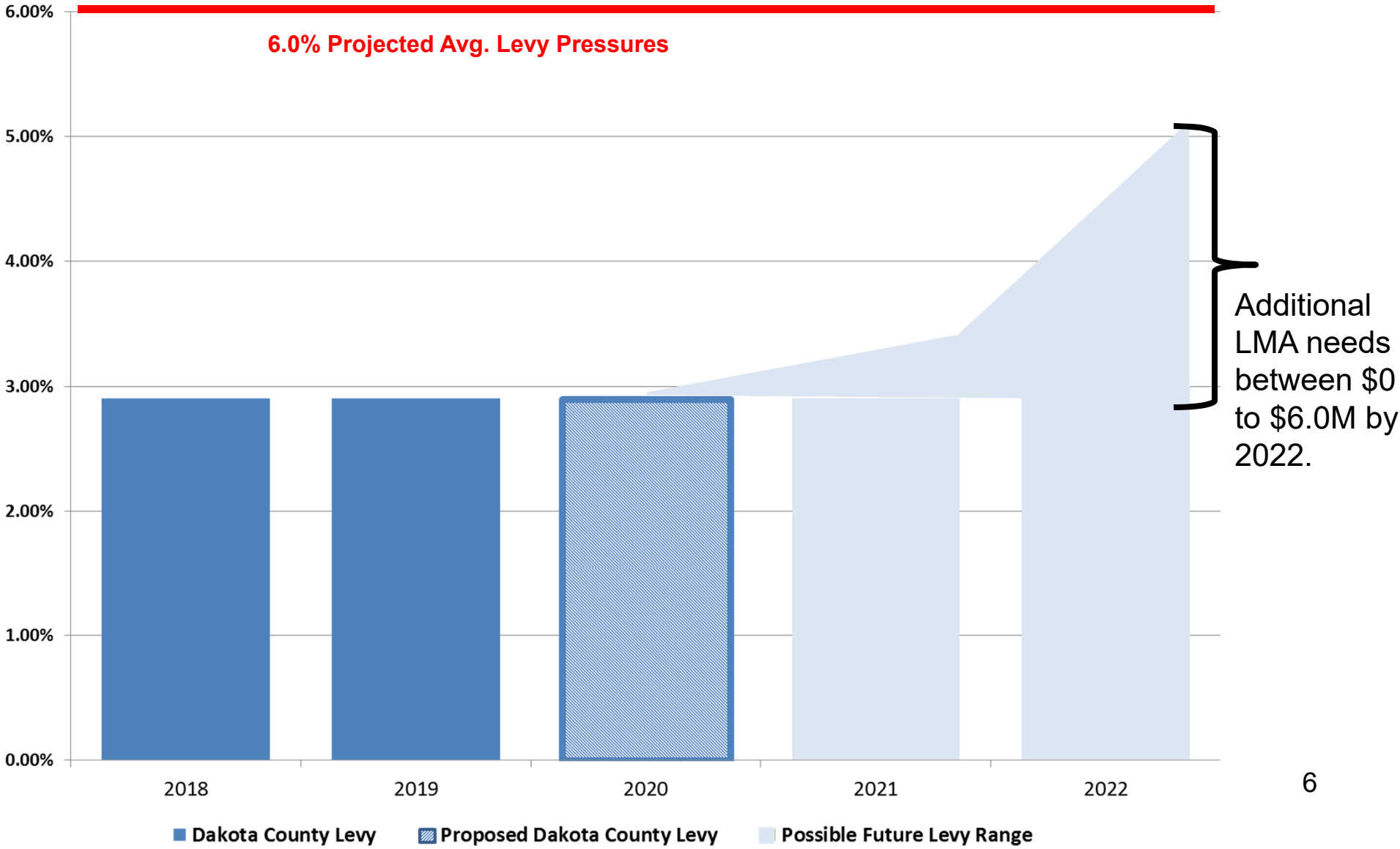
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Levy Management Scenarios



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Looking Ahead: 2021 and Beyond

- New Labor Agreements
- Lower Permanent Revenue Growth
- New State Biennial Budget
- Potential Public Safety Changes
- Co-Response moving from a pilot program?

2020 Property Tax Impacts



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Property Type	2020 EMV	MV Increase	Dakota County Recommended Max. Levy Increase	County Tax Change	% Change
Median Residential Home	\$ 280,600	6.22%	2.90%	\$ 11.51	1.81%
Agriculture per Acre	\$ 7,900	5.33%	2.90%	\$ (0.01)	-0.07%
Mid-Size Commercial/Industrial	\$ 1,000,000	4.20%	2.90%	\$ (11.68)	-0.81%
Mid-Size Apartment	\$ 1,000,000	10.20%	2.90%	\$ 117.68	4.54%

Other County Levy Comparisons



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	2018	2019	Tentative 2020**
Anoka	3.7	3.5	-
Carver	3.9	4.9	4.99
Dakota	2.9	2.9	2.90
Hennepin	3.8	5.2	4.75
Ramsey	4.3	4.3	4.75
Scott	3.2	4.1	3.95
Washington	6.7	5.4	5.94
Olmsted	7.0	4.9	4.50

