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Mission Statement

The mission of St. Louis County is to provide to its people those services mandated and/or expected by its citizens so as to provide a good quality of life.

St. Louis County's Service Strategy

"Working Together, Serving People"

St. Louis County Characteristics

Located in Northeastern Minnesota at the tip of Lake Superior, St. Louis County is geographically the largest county east of the Mississippi River. It is the home of 200,500 people living in small mining towns, farm communities, and busy cities, with an average of 32 people per square mile.

St. Louis County encompasses 7,092 total square miles. Of those miles, 6,226 square miles are land area and the remaining 866 square miles are water. As the "crow flies," it is the same distance to go from Duluth to St. Paul (136 miles) as from Duluth to the NW corner of St. Louis County (135 miles).

St. Louis County is larger than the District of Columbia (61 square miles) and some states including Rhode Island (1,045 square miles), Delaware (1,954 square miles) and Connecticut (4,845 square miles). Within the state, St. Louis County is larger than the combined land areas of the following counties: Anoka, Benton, Carver, Chisago, Dakota, Hennepin, Isanti, Le Sueur, Nicollet, Ramsey, Rice, Scott, Sherburne, Waseca, Washington and Wright.

County Organization and Information

Minnesota is one of a minority of states whose form of government is state managed and county administered. This means that many government services are provided by the county, rather than the state. The 2010 St. Louis County operating budget is \$326,734,490 which allows the county to carry out high quality yet efficient services to citizens in the areas of planning and zoning, land management, solid waste, public works, public health, human services, criminal justice, economic development and general government services. The County Board approved a levy of \$107,428,991 for 2010 in county property tax dollars for these services, which represents a 1.3% increase over 2009. The 2010 St. Louis County budget includes 1,701 full-time equivalent employees. Of the total 2010 operating budget, \$151,220,941, or 46% of the total budget, is designated for personnel related costs.

Budget Objectives

The budget objectives allow St. Louis County to provide quality services in a cost-effective manner to keep the property tax rate among the lowest in the state. Objectives include:

Accountability: Maintain fiscal discipline and budgetary sustainability

Transparency: Improve allocation of resources in accord with Board priorities

Continuation of Services: Improve efficiency of expenditures and focus on core services

More budget information is available by visiting: www.stlouiscounty.org/budget.

Commissioners' Priority Areas

Strong County Infrastructure

Health & Well-Being of County Citizens

Healthy Local Economy

Healthy, Viable Ecosystem

Effective, Efficient Government

More information on progress in each area is available at the Online Performance Data gallery, visit: www.stlouiscounty.org/performance.



Duluth Courthouse



Virginia Courthouse



Hibbing Courthouse

County Commissioners

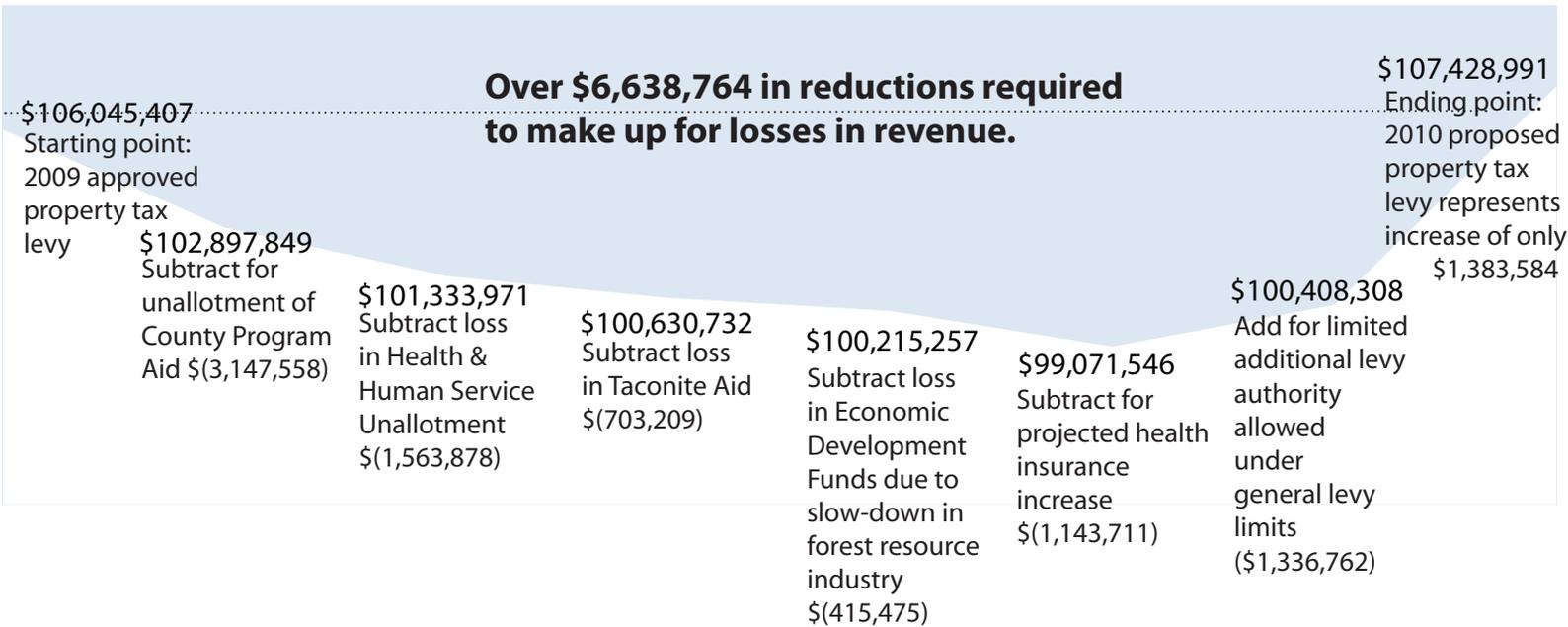
District 1	Dennis Fink
District 2	Steve O'Neil
District 3	Chris Dahlberg
District 4	Mike Forsman
District 5	Peg Sweeney
District 6	Keith Nelson
District 7	Steve Raukar

