



# COUNTY OF ANOKA

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### **FOR IMMEDIATE RELEASE**

#### **Anoka County Board Adopts Historic 2012 Budget; Levy Drops 7.43%**

The Anoka County Board of Commissioners has voted in favor of a 2012 budget that decreases the property tax levy by more than \$8 million. The 2012 budget of \$275.6 million will result in a reduction in the county portion of the property tax bill for most low and moderate value Anoka County homes.

“This levy is a direct reflection of our community and our mission,” said Board of Commissioners Chair Rhonda Sivarajah. “Our mission is to be respectful, innovative, and fiscally responsible. Since day one, the goal of this board has been to lower property taxes on most low and mid-valued properties because our residents cannot afford to be taxed any more. This budget achieves that goal.”

Despite losing almost \$6.9 million with the elimination of the Market Value Homestead Credit (MVHC) and another \$1.5 million in state aid, the county board cut spending and implemented other cost-saving measures totaling \$8,150,000, to arrive at a net tax levy of \$98,531,229. That amount represents a 7.43 percent decrease, the first time in at least 30 years the levy has dropped.

“This drop in the levy is not coming at the expense of our ability to serve the taxpayer. Rather, we are making changes that are innovative and efficient to maximize our ability to serve, at a time when demand for services is at record levels,” said Sivarajah. “We are positioning ourselves for the future by investing thoughtfully and strategically to maximize the value of every taxpayer dollar, lowering our debt burden, and maintaining healthy reserves for the long term.”

**-more-**

## **Anoka County Adopts Historic Levy – Add 1**

- **Voluntary Separation Program**

In June, 97 employees took advantage of a one-time voluntary separation program which will save Anoka County taxpayers \$1.5 million annually in salary and benefit costs. Future ongoing savings will result from not filling some positions and either restructuring or hiring replacements at a lower pay rate for the balance. There are 62 fewer positions in the 2011 budget than in 2010. Additionally, 20 vacant positions are expected to be unfunded in the 2012 budget as a result of the most recent budget reduction.

- **Facilities Management**

Anoka County has a AAA bond rating and a good portion of this is based on the condition of our assets. More than \$150,000 in savings has been realized in the past two years and is evident in utility per square foot costs. Ongoing savings of 2 percent or more for the next three to five years are expected due to improved maintenance.

- **Investing in Technology**

Anoka County is investing in technology to save staff time and resources. Implementing technology-based systems, such as the imaging project in the Human Service's Economic Assistance Department allows staff to quickly access data that otherwise would have been tucked away in a file drawer. The commissioners also receive their board meeting packets electronically.

- **Highway Department**

The Anoka County Highway Department is using a new process called design-build to reconstruct Main Street in Coon Rapids to Blaine. Anoka County is the first county in the state and among the first in the nation to do so. The process saves time and money.

- **Fiber**

The Connect Anoka County project is underway and will bring improved services to our community. Connect Anoka County is a public/private partnership between Anoka County and Zayo Group to increase the amount of fiber optic cable in the county. The \$19.1 million project will construct a 286-mile fiber optic network linking 145 public buildings – police, fire, public works, libraries, K-12 schools, colleges, city and town halls, and community buildings – in and adjacent to Anoka County.

Anoka County has felt the strains of the economy on both sides of the financial equation. Federal and state budget woes have decreased the amount of money flowing to Anoka County to provide mandated services, yet the demand from citizens for those services has only increased.

**-more-**

## Anoka County Adopts Historic Levy – Add 2

“We had more than 2,200 foreclosures last year, and more than 1,600 already this year. If there are 10 homes in a block and 12 blocks in a mile, the line of homes would stretch from Anoka to Centerville,” said Sivarajah. “At a time when people needed us most, we could not falter. Our strength is our ability to plan, prepare, and adapt to make sure we operate to the high standards our citizens expect and deserve, without adding to the burden they’re already carrying.”

The 2011 Minnesota Legislature’s elimination of the Market Value Credit and subsequent passage of the Homestead Market Value Exclusion removed an estimated \$18,474,871 or nearly 6 percent of value from Anoka County’s tax capacity. As the name implies, the legislation excludes a portion of each home’s value from the amount used for property tax calculations. While the legislation lowers the taxable value for most homeowners, it shifts a larger share of the tax burden to those properties which do not qualify for the market value exclusion, such as higher value, non-homestead, and commercial properties. So, despite Anoka County proposing to collect 7.43 percent less in property taxes, those properties could see an increase in the county portion of their property taxes.

“Overall, Anoka County is committed to keeping taxes among the lowest in the state while maximizing our assets of sound management, a diverse tax base, low debt burden, and healthy reserves,” said Sivarajah.

### Key Facts and Figures:

• 2012 budget	\$275,616,763
• 2012 gross levy	\$133,393,382 (-\$8,150,000 or -7.43% from 2011)
• 2012 net levy	\$98,531,229* (-\$7,910,000 from 2011)
• State funding cut	-\$1,546,130
• Homestead Market Value Exclusion	-\$18,474,871
• Market Value Homestead Credit	-\$6,878,153
• Certified foreclosures 2010	2,259
• Average home value:	2008 \$213,000
	2009 \$196,800
	2010 \$177,500
	2011 \$173,900

\*County line only, does not include rail levy or school district levy.