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**Carver County Board of Commissioners
October 19, 2010
County Board Room
Carver County Government Center
Human Services Building
Chaska, Minnesota**

County Board Work Session Agenda

Time	Topic	Page
3:00 p.m.	1. ADMINISTRATION	
	1.1 County Administrator recommended 2011 budget.....	1-29
4:00 p.m.	Board and Administrator Reports	

David Hemze
County Administrator

UPCOMING MEETINGS

October 26, 2010	9:15 a.m. County Board Meeting
November 2, 2010	9:15 a.m. County Board Meeting
November 9, 2010	9:15 a.m. County Board Meeting
November 16, 2010	4:00 p.m. County Board Meeting



REQUEST FOR BOARD ACTION

AGENDA ITEM : County Administrator's Recommended 2011 Budget

Originating Division: Administration

Meeting Date: October 19, 2010

Amount of Time Requested: 30 minutes

Attachments for packet: Yes No

Item Type: Consent Regular Session Closed Session Work Session Ditch/Rail Authority

BACKGROUND/EXPLANATION OF AGENDA ITEM:

The 2011 Budget process began at a May 2010 workshop where the County Board directed staff to implement the Administrator's Recommended 2011 Budget Strategy to:

- * Decrease the 2011 tax levy impact on the average value home
- * Reduce the 2011 property tax levy by \$600K compared to 2010
- * Identify \$2M in levy savings from a 4.3% across the board cut

During July and August, Division Directors presented their 2011 budget requests at budget hearings.

Attached is the County Administrator's 2011 Budget Message which shows how the County's 2011 Recommended Budget follows the County Board's direction from the 2010 workshop. Included in the 2011 Budget message are the following Recommendations for 2011:

- * Exhibit A: Staffing Changes,
- * Exhibit B: Facilities/Vehicles/Equip Replacement
- * Exhibit C: New Capital Projects
- * Exhibit D: \$2M Levy Savings
- * Exhibit E: PH & E and Information Services Reorganizations

In November, the County Administrator will present an updated Long-Term Financial Plan.

On Thursday, December 2nd, the County Board will hold a Budget Public Hearing and on December 14th the County Board is expected to adopt the 2011 Final Property Tax Levy, Budget and a Long-Term Financial Plan.

ACTION REQUESTED: None - Information only

FUNDING

County Dollars = \$

Other Sources & Amounts =

= \$

TOTAL = \$

FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

Related Financial Comments: The 2011 preliminary tax levy will lower the tax impact for the County's average value home and lower the tax impact for the average value commercial property in most of the cities in the County.

Reviewed by Division Director

Date: October 11, 2010

Administrator's Message

Executive Summary

This County Administrator's 2011 Recommended Budget applies prioritized resources to fund Carver County services. The recommendations included in this document reflect the continued difficult economic times being experienced locally in Carver County, as well as nationally and internationally. The County Board provided the following key directions that were followed as this Recommended Budget was developed:

- *Decrease the tax impact on the average-value home:* The County Board directed that the 2011 tax impact on the average-value home decrease, which was the same direction the Board provided for 2010. Unlike 2010, when the County's tax base increased, in 2011 the County tax base decreased for the first time in recent memory. In addition, updated property values shifted the tax burden from commercial to residential property. The overall tax base decrease and the tax burden shift meant the County's 2011 tax levy needed to decrease by at least \$600,000 in order for the 2011 tax impact on the average-value home to decrease. In addition to this \$600,000 reduction in property tax revenue, it was estimated that an additional \$1.4 million would be needed to maintain the same general level of services in 2011. As a result, County staff identified \$2 million in across-the-board levy savings to develop the 2011 Budget.
- *Fund new capital projects without increasing the property tax levy:* For the last several years, new capital projects have been funded with revenue sources that did not increase the County's property tax levy. These sources include federal, state and regional grants. An additional source, lowering the percentage designated for working capital from 40% of next year's operating budget down to 37%, is also being recommended as a one-time funding source for projects. This draw-down of reserves will create just under \$2.8 million dollars in one-time funding for projects. The reduction in the percentage set aside for reserves also means the County will need to levy less in future years, which will result in more than \$350,000 in levy savings beginning in 2012.

This recommendation sets the 2011 property tax levy at \$46,179,720, which is \$600,000 less than the 2010 levy. This represents a levy decrease of 1.3% from 2010 to 2011. The impact of this levy on the average-value home will achieve the Board's direction of a slight decrease in County property taxes in 2011 compared to 2010.

This document provides a broad overview of historical budget trends and 2011 budget recommendations. Attachments A and B provide detail on the levy savings and staffing changes. Attachment C summarizes the new capital projects that will be funded primarily by revenue sources other than the County's 2011 property tax levy. Attachment D lists capital replacement of facilities, vehicles and equipment. Attachment E summarizes reorganization plans for the Information Services Department and the Public Health & Environment Division.

In addition to this annual budget, a Long-Term Financial Plan was developed in 2008 as a roadmap to fund significant current and future road and building needs. That separate document

will be updated and presented in mid-November 2010.

A Budget Public Hearing has been set for 6 p.m. on Thursday, December 2, 2010 in the County Board Room. The County Board carries the ultimate budget authority and will be asked to adopt the final budget on Tuesday, December 14, 2010. A complete 2011 Budget Book will be prepared after the adoption of the final budget. That book will incorporate this document and its attachments along with much more detail on the proposed services.

Budget Summary

The 2011 Budget totals \$93.5 million. It includes the following revenue and expenditure amounts.

REVENUES:

Taxes and Penalties	\$48,035,379
Licenses & Permits	806,878
Intergovernmental	25,264,938
Charges for Services	12,377,174
Fines and Forfeitures	244,333
Investment Earnings	2,555,170
Other Revenues	<u>4,235,997</u>
Total Revenues	<u>\$93,539,869</u>

EXPENDITURES:

Public Assistance	\$5,805,374
Personal Services	52,130,463
Services and Charges	10,260,220
Material & Supplies	3,973,548
Capital Outlay	15,546,210
Debt Services	4,480,351
Other Expenses	170,634
Transfers	<u>1,173,069</u>
Total Expenditures	<u>\$93,539,869</u>

County staff identified more than \$2 million in levy savings for the 2011 Budget. The recommendations to increase efficiencies and operational changes are reflected in the budget narratives for each division. *See Attachment A for a summary of the recommended \$2 million in levy savings and Attachment B for staffing changes.*

In addition, other key components of the 2011 Recommended Budget are:

- **Restrict the use of County Program Aid to pay-as-you go funding for capital projects.**

The County adopted this practice in 2010 due to the unreliability of state aid. Since 2008, a total of \$4,477,115 in state aid has been unallotted to the County. The resulting budget adjustments

from that loss in state aid came primarily from employee layoffs and the elimination of vacant positions. A net total of 24 Full-Time Equivalent (FTE) positions have been eliminated since 2008. The 2011 Budget calls for a net reduction of two FTE positions. The County will not rely on County Program Aid to fund general operations in 2011. It will instead use any state aid that it receives to fund pay-as-you-go capital projects. *See Attachment C for a listing of Capital Improvement Projects.*

- **Adopt a Voluntary Early Retirement Incentive Plan (VERIP) and continue a soft hiring freeze.**

In June 2010, the Board approved an incentive plan for voluntary retirement designed to provide budget savings in excess of \$150,000 by creating the opportunity to reduce or re-structure staff without the cost of self-insured unemployment benefits. There were 17 employees who chose to take early retirement through VERIP. Each of these positions, along with any other vacancies, will be reviewed to see if it should be refilled.

For 2010, the VERIP will be close to break-even with savings from vacancies being used to offset the \$15,000 tax-free contribution made to each retiree's post-employment healthcare savings plan. The \$150,000 savings is expected to be achieved during 2011 as each vacant position is reviewed. Long-term savings from not refilling all positions will be incorporated into the 2012 Budget.

- **Continue to levy dollars to pay for capital replacement at a consistent level, as opposed to cutting back to balance the County's operating budget.**

The 2011 Budget maintains a capital replacement budget funded by the tax levy for facilities, vehicles and equipment of \$1.47 million, which is slightly less than the 2010 amount of \$1.49 million. *See Attachment D for a listing of this replacement schedule.*

- **Become more efficient and effective as an organization,**

The County Board has approved reorganizations for the Taxpayer Services Department and Financial Services Division in 2010 that will save county funds. The merger of the Land and Water Services and Public Health divisions to form the Public Health and Environment Division and a reorganization of the Information Services Department are included in this 2011 Recommended Budget and are expected to generate greater efficiencies while improving the delivery of county services. *See Attachment E for more information.*

- **Use trend analysis and budgetary pressures to make projections for certain expenditure and revenue categories.**

Trend analysis was used to project a \$200,000 decrease in investment income in the 2011 Budget. Projected lower interest rates on investments were primarily responsible for this drop in revenue.

Historical Trends

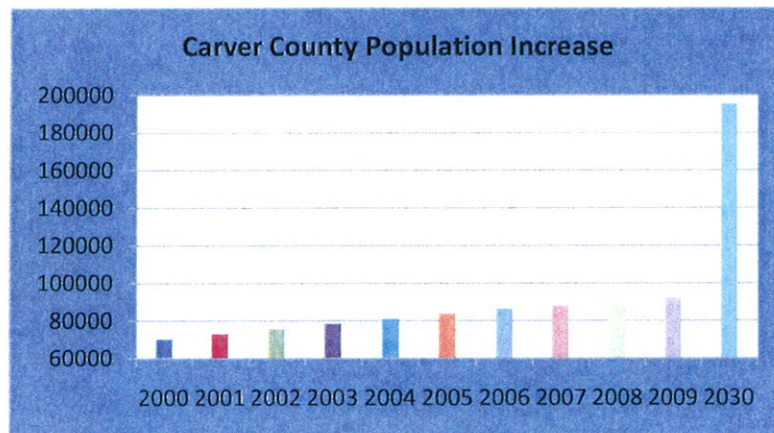
The following are key historical trends that were used to form the foundation of the 2011 Budget.

Population: Carver County ranks 11th out of 87 counties in Minnesota in terms of population. It has been one of the fastest growing counties in the state in the last decade. The U.S. Census Bureau’s 2009 population estimate for Carver County is 92,107. The county’s population increase of 1,945 residents (2.24%) from 2008-2009 was the highest growth rate for all Minnesota counties. It is expected that Carver County’s population will continue to grow.

The following shows the U.S. Census Bureau’s population estimates from 2000-2009, percent increase from the previous year, and the Metropolitan Council’s population projection for 2030 and the percent increase from the 2000 population to the projected 2030 population.