**MICA Survey

Budget Development Process



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- August 20 - County Board Budget Workshop #2
- September 10 - GGP Budget Update
- September 24 - County Board Adoption of maximum levy
- November 4-7 – County Board Budget Hearings
- November 26 – CIP Public Hearings
- November 26 – County Board Budget Public Hearing (“Truth-In-Taxation”)
- December 17 – County Board Adoption of 2020 Budget



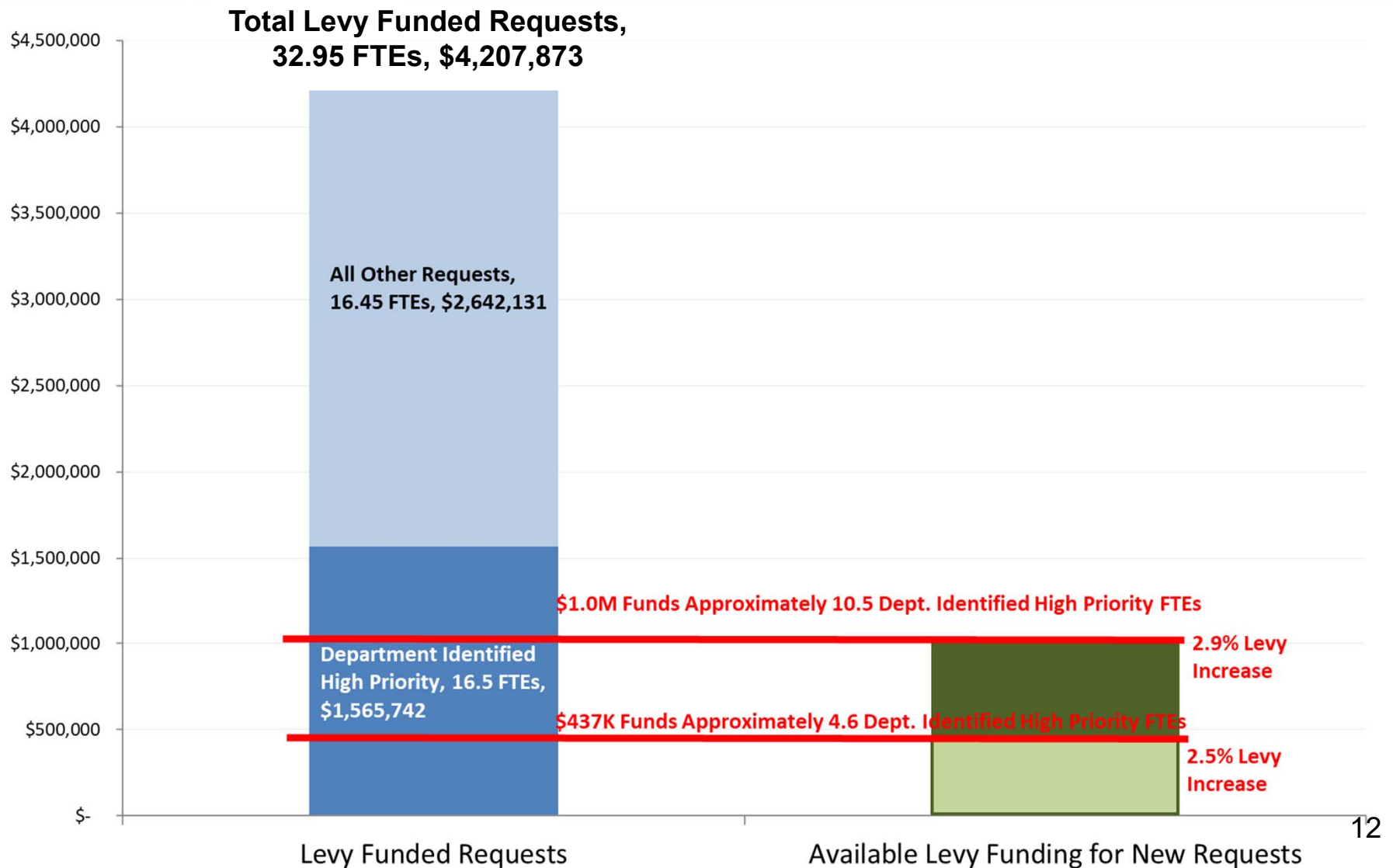
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Questions & Discussion

Levy Funding for New Requests



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How do we get to a 2.9% Levy Increase?



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		<u>% Levy Increase</u>	
2019 Levy	\$ 140.61		
Add:			
Current level Cost Growth (Personnel & Non-Personnel Costs)	8.79		
Total Allowance for New Net Levy Budget Recommendations	1.00		
Cahill Place	0.66		
Co-Response Pilot Plus One New City	-		
Additional Funding for Building CIP Ongoing Maintenance	-		
(Levy & CIP CPA Reallocations and Increase Interest Earnings)	<u>\$ 10.45</u>		
Less:			
Recognition of New Permanent Funding Sources	(5.05)		
Environmental Resources Levy Reallocation	(0.44)		
Departmental Rightsizing	(0.40)		
Use of Levy Management Account	<u>(0.48)</u>		
	<u>\$ (6.37)</u>		
Total 2020 Current level	<u>\$ 144.69</u>	2.9%	13