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St. Louis County has demonstrated good stewardship of its resources, working hard to provide core services and long-term financial stability to help support a high quality of life for all citizens, even in challenging economic times.

As a Minnesota county, St. Louis County is responsible for administering many government services that the state is required to provide. While some of these mandated services are funded by state or federal dollars, others become the responsibility of St. Louis County taxpayers.

The 2013 budget demonstrates:

- Smart investments in public safety and minerals management
- Collaboration in delivery of assessment services and emergency response
- Innovation to enhance productivity and outcomes in human services, roads and bridges, and online resources

Budget objectives and strategies

By setting priorities and budget objectives, St. Louis County provides quality services in a cost-effective manner, keeping our property tax rate among the lowest in the state. Objectives include:

Commitment to balancing the budget and positioning the County for future fiscal challenges

Continued emphasis on innovation, productivity and service to citizens

Sensitivity to economic pressures facing citizens, businesses and our region

Numbers to know:

- \$311,563,514...St. Louis County's 2013 Operating Budget
- \$111,669,173...Amount of budget collected from property taxes – the levy
- \$15,000,000.....Reduction in state and federal aids absorbed by the county in last five years
- \$1,048,505.....Mineral rents/royalties received in 2012
- 62.5%.....Amount of public-owned land in St. Louis County (i.e. not part of property tax base)
- 200,226.....Population of St. Louis County (2010 census)
- 1,714.6.....Number of full-time equivalent employees authorized to serve the County
- 19%.....Decrease in number of County employees in the last decade
- 1.5%.....Levy increase in 2013 from the previous year
- 4.....The number of consecutive years the levy amount has been below the cost of inflation
- 3,000.....Miles of roads maintained by Public Works

Commissioners' Priority Areas

Strong County infrastructure

Health and well-being of 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: stlouiscountymn.gov/performance.



Duluth Courthouse



Virginia Courthouse



Hibbing Courthouse

County Commissioners

District 1	Frank Jewell	(218) 726-2451	jewellf@stlouiscountymn.gov
District 2	Steve O'Neil	(218) 733-2734	oneils@stlouiscountymn.gov
District 3	Chris Dahlberg	(218) 726-2453	dahlbergc@stlouiscountymn.gov
District 4	Mike Forsman	(218) 365-8200	forsmanm@stlouiscountymn.gov
District 5	Pete Stauber	(218) 733-2908	stauberp@stlouiscountymn.gov
District 6	Keith Nelson	(218) 749-7108	nelsonk@stlouiscountymn.gov
District 7	Steve Raukar	(218) 262-0200	raukars@stlouiscountymn.gov

County Administrator	Kevin Z. Gray	(218) 726-2448	grayk@stlouiscountymn.gov
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Budget Timeline

January - March

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

June-August

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

April-May

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

Where do our property tax dollars go?

St. Louis County is committed to excellent stewardship of taxpayer resources.



Public Safety 33¢

Health & Human Services 29¢

Public Works 19¢

Other County Services 29¢

Debt Service 5¢

Property tax dollars support 36% of St. Louis County's \$311.5 million budget.

These funds are invested in efficient services to ensure public safety, strong county infrastructure and care for the most vulnerable.

Key investments

The 2013 budget allows St. Louis County to carry out its mission and deliver high quality yet efficient services to citizens in the areas of planning and zoning, land and minerals management, solid waste and recycling, public works, health, human services, criminal justice, community development and general government services. It also reflects the following key investments:

Minerals management

St. Louis County benefits from mining activities in several ways. Each year, the County receives Taconite Aid, a production tax based on the rolling, three-year average of tonnage produced in St. Louis County. Meanwhile, beginning in 2012, the County saw a significant increase in mineral rent royalties for mining that occurred on tax forfeited property. To capitalize on what is expected to be a continuing trend, the 2013 budget includes \$600,000 for start-up costs associated with expanding the minerals management program, including for surveyors' work, which is necessary to ensure accuracy.

Public safety

St. Louis County takes very seriously its role in protecting public safety. The 2013 budget includes increased investment in Arrowhead Regional Corrections, which

provides community corrections services for St. Louis County as well as Cook, Lake, Carlton and Koochiching counties. Both the Sheriff's Office and County Attorney's Office also saw increased investment.

Assessor's Office

Beginning in January, the St. Louis County Assessor's Office now provides assessment services for the City of Duluth and several other cities and townships. The County has hired additional staff in the Assessor's Office to handle this increased responsibility, but this investment will help ensure that property valuations are done accurately and fairly, and is in keeping with the recommendations of a Blue Ribbon Review Panel that studied assessment practices. This collaborative effort also helps eliminate duplication of services and creates work process efficiencies.

Budget summary

Despite challenging times, St. Louis County is working to balance reduced government aid, while maintaining programs that meet the needs of residents, continuing aggressive investment in county infrastructure and facilities, and taking a long-term approach to financial stability.

