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FOR IMMEDIATE RELEASE
MINNEHAHA COUNTY COMMISSION ADOPTS FINAL FY2012 BUDGET

The Minnehaha County Commission adopted its final FY 2012 Minnehaha County Budget on Tuesday, September 27, 2011. The final budget is \$63,223,250. This represents a reduction of \$862,983 from the FY 2011 Minnehaha County Budget as originally adopted last year. There is a \$3,058,385 decrease in General Fund expenditures from the FY 2011 budget, as originally adopted, due to a sharp decline in county revenues caused by reductions in the bank franchise tax, a sharp drop in interest income, sluggish growth in property tax revenues due to a drop in new construction activity, and less money received than what was budgeted in a number of areas such as board of prisoner revenue. However, the 2012 Highway Fund/Budget expenditures were increased by \$1,839,321 over the 2011 Highway Budget to reflect new highway projects to be completed due to the recent increase in vehicle registration fees. This budget is also supported by revenues that include a 1.56% growth in property taxes due to new construction within the county and a 2.1% CPI adjustment allowed by the property tax limitation statutes in total county property taxes collected. The budget also reflects a one-year shift of \$1.86 million from the Building Fund Levy to the General Fund Levy from a restructuring of the debt service on county bonds.

There is one new employee position in the Public Defender's Office that is included in the FY 2012 Final Budget. The budget includes the cost savings from a hiring freeze of eleven current employee vacancies in the county. The final budget also reflects a 5% decrease in the county's pay plan for full and part-time employees though it does include normal step increases of approximately 2.5% in accordance with the parameters of the county's pay plan. County Commissioners and temporary and seasonal employees will also see a 5% reduction in pay. Elected Department Heads, who are not on the pay plan and therefore not eligible for an annual step increase, will have their pay reduced by 2.5%.

The owner of a \$100,000 property will see an increase of \$6.29 cents in the county portion of their tax bill in 2012 as a result of this final budget and projected adjustments in the equalization factor on county valuations.

For further information regarding this press release please contact Bob Litz, Minnehaha County Auditor, at 367-4220 or Ken McFarland, Commission Administrative Officer, at 367-4206.