

# Budgeting responsibly

Dakota County works hard to offer high-quality, cost-effective services, but there are new challenges ahead:

- **Cost shifts:** Roughly two-thirds of county services are required by state or federal government. The county will absorb \$4.3 million in costs shifted from the state in 2026. The county also expects \$21 million in shifts from the federal government between 2027-2029.
- **Inflation:** Like households and businesses, the county faces rising costs. At the same time, the county is refilling reserves that have been used to hold property taxes down. Keeping healthy reserves is fiscally responsible.
- **Increased demand:** More residents are receiving county services, which raises expenses.

To address these challenges, the county proposes a levy increase of no more than 9.9 percent in 2026. The county also may cut more than \$8 million in spending.

Dakota County is committed to budgeting responsibly and working with state and federal partners to reduce the reliance on property taxes.

Remember, only a portion of your property taxes goes to the county. Cities, schools and other districts also collect taxes. For more information, visit [www.dakotacounty.us](http://www.dakotacounty.us) and search *levy*.



## Focused use of the levy

Property taxes make up 44 percent of Dakota County's operating budget and support a variety of services.

Roughly 70 percent of the Dakota County levy pays for services the state or federal government require of the county.

Dakota County will continue to be prudent with your property tax dollars and provide the services residents need and value.

