

National Conference of Commissioners on Uniform State Laws

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ANNUAL DUES STATEMENT OF ACCOUNT FOR THE

STATE OF MINNESOTA

January 2005

The Annual Dues allocation of the State of Minnesota toward expenses of the National Conference of Commissioners on Uniform State Laws for the fiscal year ending June 30, 2005, is as follows:

| | |
|------------------------------|------------------------|
| Total Amount of Dues: | \$31,700 |
| Payments Applied: | <u>\$26,086</u> |
| Remainder Due: | <u>\$ 5,614</u> |

Thank you for the continued participation of the State of Minnesota.
Please remit payment to:

National Conference of Commissioners on Uniform State Laws
211 East Ontario Street, Suite 1300
Chicago, IL 60611



Governor's FY 2006-07 Budget

Senate Public Safety Budget Division

February 7, 2005

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Governor Pawlenty's FY 2006-07 Budget



\$700 Million Shortfall Was Projected for FY 2006-07 Budget in November

| <u>General Fund</u> | <u>FY 06-07</u> |
|----------------------------|-----------------|
| (\$ in millions) | |
| Revenues | \$29,477 |
| Spending | <u>30,177</u> |
| <i>Balance (Shortfall)</i> | <i>\$ (700)</i> |

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Governor Pawlenty's FY 2006-07 Budget



***Disparity in Revenue-Expenditure Growth
Contributes to FY 2006-07 Problem***

| | FY06-07 Forecast | Growth Over 04-05 | Percent Change |
|-----------------------|---------------------|----------------------|-------------------|
| Revenues: | | | |
| Taxes | \$27,658 | \$2,031 | 7.9 |
| Non-Tax Revenues | 1,406 | (60) | (4.1) |
| Transfers, Other | 414 | (1,166) | (73.8) |
| Total Revenues | 29,478 | 805 | 2.8 |
| Spending: | | | |
| E-12 Education | \$12,045 | \$ (185) | (1.5) |
| Health & Human Svcs | 8,684 | 1,439 | 19.9 |
| All Other | 9,448 | 885 | 10.3 |
| Total Spending | \$30,177 | \$2,139 | 7.6 |

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Governor Pawlenty's FY 2006-07 Budget



***Five Parts to Governor's
Solution to Forecast Shortfall***

| | |
|---------------------------------------|----------------|
| Forecast Shortfall for FY06-07 | \$(700) |
| ✓ Spending Cuts / Reallocations | 426 |
| ✓ New Spending / Priorities | (476) |
| ✓ Increased Revenues | 338 |
| ✓ New Gaming License Revenue | 200 |
| ✓ Health Care Finance Realignment | 220 |
| Balance – Governor's Budget | \$8 |

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Governor Pawlenty's FY 2006-07 Budget



Budget Is Structurally Balanced through FY08-09 and Funds Key Priorities

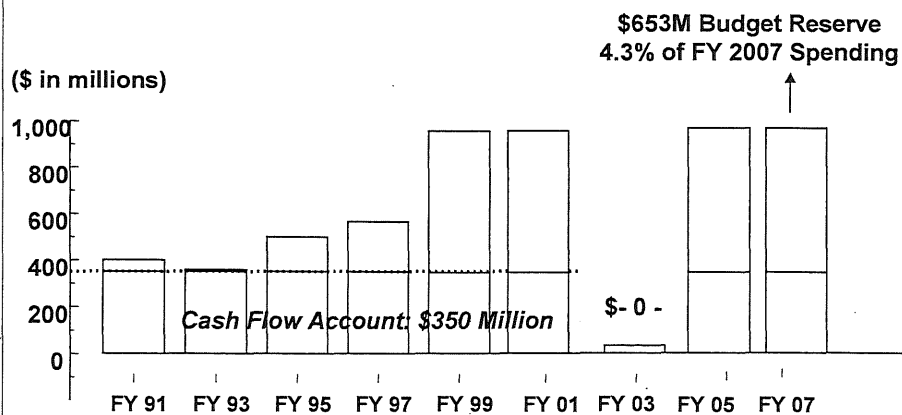
- ✓ ***Structurally balances state budget through
FY08-09***
- ✓ ***Eliminates projected \$700 million budget
shortfall***
- ✓ ***No tax increases***
- ✓ ***Increases spending in several key areas
including education, health care programs and
public safety***
- ✓ ***Process used priority-based budgeting***