Kevin Z. Gray
County Administrator

Impact of Levy Limits & State Reductions

2010 Budget Constraints

Impacts on 2010 Budget: \$6,638,764 in Reductions Required



Key Budget Strategies

Minimize Property Tax Increase: Based on 2010 market values, the St. Louis County portion of a citizens' property taxes should be flat or reduced from the 2009 level. St. Louis County diligently worked to keep its proposed property tax increase for 2010 low in response to the challenges residents are facing in the current economy. The 2010 proposed budget includes an increase of 1.30% in property tax revenue or \$1,383,584.

Focus on Core, Mandated Services: St. Louis County, like organizations and businesses throughout the country, has experienced uncertainty in its main revenue sources during 2009 due to the present economic challenges. These challenges require ongoing review and prioritization of core, mandated services and continued strategic realignment and reform in many departments and programs. Where evaluation has shown that others in the community could provide the non-mandated, non-core services, the transition of these County services has occurred. Both the Assisted Living Program and Chris Jensen Health & Rehabilitation Center were transitioned to other providers in 2009.

Estimate Full Costs: Departments budget for actual, anticipated costs and include a 2-year forecast. Department budgets reflect inflationary increases including necessary expenses such as gas, diesel, food costs, electricity, and natural gas. Inflation significantly impacts the County budget.

Reduce Reliance on Other Revenues: The County's Land Department earns revenues on tax forfeit land and timber sales from these properties. With the current housing market crisis, both sales categories are down and the 2010 proposed budget for the general fund does not rely on support from the Land Department. Net revenues will be apportioned out but we have not budgeted up front for their impact. Another example is the County Recorder, who collects fees for documents recording. With the downturn in the real estate market we have seen a reduction in filings and have had to reduce the portion of Recorder's fees that are used to improve technology and invest in Geographic Information System (GIS) development.

Ensure the health of County funds: The County monitors the assets, liabilities, and equity balances of its various funds. During 2009, management reviewed these funds to review equity balances. In some cases, charges to funds were reduced resulting in a cost savings and a reduction in the 2010 levy in the other funds. While changes in revenue streams during the calendar year are unexpected, St. Louis County is conducting additional research and planning in order to be prepared for these potential further reductions.

More budget information is available on the web:

www.stlouiscounty.org/budget

The County's Budget

Adopted 2010 Budget

Where do our property tax dollars go?



About the Budget Process

The Budget process provides the County Board and its management staff an opportunity to annually re-examine the services provided within the County. It is a lengthy comprehensive process that begins early each year.

January – March:

Initial budget instructions released following initial meetings with the Board Chair, Chair of Finance and County Administration.

April-May:

Departments develop & submit baseline budgets for mandated services and recommend strategies to deal with budget challenges.

June-August:

Administration works through multiple iterations of Department budgets and develops a budget recommendation with guidance from County Commissioners.

September:

County Commissioners certify the maximum levy that they will set in December at the September 9 Board Meeting. By establishing a maximum levy and preliminary budget in September, the County Board has opportunities for final refinements based on public input.

October-November:

Public budget meetings are scheduled for December 3 at the County Courthouse in Virginia and December 10 at the County Courthouse in Duluth. Additional board workshops for budget revisions, as needed.

December:

County Commissioners approve the 2010 Operating and Capital Budget by resolution at the December 15th Board Meeting.

