

2015 Proposed Maximum Property Tax Levy

September 23, 2014

Kevin Z. Gray, County Administrator



SAINT
LOUIS ♦
COUNTY
MINNESOTA

Overview

- Each year the County Board must establish a preliminary maximum levy to support its budget.
 - Previously, Sept. 15 was the deadline for this, but change in state statute extended the date to the end of the month.
 - Revenue collected through property taxes – the levy – makes up approximately 36% of the budget.
- Work on the budget is ongoing - starting in January and continuing until the final budget is approved in December.
 - All aspects of the budget –income sources and expenses – are thoroughly reviewed each year to ensure the right investments and to balance the budget with minimal impact to citizens.

2015 Budget Goals

- Preserve St. Louis County's strong financial position
- Respect tax impact on citizens
- Fund key investments in public safety
- Sustain support for core county functions including public works and human services
- Support financing for critical capital investments

2015 Budget Challenges

- Fund debt service for strategic investments approved in 2013 bond sales
 - Renovations to Government Services Center
 - Necessary upgrades to Northeast Regional Corrections Center (NERCC)
- Absorb increased costs of doing business
- Address state and federal revenue streams below actual program costs, reallocation of Taconite Production Tax proceeds, and other fee reductions
- Position the county for the future
 - Continue the strategy to reduce reliance on state aids
 - Permanently fund innovative and prevention program investments
- In total, the county is addressing a \$5.7 million budget gap.

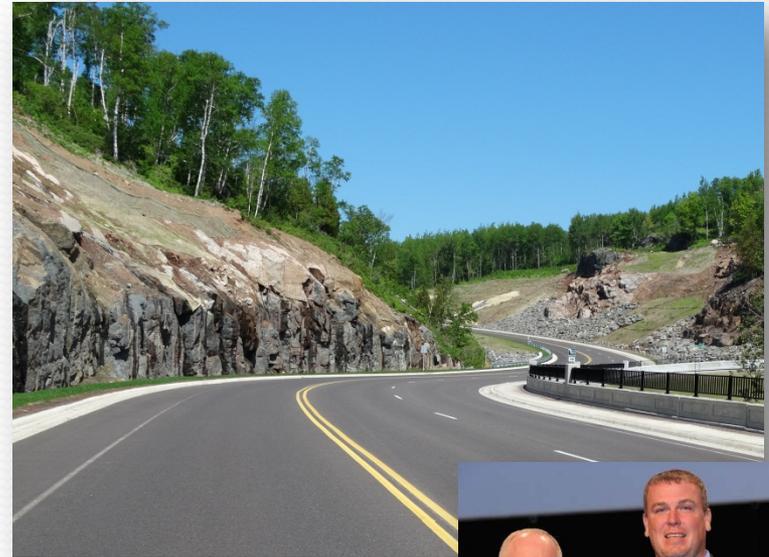
2015 Budget Solutions

- Strategic leadership from the Board and the strong financial position of the county affords us options as we work on our budget.
- Continued focus on:
 - Expanding the property tax base
 - Realizing efficiencies through right size and mix of staffing, commitment to continuous improvement
 - Integrating public safety plan and initiatives

Strategic investments lead to success



AA+ rating from Standard & Poor's



Reconstruction of
Haines Road named
Project of the Year
by American Public
Works Association



Special Achievement in Geographic Information
Systems (GIS) from Esri International



2015 Proposed Maximum Levy

- Maximum Preliminary Levy of \$116,631,193
 - Supports financing of capital investments
 - Continues funding of Public Safety initiatives
 - Operational and capital costs to support a medium security area and renovations at the Northeast Regional Corrections Center (NERCC)
 - Preserves road and bridge investments and human services programming
 - Utilizes existing reserves to reduce property tax levy impacts
- Proposed levy increase is 2.9% = \$3,286,982
 - Increase in property tax base will help offset the impact to taxpayers

Next steps

- Work continues to finalize the 2015 budget
- Opportunities for input
 - Public Budget Meetings will be:
 - December 4, 7 p.m. – St. Louis County Courthouse in Virginia
 - December 11, 7 p.m. – St. Louis County Courthouse in Duluth
 - County Board approves final 2015 levy and budget
 - December 16, 9:30 a.m. – Morse Township Town Hall