<u>Year</u>	<u>Population</u>	<u>Increase</u>
2000	70,205	4.53%
2001	73,093	3.95%
2002	75,653	3.38%
2003	78,343	3.43%
2004	80,963	3.24%
2005	83,882	3.48%
2006	86,271	2.77%
2007	88,096	2.07%
2008	90,043	2.16%
2009	92,107	2.24%
Projection		
2030	195,400	64.07%

Chart 1: Carver County Population Increase 2000-2030



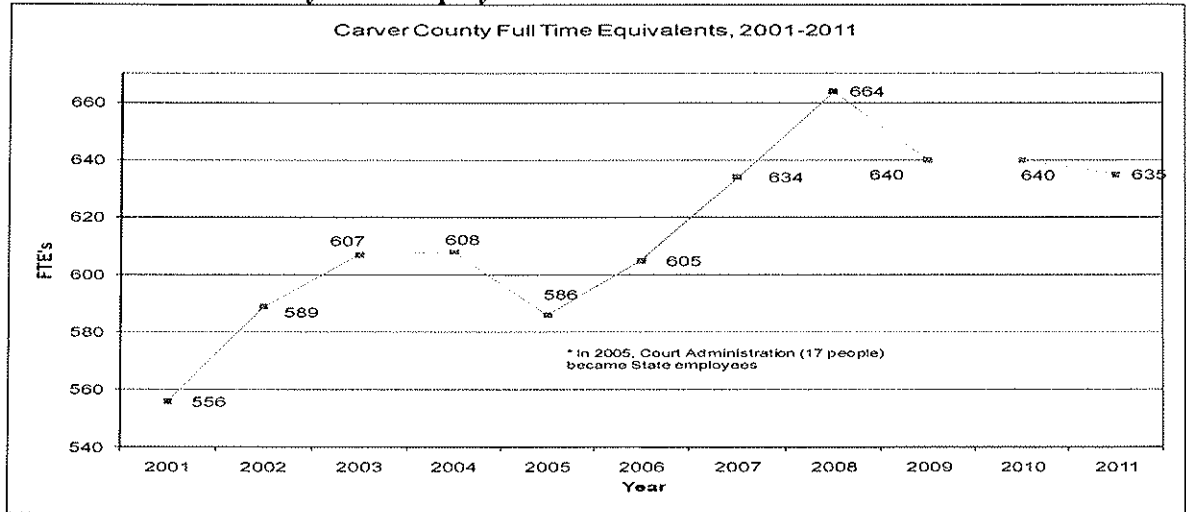
Population growth is the biggest factor related to service demand pressure for Carver County. Significant growth increases the need for public investment in infrastructure and impacts service delivery for government entities.

In addition to overall population growth, Carver County’s aging population is expected to impact the type and number of services that will need to be provided in the future. The population of County residents age 65 and older is expected to quadruple to 24,490 by 2030.

County Employees: As the County has grown in population over the past decade, the number of employees needed to meet service demands has also increased.

The following chart shows how the number of County employees increased from 556 in 2001 to a high of 664 in 2008. Budget adjustments made due the loss of state aid resulted in a drop to 640 employees for 2009 and 2010. The 2011 recommended budget includes 635 employee positions.

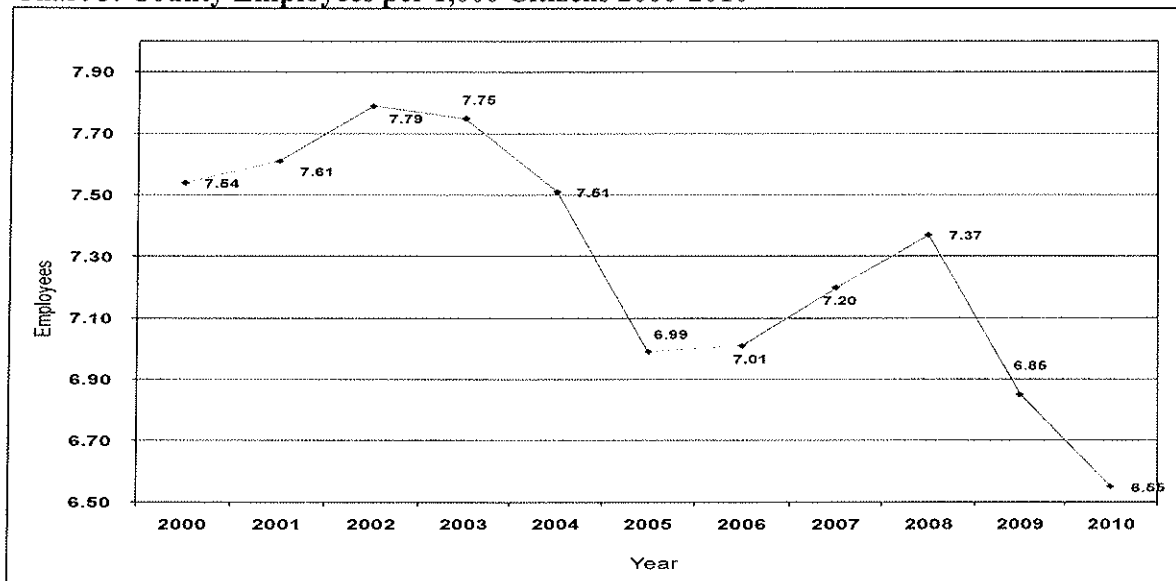
Chart 2: Carver County FTE Employees 2001-2011



Since wage and benefit costs for personnel is the County's largest expense, the number of County employees significantly impacts the budget. For example, if the number of County employees were to increase at the same rate as the population, double over the next two decades, the result would be large increases in the County budget that would dramatically increase property taxes. Instead the increase in population is expected to introduce economies-of-scale that will allow the County to operate more efficiently with a lower employee-to-citizen ratio.

The following chart shows how the number of employees per 1,000 citizens has decreased over the past decade. It has gone from a high of 7.79 employees per 1,000 citizens in 2002 to 6.55 employees per 1,000 citizens in 2010.

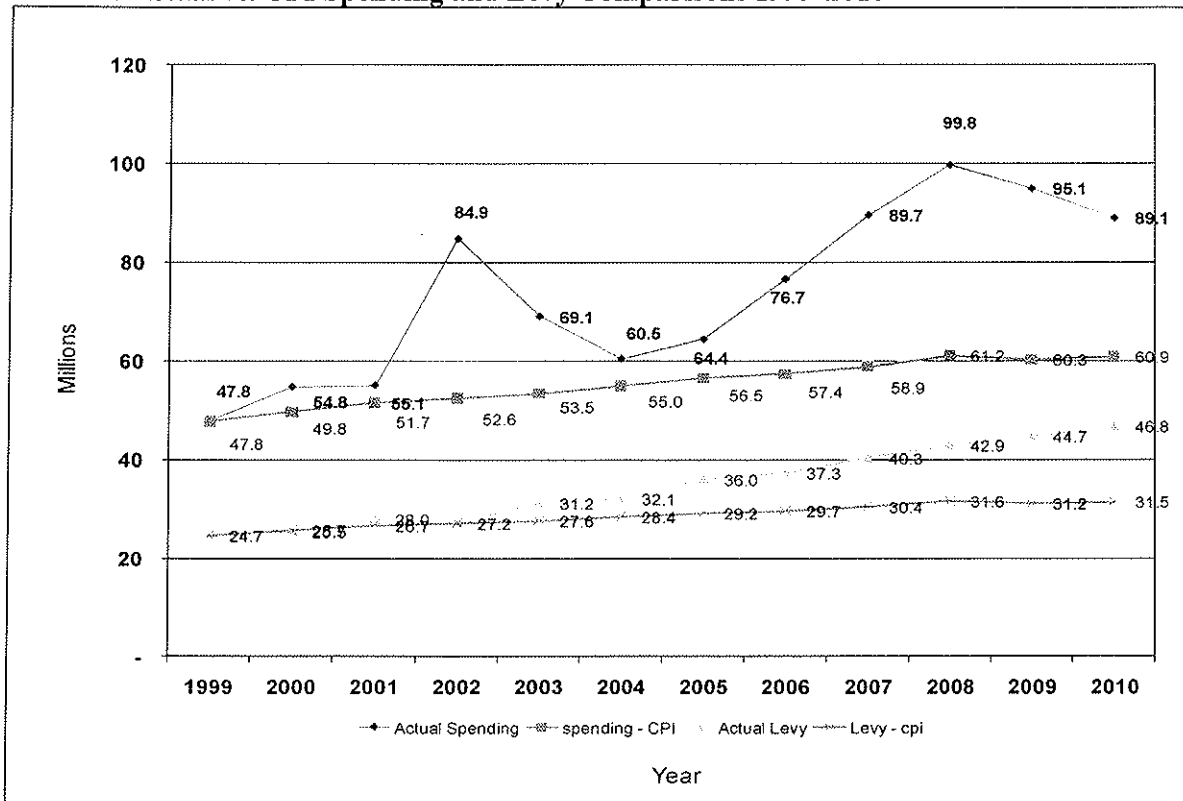
Chart 3: County Employees per 1,000 Citizens 2000-2010



County Levy and Total Spending Compared to CPI: Total county spending has spiked up and down over the past decade due primarily to capital projects such as road and bridge improvements. The tax levy has increased on the same trend as inflation but at a higher rate due to rapid growth in the county.

The following chart compares Actual Spending and Actual Levy amounts to those adjusted for inflation. The Consumer Price Index (CPI) inflationary indicator used in the comparison measures the average change in prices over time in a fixed market basket of goods and services typically purchased by consumers.

Chart 4: Actual vs. CPI Spending and Levy Comparisons 1999-2010

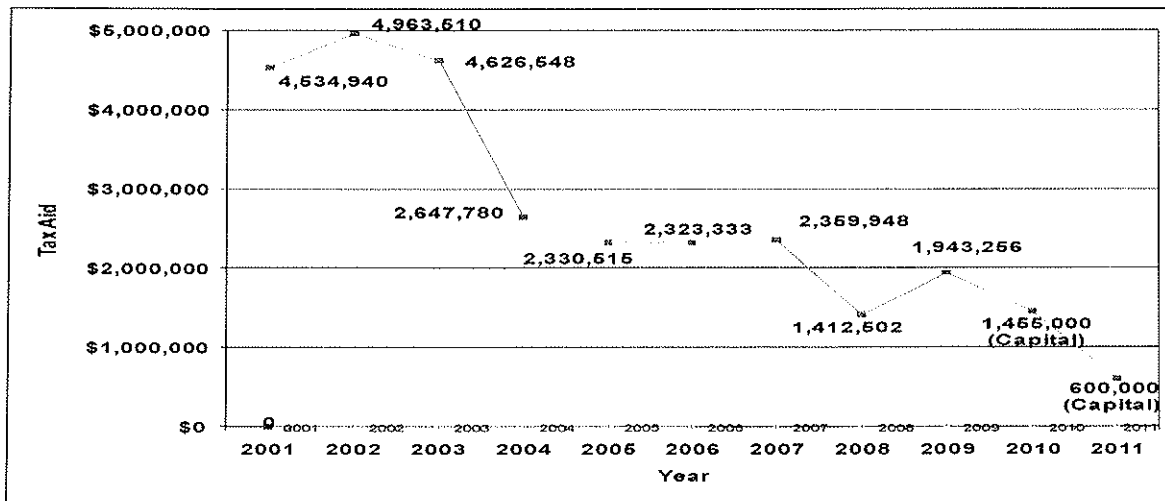


State Aid - County Program Aid and Market Value Homestead Credit:

Carver County experienced a dramatic loss in County Program Aid from the State of Minnesota from 2002 to 2009, with the majority of this loss suffered between 2002 and 2004. The general trend beyond 2004 was a stabilization of state aid funding with a slight increase projected for 2010. However, the governor unallotted \$761,036 of County Program Aid in December of 2008. Another \$565,646 unallotment of state aid was made in May of 2009, and \$1,148,433 was unallotted in December of 2009.

In 2010, the State unallotted \$1.1 million of County Program Aid, and for the first time, the State also made an unallotment to Market Value Homestead Credit, reducing it by \$902,000 in 2010. The following chart shows the decreases in County Program Aid over the past decade.

Chart 5: County Program Aid 2001-2011



The 2011 Budget includes \$600,000 in County Program Aid that has been designated as a local match for a federal grant for two bridge projects. If additional County Program Aid is received, the funds will be split up and used to finance pay-as-you-go capital projects as follows: 50% Road and Bridge capital projects, 25% Building capital projects, and 25% Park and Trail capital projects.