September

County Commissioners certify the maximum levy they will set at the September 10 Board Meeting. The County Board then has approximately three months to make final refinements based on public input.

December

Commissioners will approve the 2014 Operating and Capital Budget by resolution at their December 3 Board meeting.

October-November

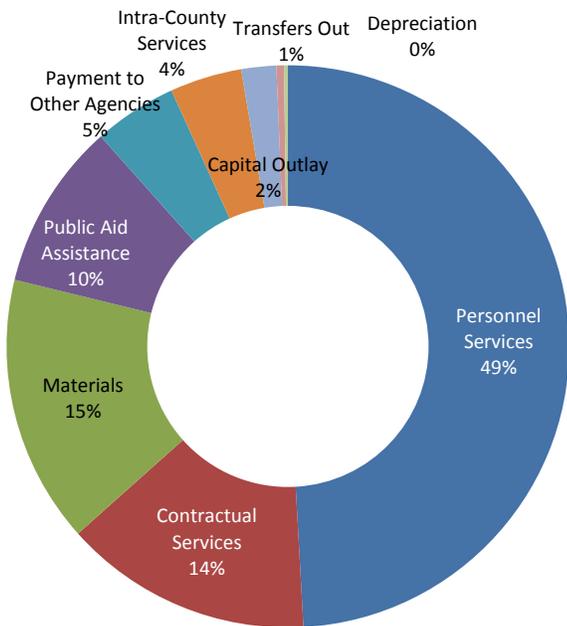
Additional board workshops for budget revisions are held, as needed. Citizens have opportunity to provide input at a public budget meeting at the Courthouse in Duluth.

The role of property taxes in the budget

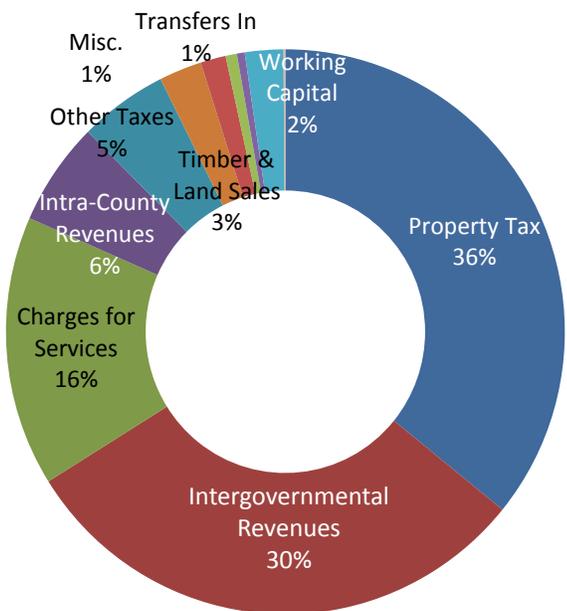
As the chart below shows, just over a third (36%) of St. Louis County's budget comes from property taxes. In 2013, that amount is \$111.6 million. This amount is divided up between all property owners based on the assessed value of their property. If your property's

value changes, this doesn't change the overall amount of money the County collects. What changes is the percentage of the overall amount that you pay. The County Assessor team works hard to provide accurate and fair assessments to all so that no one has to pay an unfair amount.

Primary expenses and revenue sources



Activity	2013 Adopted Expenses
Personnel Services	\$153,035,942 (49.1%)
Materials	48,007,652 (15.4%)
Contractual Services	44,500,615 (14.3%)
Public Aid Assistance	29,937,206 (9.6%)
Payment to Other Agencies	14,919,799 (4.8%)
Intra-County Services	12,870,886 (4.1%)
Capital Outlay	6,244,075 (2.0%)
Transfers Out	1,357,839 (0.4%)
Depreciation	687,000 (0.2%)
Loss/Gain Asset Disposal	2,500 (0.0%)
TOTAL	\$311,563,514



Source	2013 Adopted Revenue
Property Taxes	\$111,669,173 (35.8%)
Intergovernmental Revenues	94,310,771 (30.3%)
Charges for Services	48,218,111 (15.5%)
Intra-County Revenues	18,454,771 (5.9%)
Other Taxes	15,943,484 (5.1%)
Timber and Land Sales	7,705,000 (2.5%)
Working Capital	6,921,482 (2.2%)
Miscellaneous	4,556,113 (1.5%)
Transfers In	2,037,059 (0.7%)
Investment Earnings	1,408,850 (0.5%)
Fines and Forfeitures	179,250 (0.1%)
Licenses and Permits	151,150 (0.0%)
Gifts and Contributions	8,300 (0.0%)
TOTAL	\$311,563,514