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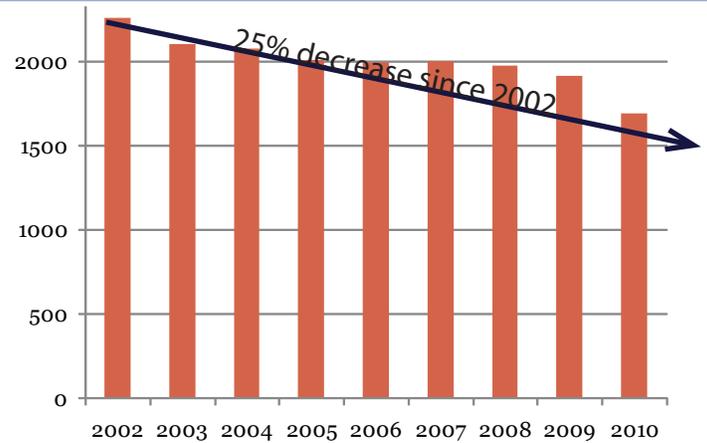
The County's Budget

Adopted 2010 Budget (continued)

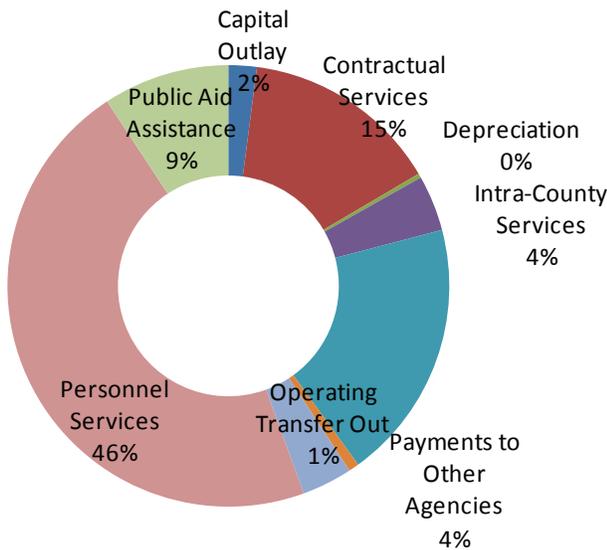
Personnel History

The number of Full Time Employees (FTEs) has steadily decreased over the last six years, largely due to the budget strategy of lowering personnel costs by reducing vacant positions in each department.

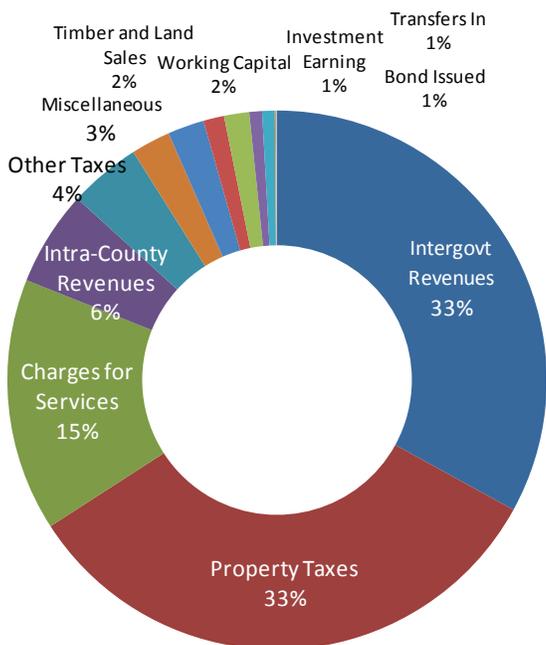
Through attrition and retirements nearly every department has reduced its personnel compliment. For the 2010 budget, the documented reduction is largely due to the County Board decision to lease the operations of the Chris Jensen Health & Rehabilitation Center. Although no longer County employees, the majority of those working at Chris Jensen were offered and retained their positions with the new provider.



Primary Government Sources of Revenue & Functional Expenses



Activity	2010 Expenses
Personnel Services	151,220,941 (46.3%)
Materials	62,382,593 (19.1%)
Contractual Services	47,199,666 (14.5%)
Public Aid Assistance	30,231,078 (9.3%)
Intra-County Services	13,377,642 (4.1%)
Payment to Other Agencies	12,088,101 (3.7%)
Capital Outlay	6,755,371 (2.1%)
Operating Transfers Out	2,471,503 (0.8%)
Depreciation	1,007,536 (0.3%)
TOTAL	\$326,734,490



Source	2010 Revenue
Intergovernmental Revenues	107,803,376 (33.0%)
Property Taxes	107,428,991 (32.9%)
Charges for Services	49,546,267 (15.2%)
Intra-County Revenues	18,650,050 (5.7%)
Other Taxes	14,075,095 (4.3%)
Miscellaneous	7,693,216 (2.4%)
Timber and Land Sales	7,160,000 (2.2%)
Working Capital	4,907,907 (1.5%)
Earnings on Investment	4,077,685 (1.2%)
Bond Issued	2,508,750 (0.8%)
Transfers In	2,471,503 (0.8%)
Fines and Forfeitures	241,000 (0.1%)
Licenses and Permits	159,650 (0.0%)
Gifts and Contributions	11,000 (0.0%)
TOTAL	\$326,734,490

More budget information is available on the web:

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