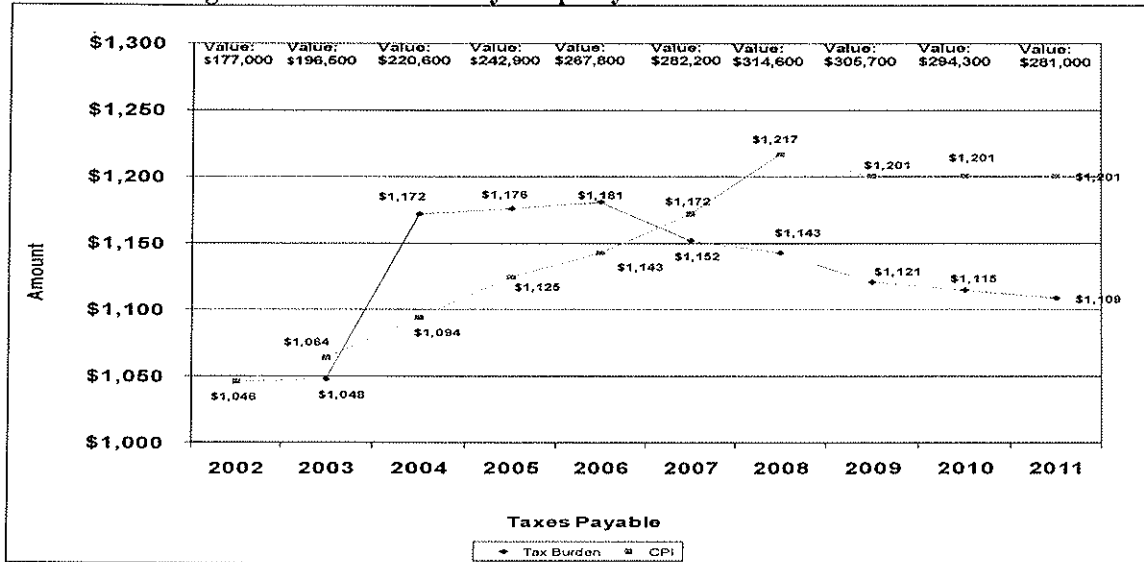
For 2011, the operating budget expects to receive an estimated \$1.45 million in Market Value Homestead Credit funds. It is not known if unallotments will be made to this amount in 2011. To the extent the State cuts any type of County Aid in 2011 to balance its budget, County staff will develop a strategy to absorb the cuts similar to the process used to absorb the 2009 State Aid cuts.

Property Taxation: The Board has continued its strategy of setting the levy in an effort to have a decreased tax-impact on an average-value home.

The value of the average home in Carver County decreased from \$294,000 in 2009 to \$281,000 in 2010. The County's portion of the total property tax bill on an average-value home will decrease slightly from \$1,115 in 2010 to \$1,109 in 2011.

The following chart shows the changes in average home values and taxes from 2002 to 2011. It also shows how the average home's property tax tracks closely with CPI over the past several years. The actual tax amount for an average-value home has been less than the CPI estimate for the past five years.

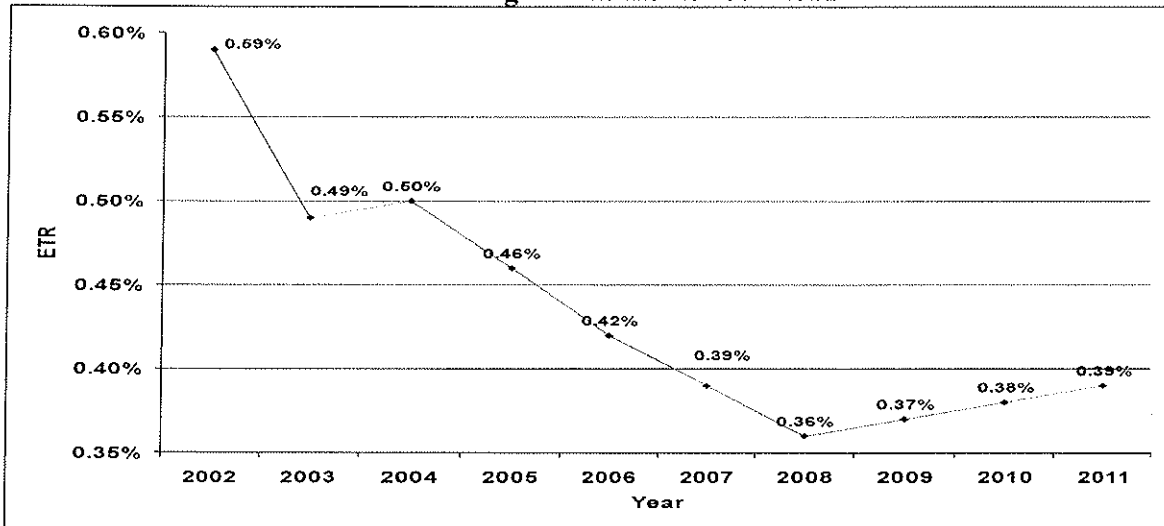
Chart 6: Average-Value Home County Property Tax Amounts 2002-2011



Property taxes for majority of the average-valued commercial properties in the County’s 11 cities will decrease slightly in 2011. The exception will be properties in the cities of Hamburg and New Germany where there was an increase in the average value of commercial properties. The resulting tax burden shift from the increase in value on those properties will increase the County’s portion of their total property tax bill.

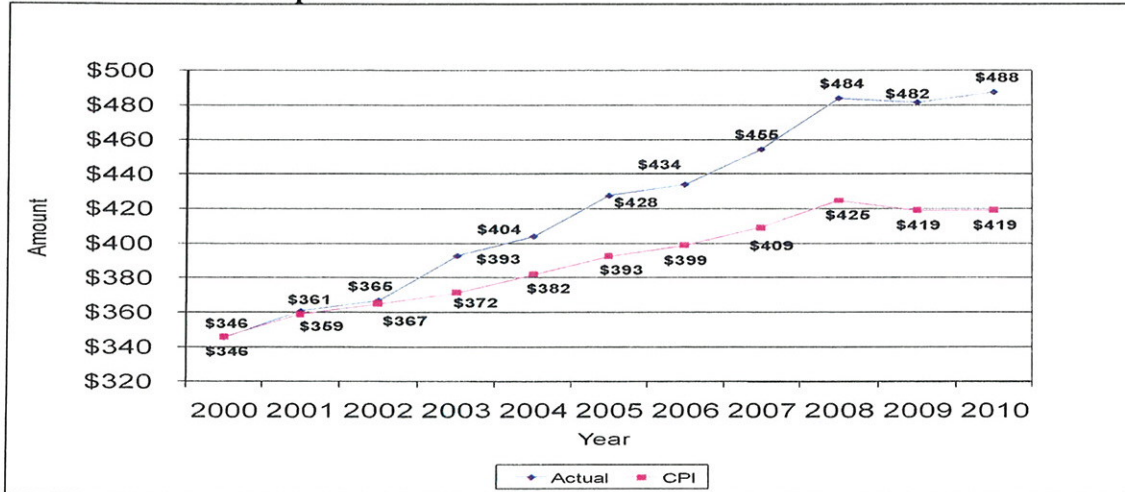
Effective Tax Rate: The effective tax rate is the percentage of market value a homeowner is paying in property taxes. It is calculated by taking the home’s market value and dividing it by the tax. The rapid pace of rising home values and the relatively modest rate of tax increases by the County resulted in a decreasing effective tax rate over the past decade. The upward movement on this trend reflects the decreasing valuation of homes that began in 2009.

Chart 7: Effective Tax Rate on Average-Value Home 2002-2011



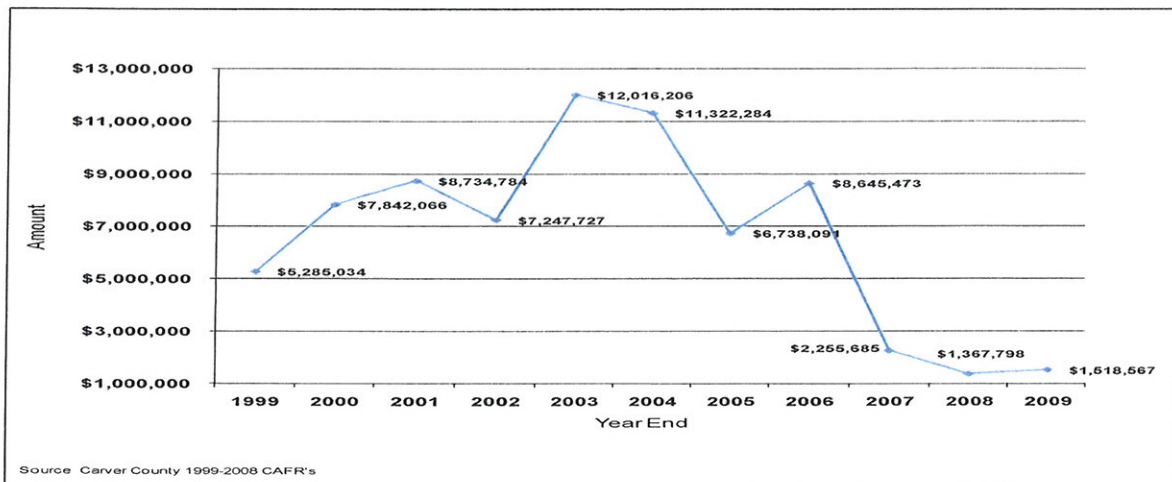
Taxes Per Capita: Property taxes per capita also reflect the modest tax growth as illustrated in the following chart. The chart also shows how the tax rate per capita is closely tracking the CPI. As Carver County's population continues to increase, it is expected that economies of scale will decrease the property taxes per capita.

Chart 8: Taxes Per Capita 2000-2010



Year-End Savings Account: The Year-End Savings (YES) Account designates up to 5 percent of the County's reserves for future unknowns such as emergencies, disasters, capital projects, and intergovernmental funding cuts. The YES Account's balance over the past decade was approximately \$7.1 million. Significant decreases in the YES Account from 2003 to 2008 were the result of planned board-approved transfers to pay for one-time capital projects and land acquisitions. The YES account balance for year-end 2009 was \$1,518,567. Based on current projections, it is estimated the YES account balance at year-end 2010 will not change significantly from \$1.5 million. The following chart shows the trend in this account's balance.