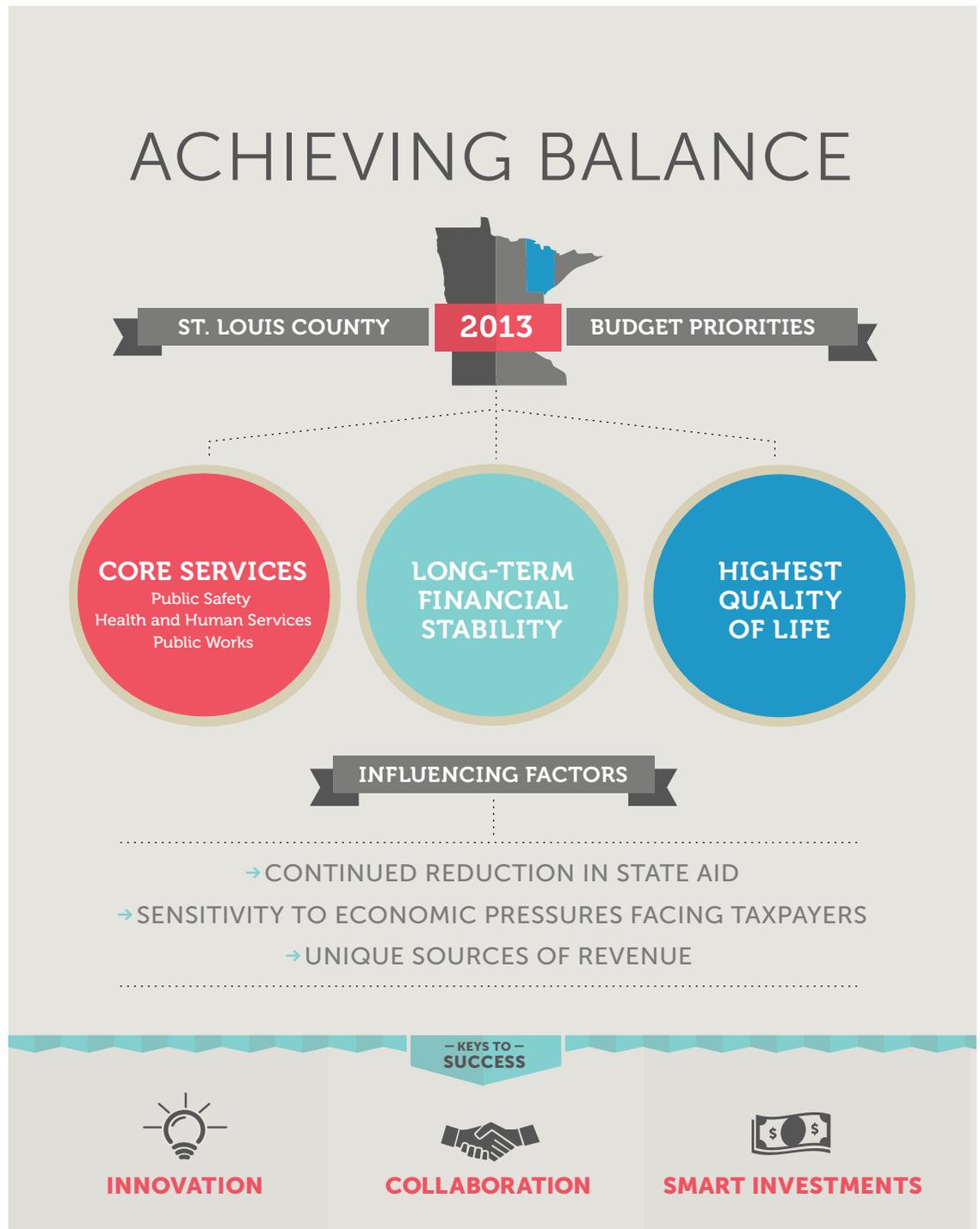
About St. Louis County

Located in northeastern Minnesota at the tip of Lake Superior and bordering Canada to the north, St. Louis County is home to 200,226 people living in rural settings, mining towns, farm communities and busy cities. Residents enjoy a unique quality of life in a county blessed with scenic beauty and diverse natural resources.

St. Louis County encompasses 7,092 total square miles, making it the largest county in the state, and in the nation, east of the Mississippi River. In fact, St. Louis County is larger than the District of Columbia and some states including Rhode Island (1,045 square miles), Delaware (1,954 square miles) and Connecticut (4,845 square miles). Measuring straight distance, it is as far from Duluth to St. Paul (136 miles) as from Duluth to the northwest corner of St. Louis County (135 miles).

Service promise

We are here to serve residents of St. Louis County. Our job is to create and maintain the best quality of life for the people who live here through the services we provide. In every interaction, we give residents our complete attention, treating them with warmth and respect. Residents will be pleasantly surprised by the level of service they receive.



County Seat: St. Louis County Courthouse
100 N 5th Ave W
Duluth, MN 55802
218-726-2000
stlouiscountymn.gov