Chart 9: Year-End Savings Account Balance



Attachment A: 2011 Levy Savings Target By Division: Proposed Adjustments

Division	Department	Item	Director Proposed Levy Savings	Administrator Recommended Levy Savings	Effective date/Impact	
Admin Services	Administration:	6200 - Professional Services and Subscriptions	\$25,400	\$25,400	Conduct more work in house as opposed to hiring consultants for assistance and expertise.	
		6300 - Community Events and Travel Expenses	\$4,500	\$4,500	Scale down the scope of Carver County Day at the Arboretum and eliminate participation in community events. The County fair participation will not be affected. Reduce the amount traveled for events and training.	
		6400 - Reference Books	\$100	\$100	Access more information online vs. purchasing reference books.	
	Facilities Services:	Repair & Maintenance	\$30,000	\$30,000	Immediate - Reduction to \$80,000 for Capital Equipment Support which is 27% of line item	
		Building Supplies	\$10,000	\$10,000	Immediate - Reduces Building Supplies for Janitorial & Maintenance by 11%	
		Professional & Technical	\$15,000	\$15,000	Immediate - Reduces 3rd Party Contract/Professional Services by 17% that will lengthen response times for repair and maintenance and extend project times and estimated 80-120 man hours.	
		Temporary Agencies	\$50,000	\$50,000	Immediate - 30% of Temporary Employee budget for special projects, vacations and illness protection with Maintenance and Custodians. - Later in year it could impact vacation requests -	
		Facilities Capital - Budget Schedule B	\$50,000	\$50,000	Reduce levy funded list of facilities projects in Budget Schedule B.	
		Library:	Vacancy (NYA), salary reductions	\$47,945	\$47,945	Oct. 2010 Library will not hire 1 FTE library assistant positions for the NYA Library and keep service hours consistent in new facility. Other reductions through vacancy opportunities and position description evaluation.
	Conference reduction		\$1,560	\$1,560	Jan.2011 Director's commitment as an ALA Councilor has ended.	
	Telephone & telegraph reduction		\$25,000	\$25,000	Jan. 2011 Costs have decreased while service remains the same	
	Revenue: MELSA Formula increase		\$31,588	\$31,588	Jan. 2011 Sustainable Regional Library Basic System Support (RLBSS)	
	Revenue: fine and fee collection increase		\$14,000	\$14,000	Jan. 2011 Photocopy fees to increase from \$.10 to \$.15. Adding credit card payment option at the service desk and within Envisionware computer and print management system should bring greater revenue. Continuing contract with Unique Mangement Services will impact this revenue stream.	
	Historical Society:	County allocation	\$3,000	\$3,000	Health insurance decrease offset by wage increase - net savings \$3K	
	Information Services:	01-049-000-6100	\$0	-\$182,000	IS Staffing Reorganization	
		01-049-000-6260	\$75,000	\$75,000	The managers professional services line item is used to contract for professional services expertise for complex technical project implementation.	
		01-049-046-0000-6480	\$32,000	\$32,000	Non capital equipment purchases are reduced. Non capital equipment is in a break fix mode. There is risk that this budget cut will have a direct effect on employees assigned aged equipment.	
		01-049-046-0000-6412	\$5,000	\$5,000	This \$5,000 is a reduction to data processing supplies account used to purchase desktop UPS, cables, monitors, keyboards, etc.	
		01-049-000-6660	\$70,000	\$0	Capital projects reduced. Ability to make needed county data and image storage expansion is compromised. Expanded server capacity limited.	
	University of Minnesota Extension:	Change in classification and potential reduction of FTE level in one support staff position	\$13,008	\$13,008	Effective in June of 2010 with the retirement of the support staff in this position. Impact - reduced support for programs in 4-H, Ag, MG and Financial Education and the staff who provide those programs to Carver County residents. In turn staff will need to do more of the support work themselves reducing the programs they can provide to the public.	
	Veterans Service:	Various line items: training, etc.	\$4,095	\$4,095		
	ADM. SERVICES TOTAL =			\$507,196	\$255,196	

Division	Department	Item	Director	Administrator	Effective date/Impact	
Sheriff	Patrol	Gasoline	\$55,000	\$55,000	January 1, 2011/The SO has reduced patrol deputies, eliminated takehome cars, redeployed squads and we are fueling more at the Cologne shop. Fuel prices appear more stable than previous years.	
		Capital Equipment	\$80,000	\$80,000	January 1, 2011/Reduce the number of squad cars replaced in 2011.	
		Police Contracting Revenue Increase	\$14,000	\$14,000	January 1, 2011/The cost charged per FTE of contracting for deputies has been increased in 2011.	
		L.E. Range Supplies	\$6,000	\$6,000	January 1, 2011/Reduce ammunition spent at the range. The Sheriff's Office has reduced it's staffing of sworn personnel required to be firearms trained and qualified by 22 since 2009, (15 part time & 7 full time) thus less ammunition will be required.	
	Operations	Restorative Practices Coordinator	\$29,000	\$29,000	January 1, 2011/This will eliminate diversion of youthful offenders to restorative conferencing. They will be sent directly to court for minor offenses.	
		Explorer Post	\$7,000	\$7,000	January 1, 2011/Eliminate the Sheriff's sponsorship and support of an Explorer Post through tax levy dollars.	
		Operating Expenses	\$18,000	\$18,000	January 1, 2011/Reduce various budget lines in the Operations Division of the Sheriff's Office.	
	Jail Services	.2 FTE Jail Nurse	\$16,000	\$16,000	January 1, 2011/This .2 position is currently vacant. Eliminating this position will not change the current nursing service we provide in the jail.	
		Inmate Boarding Revenue (Adult)	\$100,000	\$100,000	January 1, 2011/Staff will work hard to to solicit out of county boarding and expand contracted bed space.	
		Inmate Boarding Revenue (Juvenile)	\$54,000	\$54,000	January 1, 2011/Several counties are exploring a contract to board their juveniles in Carver County in 2011.	
		Operating Budget	\$11,000	\$11,000	January 1, 2011/Reduce most budget lines in the jail by 4.3%.	
	Communication Services	Operating Budget	\$30,000	\$30,000	January 1, 2011/Reduce budget lines for telephone expense and non-capital equipment in the Communications Division.	
	Administrative Services	Operating Budget	\$3,000	\$3,000	January 1, 2011/Reduce various budget lines in the Administrative Services Division of the Sheriff's Office.	
		Personnel Changes	\$52,000	\$52,000	January 1, 2011/Savings due to hiring new administrative staff on lower steps than those retiring or terminating.	
	SHERIFF TOTAL =			\$475,000	\$475,000	

Division	Department	Item	Director	Administrator	Effective date/Impact
Community Social Services	Child & Family	Child and Family Out of Home Placements	\$195,000	\$195,000	Reduction based on first 6 months of 2010 Expenditures. Unanticipated high cost placements can impact this.
	Child and Family	Day Training and Habilitation Services	\$85,000	\$85,000	Clients have been transitioned to the MR/RC Waiver from County funded DT&H
	Behavioral Health	Chemical Dependency Treatment Fund	\$39,000	\$39,000	The legislative change in the CCDTF Maintenance of Effort to a 16.14% cost share is beneficial to Carver County
Court Services	Court Services	Purchase of Services decrease & revenue increase.	\$21,000	\$21,000	
CSS TOTAL =			\$340,000	\$340,000	

Division	Department	Item	Director	Administrator	Effective date/Impact
Public Works	Parks	Charges for Services: Increase in Park Fees	\$13,000	\$13,000	Spread over the year. Increase in market rate for Annual Vehicle Park Permits and Park Pass Assistance Vehicle Permits by \$2.00. Increase in market rate for Utility and Primitive Camping Permits by \$2.00 Fees increase are in line with other metro park organizations. Little impact is likely. Maybe slight reduction in visitors.
	Parks	Services & Charges	\$27,000	\$27,000	Effective January 1. Reduction in professional services. Impact will be a delay in Park Master Planning
	Parks	Materials & Supplies	\$13,000	\$13,000	Effective January 1. Reduction in grounds keeping supplies(reduction in replacement picnic tables, grills, reduction in replacement tree and shrub planting, reduction in aggregate for gravel roads) Reduction in energy savings due to lower energy costs (diesel fuel, propane, electricity). Impacts include delayed replacements. If energy costs spike unexpectedly reserves can be used and other operational adjustments made
	Highway Maintenance	Intergovernmental: State Aid Regular and Municipal Maintenance Revenue Increase.	\$65,000	\$65,000	Effective February 1 +/- Funds are disbursed in 2 payments. The increase in Gas Tax in 2008 legislation caused sustainable increases beginning in 2009. State Aid Maintenance is allotted every year by formula and is used for county highway operations including salaries. The attached graph shows history and projections. With wages flat and operational costs stabilizing, levy can be reduced by the projected increase in revenue. No impact, simply capturing increased revenue.
	Highway Maintenance	Personnel: Reduction in overtime	\$25,000	\$25,000	Effective January 1. 2009 and 2010 saw a reduction in overtime due to implementing the 40-hour send home option in the PW AFSCME Contract as well as improved management of overtime. This savings is above and beyond the 2010 reduction. Impacts will be felt with an increase in snow and ice events where overtime is needed to clear the roadways but is not available. Extreme cases will require use of the R&B reserve \$\$ combined with other operational savings during the year.
	Highway Maintenance	Materials & Supplies	\$28,000	\$28,000	Effective January 1. Material costs have stabilized with economy slow down. Bids are very competitive. Impacts will be felt if costs increase dramatically due to supply and demand. Again, reserves can be used and other operational adjustments made if this occurs.
	Highway Maintenance	Services & Charges	\$19,000	\$19,000	Effective January 1. Material costs have stabilized with economy slow down. Bids are very competitive. Impacts will be felt if costs increase dramatically due to supply and demand. Again, reserves can be used and other operational adjustments made if this occurs.
	Highway Equipment Maintenance	Personnel: Reduction in overtime	\$10,000	\$10,000	Effective January 1. 2009 and 2010 saw a reduction in overtime due to implementing the 40-hour send home option in the PW AFSCME Contract as well as improved management of overtime. This savings is above and beyond the 2010 reduction. Impacts will be felt in the event of unusual circumstance where more overtime is required but is not available.
	Highway Equipment Maintenance	Materials & Supplies: Fuel	\$50,000	\$50,000	Effective January 1. Gas and Diesel. Above and beyond 2010 reduction. Reduction in idling, overall equipment use and fuel prices contribute to the savings. Impacts could be felt with extreme increase in fuel cost which will need to be tempered with use of reserves and other operational adjustments
PUBLIC WORKS TOTAL =			\$250,000	\$250,000	

Other options to reduce levy may come with retirements and reorganization in 2010 if employees elect early retirement

Public Health & Environment	a. Family Health and Disease Prevention & Control	Eliminate 1.0 FTE Public Health Coordinator Position (Grade 15)	\$121,422	\$121,422	Effective 1/1/2011. This position has been vacant since 5/5/2010 as a result of a resignation. In the process of combining departments into the merged PH&E division, the vacant position will be eliminated.	
	b. Public Health and Emergency Management	Eliminate 1.0 FTE Public Health Nurse Position (Grade 14)	\$0	\$85,280		Effective 1/1/2011. A vacancy of 1.0 FTE was created in November 2009 due to the resignation of a PHN. In the process of combining departments into the merged PH&E division, the vacant position will be eliminated. Work efficiencies have been identified in the division reorganization, and assignments redistributed among the staff in the Family Health/DPC department.
	b. Administration	Eliminate 1.0 FTE Administrative Assistant Position (Grade 7)	\$66,993	\$66,993		Effective 1/1/2011. A vacancy of 1.0 FTE Administrative Assistance was created in November 2009 due to an internal transfer. Work efficiencies have been identified in the division reorganization and assignments will be re-distributed among the remaining administrative staff, therefore this position will not be replaced.
	e. Public Health and Emergency Management	Increase grant revenue	\$13,000	\$13,000		The annual Emergency Management Performance Grant, which provides assistance to "sustain and enhance local emergency management capabilities" is anticipated to be higher than the \$35,000 budgeted for in 2010. (2008 amount:\$40,107. 2009: \$42,514. 2010: \$51,828) While we will not receive the award until mid-2011, we have been told it will likely be a similar amount to 2010's award. We are suggesting \$48,000 as a safe assumption.
	c. Divisionwide	Reduce several operating expense budget lines funded by levy dollars	\$28,495	\$28,495		Effective 1/1/2011. Budget request has been reduced in several areas to correspond with reduced number of staff, aligning with historical actual costs, and use of grant funding to support more of the cost in several areas. Cuts are in the areas of Mileage (\$12k), Equipment (\$5k), Telephone (\$4k), Conference (\$6k), Interpreter Expense (\$1.5k).
PH & E TOTAL =			\$229,910	\$315,190		

Division	Department	Item	Director	Administrator	Effective date/Impact
CCAO	a. Line item 5631	Prosecution Contract revision from \$136,967 revenue to \$153,702 revenue	\$6,301	\$6,301	Prosecution Contract revenues will hereby assume the average revenues of the past 5 years (05-09), omitting the outlying highest and lowest revenue years, including a modest reduction for anticipated continue legislative and judicial erosion of prosecutorial ability to capture fine revenue.
	b. Line item 5632	Prosecution Cost revision from \$30,000 revenue to \$83,699 revenue	\$53,699	\$53,699	Prosecution Cost revenues will hereby assume the average revenues of the past 5 years (05-09), omitting the outlying highest and lowest revenue years.
	c.				
CCAO TOTAL =			\$60,000	\$60,000	

Division	Department	Item	Director	Administrator	Effective date/Impact
County Administration		Advertising & Legal Notice (01-030-6241)	\$5,000	\$5,000	Expenditures from this budget will depend up the 2011 newspaper bid and the number of Board meetings and other public hearings. Will need to closely monitor budget and abbreviate or condense minutes to only what is required.
Board of Commissioners		Contingency	\$75,000	\$75,000	Reduce Contingency by from \$300,000 to \$225,000 to reflect overall tightening of the county's budget and the historically reduced reliance on contingency to cover unanticipated expenditures as a result of more comprehensive budgeting, better long term financial planning and healthy Year End Savings account.
ADMN/BOARD TOTAL =			\$80,000	\$80,000	

Division	Department	Item	Director	Administrator	Effective date/impact	
Employee Relations	Wellness	Wellvation Membership for all employees (6279)	\$2,500	\$2,500	1/1/2011 - Wellvation agreed to reduce the monthly cost of Embody Health Wellness newsletter and on-line services by \$1.00 for each employee each month for total savings of \$7,600; coupled with underestimating this expense for 2010, the net result is the same service for a slightly lower cost.	
	Staffing	Medical Expenses (6271)	\$17,500	\$10,000	1/1/2011 - With Soft Hiring freeze there are fewer pre-placement exams and lower costs. This reduction could be problematic if we hire a large number of employees in occupations where the pre-placement exam is extensive.	
	Staffing	Advertising (6241)	\$9,500	\$6,500	1/1/2011 - Based on soft hiring freeze and primarily electronic advertising, this area has been going down in most recent years. Could be problematic if a large number of employees take advantage of the VERIP and require additional jobs being advertised and filled.	
	Division	Staff Salaries (6111)	\$2,600	\$2,600	1/1/2011 - Revised salary projection due to frozen salary and revised work comp codes. No problems upon implementation.	
	Division	Salaries & Wages (6113)	\$2,000	\$2,000	1/1/2011 - Commit to comp time rather than overtime. Should not create problems, as comp time has been the preference of the only non-exempt person in the unit.	
	Division	Office Equipment (6414)	\$500	\$0	1/1/2011 - account has varied in recent years. Impact is very little money if we need a new chair, file cabinet or book shelf.	
	Division	Stationary & Forms (6402)	\$500	\$500	1/1/2011 - reduction due to 95% electronic employment applications via NeoGov and migration to electronic timecards. No problems anticipated.	
	Training & Development	Misc. Employee Functions (6379)	\$2,000	\$700	1/1/2011 - Reducing costs of 2 employee events: Support Staff Conference & Employee Appreciation Luncheon. Problem is in decreased quality of potential speakers available for minimal costs, and a lesser lunch menu.	
	Multiple areas	Membership Dues, Office Supplies, Reference Books	\$500	\$200	1/1/2011 - reduces each area to no margin for error; likely to cause problems in 2011 or future years.	
	Risk Management	MCIT Dividend	\$0	\$85,000	Increase MCIT Dividend revenue to reflect 3 year trend	
	Division	Conference & Professional Maintenance (6332)	\$2,400	\$0	1/1/2011 - this is not a wise reduction; it is not sustainable and leaves the division vulnerable to a knowledge gap as laws change and methods improve.	
	ER TOTAL =			\$40,000	\$110,000	

Division	Department	Item	Director	Administrator	Effective date/Impact
First Judicial Dist. - Court Services	a. Court Services & Probation	Adult Offender Supervision and Programming Fees increased for 2011 (10%-15%)	\$12,000	\$12,000	Effective as of 01-01-2011. These increases and rates are consistent with what other probation agencies are charging offenders under supervision, particularly in the 10 county metro area. Unpaid fees are collected via revenue recapture procedures, which are initiated by Court Services when necessary, and do not result in any further Court action or appearances which saves additional costs.
	b.	New Adult STS User Fee for 2011 (\$8 per day)* *[Max of \$80. per case/year - if all STS days are completed]. NO SHOW fee is \$10 per day	\$6,000	\$6,000	Effective as of 01-01-2011. Offenders would be given a reasonable time line to pay fees, and an incentive is added for those who have more than 10 days of STS, if all STS days are completed within 1 year of sentencing (\$80 max/yr.). This would provide for more efficiency in the scheduling process for the STS program.
	c.	Increase in drug testing fees and UA confirmation costs for adult and juvenile offenders	\$2,500	\$2,500	Effective as of 01-01-2011
	d.	Court Services line item reductions (Prof.Serv 6260, Mileage 6331, Conf/Trg. 6332)	\$2,500	\$2,500	Effective as of 01-01-2011
	e.	Reductions to various line items in the Court Services portion of the Child Services & Juvenile Placement Budget; Revenue increases from reimbursement of out-of-home placement costs. Note: Court Services also generates additional revenue from Juvenile Mental Health Screening (MN Stat. 245.486) completed by our local Probation Officers.	\$22,000	\$22,000	Effective as of 01-01-2011.; Comm. Social Services line items for Court Services
COURTS TOTAL			\$45,000	\$45,000	

Division	Department	Item	Director	Administrator	Effective date/Impact
Prop. Records & Taxpayer Services ("PRTS")	Taxpayer Serv.	Reorganization	\$52,653	\$52,653	Approved by board April 13, 2010. Part of the reorganization was driven by lower than expected license center sales. Current numbers show the combined license centers are basically back to a financially break-even operation.
	Taxpayer Services	Lower sales than expected	(60,000)	(60,000)	Economy slowing sales of new cars tabs/passports/etc., customer habits hard to change with new location in Chanhassen, etc.
	Taxpayer Serv.	040-055-1109-6343	10,000	10,000	Office rentals no longer apply in Chaska Service Center
	Taxpayer Services	040-065-000-6460	34,000	34,000	Ballot line item reduced to \$35K for a non-election year - new plan is to budget for 1/2 of total cost in each year rather than swing up and down every other year depending on election cycle.
PRTS TOTAL =			\$36,653	\$36,653	

Division	Department	Item	Director	Administrator	Effective date/Impact
FINANCE	Accounting	Reorganize Accounting Department - Hire a new Accountant (CPA) at a lower step and lower grade than previous Asst Finance Director.	\$14,000	\$14,000	Effective September 21, 2010 (4 months after Nate's last day): 1. Lower grade of Asst Finance Director to Accountant by changing supervisor, payroll related projects, and financial communication responsibilities. New Accountant position's primary responsibility will be closing books at year-end and writing an award winning Comprehensive Annual Financial Report. 2. Finance Director will become accounting staff's supervisor. 3. Payroll Technician changed to Payroll Coordinator to reflect transition away from data entry as a result of automating the payroll process to higher level payroll related projects such as OPEB/Actuarial Report, Federal Cost Allocation Report, Wage and Benefit Budget Projections, etc. that used to be done by previous Asst. Finance Director. 4. Grants Coordinator will become Grants and Financial Communications Coordinator to reflect increasing role in editing and publishing financial information in the award winning Financial Report & Budget Book, Sharepoint Site, etc. which used to be done by the Asst Finance Director. 5. A Division Accountants group has been created to become the primary conduit to share financial information across all divisions. This new group along with the user friendliness of the recently upgraded IFS General Ledger program to a Windows based product is expected to increase the transparency and accountability of the accounting and budgeting process throughout the county.
FINANCE TOTAL =			\$14,000	\$14,000	

Total Levy Savings = \$2,077,759 \$1,981,039

Attachment B: Preliminary Recommended Staffing Changes for 2011

Division/Department	Requested FTE's	Recommended FTE Changes	Position	Requested Gross (\$)	Requested Net (\$)	Recommended Net (\$)
New Positions Requested						
CSS	1.00	1.00	Eligibility Specialist	\$ 66,300	\$ 33,150	\$ 33,150
Public Works / Parks	0.40	0.40	Seasonals in Parks (1)	\$ 6,100	\$ -	
Subtotal	1.40	1.40		\$ 72,400	\$ 33,150	\$ 33,150
Vacant Positions Recommended for Elimination						
Sheriff's Office	(0.20)	(0.20)	RN	\$ (16,000)	\$ (16,000)	\$ (16,000)
PH&E	(1.00)	(1.00)	Public Health Nurse	\$ (85,300)	\$ (85,300)	\$ (85,300)
PH&E	(1.00)	(1.00)	Admin. Assistant	\$ (67,000)	\$ (67,000)	\$ (67,000)
PH&E	(1.00)	(1.00)	Public Health Manager	\$ (121,000)	\$ (121,000)	\$ (121,000)
Library	(1.00)	(1.00)	2 @ 0.5 FTE - Library Assistant	\$ (51,600)	\$ (51,600)	\$ (51,600)
Subtotal	(4.20)	(4.20)		\$ (340,900)	\$ (340,900)	\$ (340,900)
Organizational Changes, FTE changes, Lay-offs & Reductions in Hours						
Sheriff's Office	(0.60)	(0.60)	Restorative Justice Coord. (2)	\$ (31,300)	\$ (29,000)	\$ (29,000)
Info Services	(1.00)	(1.00)	PBX Specialist	\$ (47,800)	\$ (47,800)	\$ (47,800)
Info Services	1.00	1.00	Admin. Support Specialist	\$ 47,800	\$ 47,800	\$ 47,800
Info Services	(1.00)	(1.00)	Records Mgt. Support Analyst	\$ (50,000)	\$ (50,000)	\$ (50,000)
Info Services	(1.00)	(1.00)	Records Mgt. Tech	\$ (45,400)	\$ (45,400)	\$ (45,400)
Info Services	1.00	1.00	Application Services Sup	\$ 119,400	\$ 119,400	\$ 119,400
Info Services	(1.00)	(1.00)	Technical Services Sup	\$ (119,400)	\$ (119,400)	\$ (119,400)
Info Services	1.00	1.00	Infrastructure Svcs Sup	\$ 119,400	\$ 119,400	\$ 119,400
Info Services	1.00	1.00	Systems Engineer	\$ 76,900	\$ 76,900	\$ 76,900
Info Services	1.00	1.00	SharePoint Administrator	\$ 65,200	\$ 65,200	\$ 65,200
Info Services	0.40	0.40	STOC-Clerical (Departmental)	\$ 13,700	\$ 13,700	\$ 13,700
Info Services	(2.00)	(2.00)	STOC-Clerical (County-wide)	\$ (62,400)	\$ (62,400)	\$ (62,400)
Info Services	(1.00)	(1.00)	GIS Specialist	\$ (79,700)	\$ (79,700)	\$ (79,700)
Info Services	1.00	1.00	GIS Analyst	\$ 82,200	\$ 82,200	\$ 82,200
Info Services	1.00	1.00	Broadband Project Manager (3)	\$ 119,400	\$ -	\$ -
U of M Extension	(0.90)	(0.90)	Chief Deputy Ext. Svcs.	\$ (72,800)	\$ (72,800)	\$ (72,800)
U of M Extension	0.90	0.90	Ext. Svcs. Specialist	\$ 56,700	\$ 56,700	\$ 56,700
Employee Relations	2.00	2.00	STOC-Clerical (County-wide)	\$ 62,400	\$ 62,400	\$ 62,400
PR&TS	(0.50)	(0.50)	License Center Clerk	\$ (22,500)	\$ (22,500)	\$ (22,500)
PR&TS	0.50	0.50	Elections Clerk	\$ 22,500	\$ 22,500	\$ 22,500
PH&E	(2.00)	(2.00)	Public Health Coordinator	\$ (189,000)	\$ (189,000)	\$ (189,000)
PH&E	(1.00)	(1.00)	Public Health Manager	\$ (121,000)	\$ (121,000)	\$ (121,000)
PH&E	(1.00)	(1.00)	Emergency Management Mgr.	\$ (114,000)	\$ (114,000)	\$ (114,000)
PH&E	1.00	1.00	Pub. Hlth. & Emerg Mgt. Mgr.	\$ 134,000	\$ 134,000	\$ 134,000
PH&E	1.00	1.00	Emergency Management Sup.	\$ 118,000	\$ 118,000	\$ 118,000
PH&E	1.00	1.00	Fam. Hlth. Disease Prev. Sup.	\$ 103,000	\$ 103,000	\$ 103,000
PH&E	1.00	1.00	Planning & Devel. Sup.	\$ 103,000	\$ 103,000	\$ 103,000
Subtotal	1.80	1.80		\$ 288,300	\$ 171,200	\$ 171,200
Totals	(1.00)	(1.00)		\$ 19,800	\$ (136,550)	\$ (136,550)

(1) The seasonal increase in Parks will be offset by fees for 29% and levy reductions in service agreements & other miscellaneous

(2) Grant eliminated in addition to levy savings.

(3) ARRA grant funds cover the position

**Attachment C: Capital Projects
BY FUND FOR 2011 - Recommended Preliminary 2011 Levy**

DEPT.	CIP #	DESCRIPTION	2010	2011	2011	Inc./Dec
			Adopted	Requested	Recommended	
Parks & Trails Capital Improvements						
		Local Contribution for Advanced Funded Park/Land Acquisitions (Levy)	50,000	50,000	50,000	-
015-001		U P Line (Met Council - Advance Funded Land Acquisition Reserves)	-	750,000	835,000	835,000
015-001		U P Line (Local Contribution - CCRRA funds)	-	300,000	165,000	165,000
015-002		Building Removal (CCRRA Reserves)	-	71,500	71,500	71,500
520-013		LMP TH41 Trail and Underpass (Federal Funds)	-	1,000,000	1,000,000	1,000,000
520-013		LMP TH41 Trail and Underpass (Parks & Trails CIP - Legacy funds)	-	260,000	260,000	260,000
520-013		LMP TH41 Trail and Underpass (City of Chanhassen)	-	250,000	250,000	250,000
526-001		Dakota Trail Phase II (CCRRA Reserves)	-	100,000	100,000	100,000
528-002		LWP (Local Contribution - Park Land Acquisition Reserves)	225,000	700,000	700,000	475,000
		34-520-XXX-XXXX-6610	275,000	3,481,500	3,381,500	3,156,500
Fund #34 Total	34-XXX-XXX-XXXX-66XX		275,000	3,481,500	3,381,500	3,156,500
Parks and Trails Levy Dollars - Fund #34			50,000	50,000	50,000	-
Building and Other Capital Improvements						
		973-01 Data & Phone Cabling Needs - County Facilities (State Aid/35% Reserve)	100,000	90,000	100,000	-
		973-02 Courts Security Improvements (State Aid/35% Reserve)	-	-	50,000	50,000
		968-01 Fiber Optic Ring (Cash and Bond Sale Proceeds)	1,800,000	-	-	(1,800,000)
		966-01 MNDOT Facility (Cash and Bond Sale Proceeds)	1,870,000	-	-	(1,870,000)
		974-01 Norwood Young America Library (State Aid)	425,000	-	-	(425,000)
		30-XXX-XXX-XXXX-6630	4,195,000	90,000	150,000	(4,045,000)
		Fire Pagers and System Grant Local Match (State Aid/35% Reserve*)	-	130,000	130,000	(130,000)
		30-XXX-XXX-XXXX-6601	-	130,000	130,000	(130,000)
Fund #30 Total	30-XXX-XXX-XXXX-66XX		4,195,000	220,000	280,000	(4,175,000)
Capital and Other Levy Dollars - Fund #30			-	-	-	-
Road & Bridge Capital Improvements						
Highway Maintenance						
		305-007 Sign Replacement Project (*10 State Aid/*11 County R & B Levy)	100,000	125,000	125,000	25,000
		03-305-000-0000-6520	100,000	125,000	125,000	25,000
Professional Services						
		307-005 CSAH 10 Bridge #5882 (State Aid Municipal)		250,000	250,000	250,000
		307-007 CSAH 30 Bridge #7118 (State Aid Regular)	100,000	-	-	(100,000)
		307-009 CSAH 41 Bridge #2784 (State Aid Regular)	50,000	70,500	70,500	20,500
		32-307-000-0000-6260	150,000	320,500	320,500	170,500
Construction						
		307-001 CSAH 11 (TH212 to CSAH 10) County Levy	300,000	-	-	(300,000)
		307-001 CSAH 11 (TH212 to CSAH 10) State Aid Regular		920,448	920,448	920,448
		307-001 CSAH 11 (TH212 to CSAH 10) Federal	2,622,000	2,805,968	2,805,968	183,968
		307-001 CSAH 11 (TH212 to CSAH 10) County Bonds - 2008		2,077,144	2,077,144	2,077,144
		307-007 CSAH 30 Bridge #7118 (State Aid Regular)		20,000	20,000	20,000
		307-007 CSAH 30 Bridge #7118 (State Bridge Bonds)		375,000	375,000	375,000
		307-007 CSAH 30 Bridge #7118 (County Program Aid)		375,000	375,000	375,000
		307-009 CSAH 41 Bridge #2784 (State Aid Regular)		20,000	20,000	20,000
		307-009 CSAH 41 Bridge #2784 (State Bridge Bonds)		345,000	345,000	345,000
		307-009 CSAH 41 Bridge #2784 (County Program Aid)		325,000	325,000	325,000
		307-019 Safety Set Aside (State Aid Regular)		75,000	75,000	75,000
		307-019 Safety Set Aside (State Bonds - LRIP)		410,000	410,000	410,000
		307-019 Safety Set Aside (County Levy)		175,000	175,000	175,000
		307-022 CSAH 61 Improvements (State funds)		125,000	125,000	125,000
		307-028 TH 284 / TH 5 Signal & Turn Lanes (State Aid Regular)		100,000	100,000	100,000
		307-029 CSAH 30 & 33 Reconstruction (State Aid Municipal)		543,000	543,000	543,000
		32-307-000-0000-6281	2,922,000	8,691,560	8,691,560	5,769,560
Right of Way						
		307-001 CSAH 11 (TH212 to CSAH 10) State Aid Regular	270,000	-	-	(270,000)
		307-009 CSAH 41 Bridge #2784 (State Aid Regular)	50,000	-	-	(50,000)
		32-307-000-0000-6260	320,000	-	-	(320,000)
Resurfacing/Maintenance						
		307-8000 Resurfacing/Maintenance (County Levy)	1,200,000	1,200,000	1,200,000	-
		307-8000 Resurfacing/Maintenance (State Aid)	-	800,000	80,000	80,000
		32-307-000-0000-6260	1,200,000	2,000,000	1,280,000	80,000
Fund #32 Total	32-307-XXX-XXXX-66XX		4,692,000	11,137,060	10,417,060	5,725,060
Road & Bridge Levy Dollars - Fund #32			1,500,000	1,500,000	1,500,000	-

Attachment D: Capital Budget for Facilities, Vehicles and Equipment

FACILITIES, VEHICLES & EQUIPMENT						
BY DEPARTMENT FOR 2011 - Recommended Preliminary 2011 Levy						
DEPT	CIP #	DESCRIPTION	2010	2011	2011	Inc./Dec
			Approved	Requested	Recommended	
Administrative Services - Facilities						
110	2	EMERGENCY BUILDING REPAIRS	80,000	50,000	50,000	(30,000)
110	3	CARD READERS - ELECTRIC LOCKS	30,000	-	-	(30,000)
110	6	ENERGY MANAGEMENT SYSTEM	15,000	10,000	10,000	(5,000)
110	7	MISC BUILDING IMPROVEMENTS	70,000	60,000	60,000	(10,000)
110		EXTERIOR SIGNS - PARKING & BUILDING	50,000	-	-	(50,000)
110	120	JAIL PAINTING	10,000	-	-	(10,000)
110	121	JAIL FLOORING	15,000	-	-	(15,000)
110	35	JAIL UPS BATTERY REPLACEMENT	11,000	-	-	(11,000)
110	114	LEC TUCK POINT - WATER PROOFING	15,000	-	-	(15,000)
110	96	CARD READERS/LOCKS/Network Panels	30,000	40,000	40,000	10,000
110	76	COURTS/CAMPUS CARPET REPLACEMENT	-	50,000	50,000	50,000
110	61	CSS WALL REMOVAL - TRAINING ROOM REMODEL	25,000	-	-	(25,000)
110	35	ADMIN WEST Fire Alarm Panel	-	55,000	55,000	55,000
110	67	ADMIN WEST PARKING LOT (Paid by State Aid)	138,000	-	-	(138,000)
110	103	ADMIN WEST FENCING FOR REFUSE-FUEL TANK	10,000	25,000	25,000	15,000
110	110	PVHQ MONUMENT SIGN	18,000	-	-	(18,000)
110		PVHQ Fuel Island Improvements	-	20,000	20,000	20,000
110		Watertown & NYA Stations	-	8,000	8,000	8,000
110	112	SIGN SHOP DUST COLLECTOR SYSTEM	8,000	-	-	(8,000)
110	44	PVHW BOILER Replacement	8,000	12,000	12,000	4,000
110		PV OUTBUILDING IMPROVEMENTS	12,000	-	-	(12,000)
110	72	PEAVEY PARKING DRIVE REPAIR	-	30,000	30,000	30,000
110	46	PEAVEY OUTDOOR LIGHTING	-	5,000	5,000	5,000
110	47	CUSTODIAN EQUIPMENT REPLACEMENT	-	12,500	12,500	12,500
110	89	FIRST STREET CARPET REPLACEMENT FACIL	5,000	-	-	(5,000)
110	88	1ST HOT WATER HEATER/WATER SOFTENER	11,000	-	-	(11,000)
110		CHANHASSEN TAXPAYER CANOPY	15,000	-	-	(15,000)
529		WACONIA EVENT HVAC SOUND REDUCTION*	5,000	-	-	(5,000)
529		EXTERIOR - LOT FENCING, EXIT STAIRS BALLARDS*	8,800	-	-	(8,800)
529		WEC IMPROVEMENTS (*paid by WEC lease revenue)	-	10,000	10,000	10,000
		Building Improvements 01-110-000-0000-6640	587,800	387,500	387,500	(200,300)
Dept Total	01-110-XXX-0000-66XX		587,800	387,500	387,500	(200,300)
Administrative Services - Information Services						
Manager Capital Initiatives						
		Technology	408,000	338,000	408,000	-
		Telephony Upgrade (Moved to Building CIP)	-	60,000	-	-
		EOC Fail Over (Moved to Building CIP)	-	30,000	-	-
		Software: 01-049-000-0000-9855	408,000	428,000	408,000	-
		Total 01-049-000-0000-66XX	408,000	428,000	408,000	-
Dept Total	01-049-XXX-XXXX-66XX		408,000	428,000	408,000	-
Administrative Services - Library						
Administration						
		Self check out replacement	23,000	-	-	(23,000)
		Equipment: 01-014-500-0000-6860	23,000	-	-	(23,000)
		Total 01-014-500-0000-66XX	23,000	-	-	(23,000)
Chanhasson		AMH Roller Track	-	10,000	10,000	10,000
		Equipment: 01-014-501-0000-6860	-	10,000	10,000	10,000
		Total 01-014-501-0000-66XX	-	10,000	10,000	10,000
Chaska		Building: 01-014-502-000-6860	-	-	-	-
		Total 01-014-502-0000-66XX	-	-	-	-
Waconia		Copy machine	8,050	-	-	(8,050)
		Equipment: 01-014-503-0000-6860	8,050	-	-	(8,050)
		Total 01-014-503-0000-66XX	8,050	-	-	(8,050)
Library - Continued		Copy machine	3,602	-	-	(3,602)
Watertown		Equipment: 01-014-504-0000-6860	3,602	-	-	(3,602)
		Total 01-014-504-0000-66XX	3,602	-	-	(3,602)
Norwood Young America		Equipment: 01-014-505-0000-6860	-	-	-	-
		Total 01-014-505-0000-66XX	-	-	-	-
Dept Total	01-014-XXX-XXXX-66XX		34,652	10,000	10,000	(24,652)

**FACILITIES, VEHICLES & EQUIPMENT
BY DEPARTMENT FOR 2011 - Recommended Preliminary 2011 Levy**

DEPT	CIP #	DESCRIPTION	2010	2011	2011	Inc /Dec
			Approved	Requested	Recommended	
Public Health & Environment - Planning & Water (Paid by WMO Levy)						
		Bevens Creek Project Fund	20,000	15,000	15,000	(5,000)
		Carver Creek Project Fund	31,000	45,000	45,000	14,000
		Waconia City Hall Rain Gardens	14,000	-	-	(14,000)
		Seminary Fen Ravine Restoration	30,000	-	-	(30,000)
		Crow River Project Fund	35,000	35,000	35,000	-
		West Creek Project Fund	7,500	8,000	8,000	500
		East Creek Project Fund	-	25,000	25,000	25,000
		01-123-XXX-XXXX-6630	137,500	128,000	128,000	(9,500)
Division Total	01-123-XXX-XXXX-66XX		137,500	128,000	128,000	(9,500)

DEPT	CIP #	DESCRIPTION	2010	2011	2011	Inc /Dec
			Approved	Requested	Recommended	
Public Works - Road & Bridge						
Administration						
		Hwy Engineer Equipment Request	15,000	-	-	(15,000)
		Equipment: 03-301-000-0000-6660	15,000	-	-	(15,000)
		Total Capital Outlay: 03-301	15,000	-	-	(15,000)
Engineering						
		Software: 03-303-000-0000-6655	-	-	-	-
		GPS Survey Instrument	32,000	-	-	(32,000)
		Equipment: 03-303-000-0000-6660	32,000	-	-	(32,000)
		Equipment: 03-303-000-0000-6670	-	-	-	-
		Total Capital Outlay: 03-303	32,000	-	-	(32,000)
Highway Maintenance						
		Traffic Sign Replacement (Paid from State Aid)	100,000	-	-	(100,000)
		Equipment: 03-304-000-0000-6660	100,000	-	-	(100,000)
		Tandem Axle Truck	-	230,000	230,000	230,000
		Pickup	-	45,000	-	-
		Schtrictors Safety Pads - 2 (50% grant match)	-	-	36,000	36,000
		Hwy Vehicles: 03-304-000-0000-6670	-	275,000	266,000	266,000
		End Dump Trailer	-	-	-	-
		Skid Loader	55,850	-	-	(55,850)
		Paver	-	-	-	-
		Pick Up Broom	-	-	-	-
		Hwy Eq: 03-304-000-0000-6690	55,850	-	-	(55,850)
		Total Capital Outlay: 03-304	155,850	275,000	266,000	110,350
Maintenance Shop						
		Site & Grounds: 03-305-000-0000-6610	-	-	-	-
		Equipment: 03-305-000-0000-6660	-	-	-	-
		Total Capital Outlay: 03-305	-	-	-	-
Equipment Maintenance						
		Equipment Maint: 03-306-000-0000-6660	-	-	-	-
		Total Capital Outlay: 03-306	-	-	-	-
Surveyor						
		GPS Equipment Replacement	27,000	-	-	(27,000)
		Equipment Maint: 03-310-000-0000-6660	27,000	-	-	(27,000)
		Total Capital Outlay: 03-310	27,000	-	-	(27,000)
Dept Total	03-XXX-XXX-XXXX-66XX		229,650	275,000	266,000	36,350

Public Works - Parks						
Administration						
	521-01	Baylor Park - Parking Lot (* paid from increase in park permit fees)	15,000	-	-	(15,000)
		Park Maintenance Projects (+\$13K* in 11)	-	-	28,000	28,000
		Site Improvements: 01-520-000-0000-6610 *	15,000	-	28,000	13,000
	520-	Bldg Improvements: 01-520-000-0000-6640	-	-	-	-
	520-01	Utility Cart	-	13,000	13,000	13,000
	520-02	Commercial Mower	43,000	-	-	(43,000)
	520-05	LMP Beach Shade Enhancement	-	11,000	11,000	11,000
	520-07	Trailer	-	15,000	15,000	15,000
	520-010	Snowmobile - Trail Groomer	-	21,000	21,000	21,000
		Equipment: 01-520-000-0000-6690	43,000	60,000	60,000	17,000
		Vehicles: 01-520-000-0000-6670	-	-	-	-
Dept Total	01-520-XXX-0000-66XX		58,000	60,000	88,000	30,000

FACILITIES, VEHICLES & EQUIPMENT
BY DEPARTMENT FOR 2011 - Recommended Preliminary 2011 Levy

DEPT	CIP #	DESCRIPTION	2010 Approved	2011 Requested	2011 Recommended	Inc /Dec
Sheriff's Office						
Recreational Services						
	231-01	Two Snowmobiles	-	20,000	20,000	20,000
		Equipment 01-201-231-1653-6660	-	-	-	-
		Equipment 01-201-231-1652-6660	-	20,000	20,000	20,000
		Total Capital Outlay 01-201-231	-	20,000	20,000	20,000
Jail						
		Equipment: 01-201-235-0000-6660	-	-	-	-
		Total Capital Outlay 01-201-235	-	-	-	-
Patrol						
	236-01	Vehicles	405,400	305,400	305,400	(100,000)
		Vehicles 01-201-236-0000-6670	405,400	305,400	305,400	(100,000)
		Total Capital Outlay 01-201-236	405,400	305,400	305,400	(100,000)
Investigation						
		Equipment: 01-201-239-0000-6655	-	-	-	-
Crime Lab						
	239-	Equipment: 01-201-239-1713-6660	-	-	-	-
		Total Capital Outlay 01-201-239	-	-	-	-
911 Communication						
	240-14	Logger Recorder (Paid with 911 Revenues)	75,000	-	-	(75,000)
		Equipment: 01-201-240-0000-6660	75,000	-	-	(75,000)
		Total Capital Outlay 01-201-240	75,000	-	-	(75,000)
Dept Total	01-201-XXX-XXXX-66XX		480,400	325,400	325,400	(155,000)

DEPT	CIP #	DESCRIPTION	Approved	Requested	Recommended	Inc /Dec
Social Services						
		Compass OnBase for Day Care Licensing	-	33,010	-	-
		Software 11-XXX-XXX-XXXX-6655	-	33,010	-	-
		Financial Assistance Client Kiosk - Reception Area	-	6,250	6,250	6,250
		Equipment 11-XXX-XXX-XXXX-6665	-	6,250	6,250	6,250
		Replacement Client Transport				
		Vehicles (1 @ \$22,000)	20,000	22,000	22,000	2,000
		Vehicles 11-405-700-XXXX-6670	20,000	22,000	22,000	2,000
Dept Total	11-XXX-XXX-XXXX-66XX		20,000	61,260	28,250	6,250
County Totals			1,954,002	1,673,160	1,639,150	(314,852)
		<i>Levy Dollars</i>	<i>1,488,502</i>	<i>1,545,160</i>	<i>1,473,150</i>	<i>(15,352)</i>

Attachment E: Reorganization

Information Services Department Reorganization

The County is increasingly relying on sophisticated technology to more efficiently and effectively serve residents and staff alike. A number of these technology initiatives, including tele-work, migrating to virtual desktops, internet based applications, e-Government initiatives, hand-held technology, voice over IP telephony (VOIP), and implementation of more complicated software applications, require the Information Services (IS) Department in the Administrative Services Division to constantly evaluate trends and technical service provision.

In light of this rapidly changing environment and subsequent internal assessment of the department, the proposed IS reorganization is designed to address a number of critical issues including the ability to:

- Maximize the utilization of current technology solutions.
- Position the county for emerging technology.
- Address current service provision gaps and increase professional staff positions responsible for addressing these gaps.
- Reduce the number of direct reports to IS Manager.
- Begin succession planning.

The proposed reorganization also changes the department name from the Information Services (IS) Department to the Information Technology (IT) Services Department.

The reorganization plan calls for a net increase of 0.4 Full-Time Equivalent (FTE) requirements for the department, increasing the department's size from 24.9 FTEs to 25.3 FTEs.

The reorganization adds four full-time levy-funded positions, a 1.0 FTE Application Services Supervisor, a 1.0 SharePoint Administrator, a 1.0 FTE Infrastructure Services Supervisor, and a 1.0 FTE Systems Engineer. In addition, a two-year grant-funded 1.0 FTE Fiber/Broadband Project Manager position will be added; this individual will report directly to the Administrative Services Director. The position will be paid for by funding from the American Recovery and Reinvestment Act (ARRA) fiber optic grant and will be filled by the current Technology Services Supervisor, and that position will be eliminated.

Under the plan, the current PBX Specialist position will be eliminated and replaced with Administrative Support Specialist position, and a GIS Specialist position will be eliminated and replaced with a GIS Analyst position.

A Records Support Analyst position will be eliminated. The employee currently in this position will have the option of transferring to a Records Technician opening in Central Services. This Records Technician position is open due to a retirement; a second vacancy in Central Services also due to a retirement will be eliminated. This plan calls for moving 2.0 FTE Seasonal Temporary On-Call (STOC) Clerical positions from the Information Services Department to the Employee Relations Division and adding a 0.40 FTE STOC Clerical position to the new Information Technology Department. In order to take advantage of shared resources, this proposal also recommends having Central Services supervise two part-time University of Minnesota Extension clerical employees. Their positions, which total 1.6 FTEs, are County levy-supported positions and are reflected in the Extension budget.

The overall benefits of this reorganization include the following:

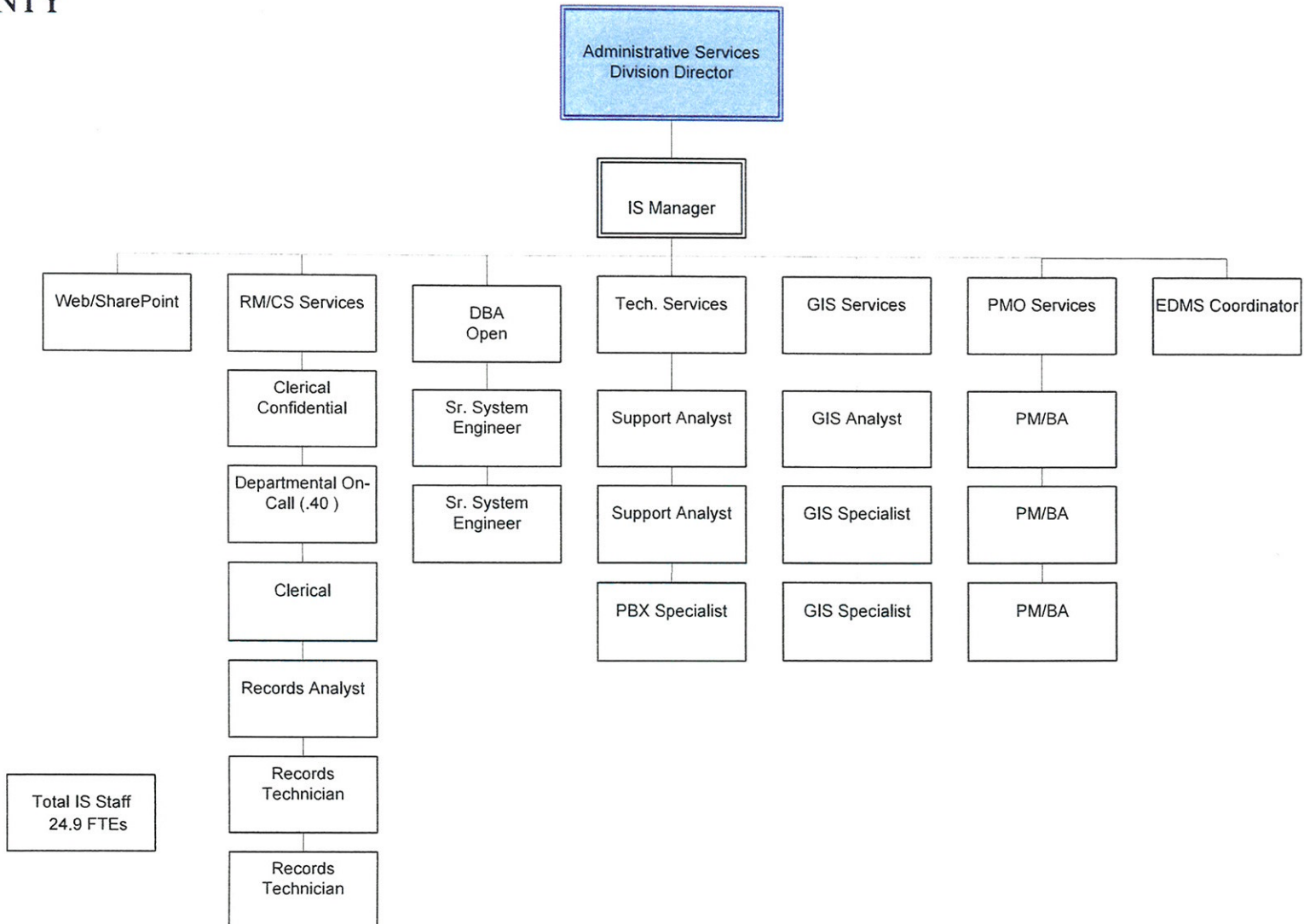
- The Infrastructure Services Supervisor and Systems Engineer will be assigned to the Data Center to ensure stability, maintenance, performance monitoring, security patches and refinement, data backup and storage management.
- Transitioning the public internet website to enterprise use of SharePoint will position the County for expanded e-Government services: County Divisions using SharePoint will gain operational efficiency through additional application development, maintenance and support.
- Consolidating clerical employees in the Extension Office with clerical services in IT leverages the advantages of shared resources.

The total added cost of this reorganization is estimated at \$182,000; the new positions in the reorganization are of a highly professional nature and require a degree with significant previous experience. No new tax levy is required for the proposed changes as the cost is offset by levy savings in other areas.



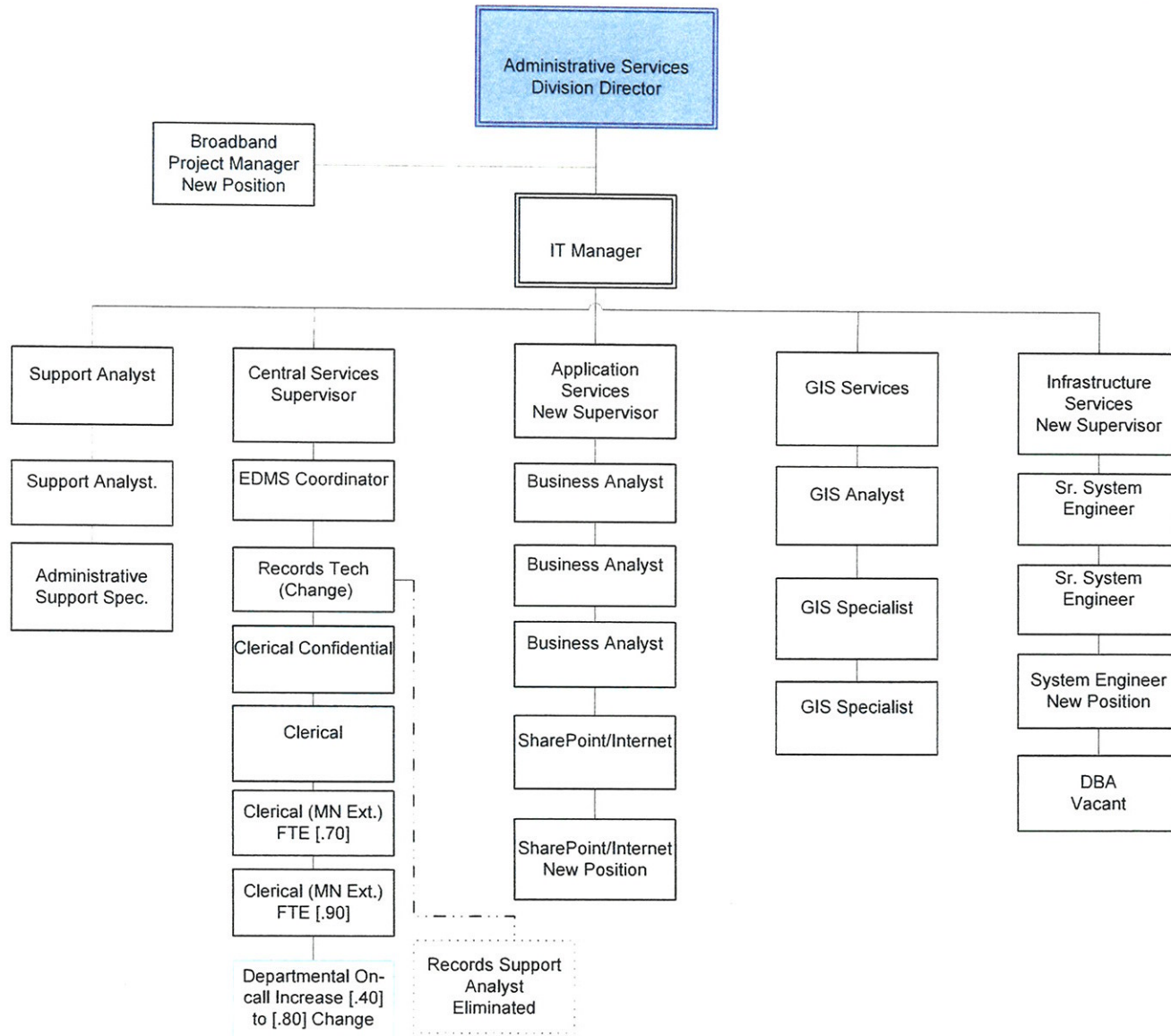
Information Services

2010





Information Technology (IT) Services



Broadband Project Mgr.
ARRA Funded
1 FTE

Total IS Staff

25.30 FTE's

Public Health & Environment Reorganization

The 2010 merger of the Land and Water Services Division and the Public Health Division has enabled the new Public Health & Environment Division to reorganize and take advantage of common areas of support and services offered by the two former divisions.

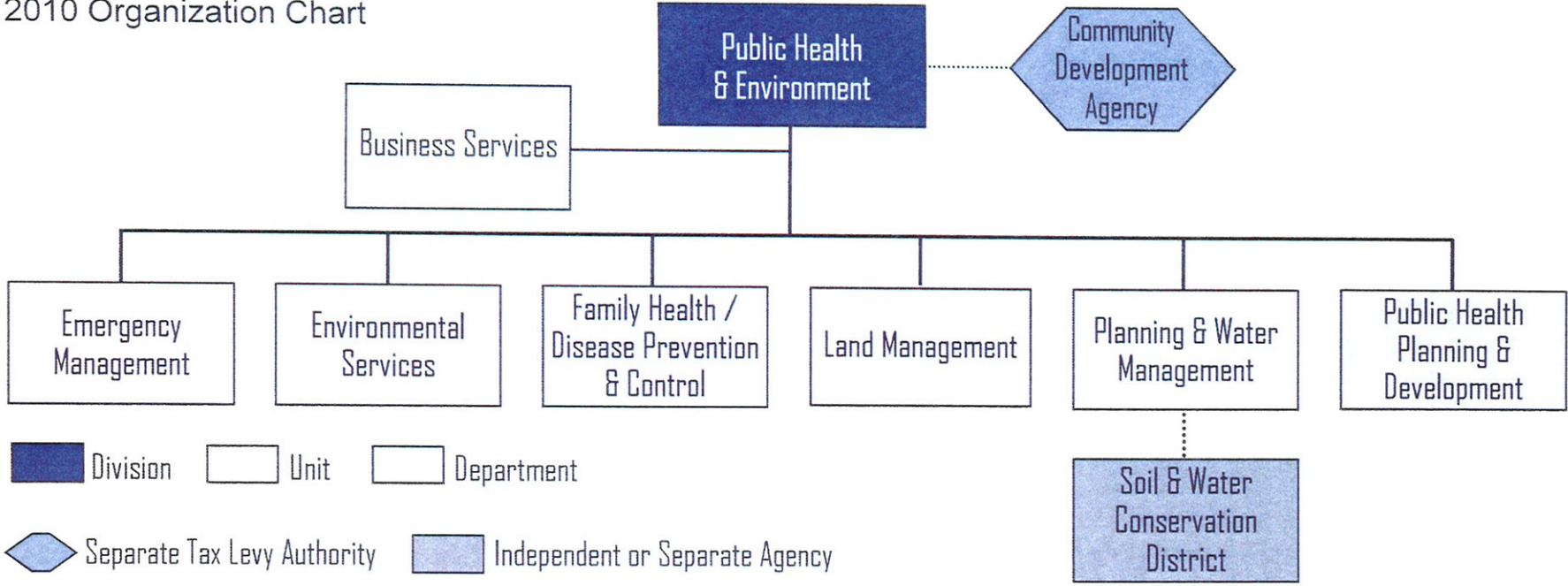
To achieve its 2011 levy savings goal, the Public Health & Environment Division reduced its total number of Full-Time Equivalent (FTE) positions from 50.43 in 2010 to 47.43 FTEs in its 2011 Budget recommendation. This reduction eliminates three vacant full-time positions, an Administrative Assistant, Public Health Nurse, and Family Health/Disease Prevention and Control Department Manager. The levy savings for the personnel costs associated with each position will result in a total levy savings of \$274,066.

The elimination of the three positions is part of a reorganization plan for the division that will extend into 2011. One component of the reorganization is to combine administrative staff functions such as contract management, administrative support, and financial management into one staff Business Services Unit. This move absorbs some of the functional loss that came with combining two director positions into one when the divisions were merged and the loss of an Administrative Assistant position.

In addition, the reorganization plan is designed to more clearly define supervisory responsibilities and authority within the division. It calls for combining the three Public Health departments (Emergency Management, Family Health/Disease Prevention & Control, and Public Health Planning & Development) into one department. One manager will oversee the new Public Health and Emergency Management Department. This will enable the division to eliminate an additional department manager position, and two Coordinator positions will also be eliminated. These 3.0 FTE positions will be replaced by 3.0 FTE unit Supervisor positions to lead the newly formed Emergency Management, Family Health/Disease Prevention & Control, and Public Health Planning and Development units. This change will add back \$34,000 in personnel costs.

The reorganization plan calls for looking for synergies between the Public Health and Emergency Management Department and the other departments to further increase efficiencies in providing services. One example is that the division will explore the feasibility of combining planning services provided through the Public Health Planning and Development Unit with those provided in the Planning and Water Management Department.

2010 Organization Chart



2011 Proposed
Organization Chart