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Governor Pawlenty's FY 2006-07 Budget



Governor's Plan Preserves Cash Flow and Budget Reserves



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Governor Pawlenty's FY 2006-07 Budget



Plan Maintains Positive Structural Balance in FY 2008-09

| | <u>FY 06</u> | <u>FY 07</u> | <u>FY 08</u> | <u>FY 09</u> |
|-------------------|--------------|--------------|--------------|--------------|
| Revenues | 14,712 | 14,963 | 15,625 | 16,222 |
| Spending | 14,647 | 15,020 | 15,401 | 15,681 |
| Difference | 65 | (57) | 224 | 541 |

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Governor Pawlenty's FY 2006-07 Budget



General Fund Spending By Category – Increase \$1.6 Billion, 5.8 Percent

| | FY04-05 | FY06-07 | \$ Chg. | % |
|---------------------------|---------------|---------------|--------------|-------------|
| K-12 Education | 12,230 | 12,414 | 184 | 1.5% |
| Pay/Recog. Change | -330 | -178 | nm | nm |
| Higher Education | 2,559 | 2,774 | 215 | 8.4% |
| Property Tax Aids | 2,810 | 2,890 | 80 | 2.8% |
| Health & Human Services | 7,245 | 7,901 | 656 | 9.1% |
| Environ, Ag, & Econ. Dev. | 739 | 647 | -92 | -12.4% |
| Transportation | 159 | 159 | 0 | 0.0% |
| Public Safety | 1,437 | 1,668 | 231 | 16.1% |
| State Government | 580 | 555 | -25 | -4.3% |
| Debt Service & Other | 629 | 837 | 208 | 33.1% |
| Total Spending | 28,045 | 29,667 | 1,622 | 5.8% |

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Governor Pawlenty's FY 2006-07 Budget



General Fund Spending Reduced \$510 Million from Forecast Levels

| | Nov Fcst Forecast | Governor FY06-07 | Chg. \$\$\$ | Chg. % |
|-------------------------|-------------------|------------------|-------------|--------------|
| K-12 Education | 12,045 | 12,414 | 369 | 3.1% |
| Pay/Recog. Change | -76 | -178 | nm | nm |
| Higher Education | 2,753 | 2,774 | 21 | 0.8% |
| Property Tax Aids | 2,966 | 2,890 | -76 | -2.6% |
| Health & Human Services | 8,684 | 7,901 | -783 | -9.0% |
| Public Safety | 1,569 | 1,668 | 99 | 6.3% |
| All Other | 2,236 | 2,198 | -38 | -1.7% |
| Total Spending | 30,177 | 29,667 | -510 | -1.7% |

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Governor Pawlenty's FY 2006-07 Budget



Public Safety

***\$1.668 Billion GF
\$2.031 Billion AF***

- ✓ Increases funding 16.1% over previous biennium.
- ✓ Includes forecast increase of \$74 million from previous biennium for prison cost increases.
- ✓ Includes \$69 million for court cost increases due to state takeover of trial courts.
- ✓ Adds \$25 million for sentencing costs anticipated from Governor's proposals to strengthen sex and methamphetamine offender sentencing.

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Governor Pawlenty's FY 2006-07 Budget



Department of Corrections

- ✓ Funds prison bedspace needs and healthcare costs for offenders expected under current law.
- ✓ Adds \$4.8 million for additional sentencing costs for sex and meth offenders.
- ✓ Adds \$7.8 million for the management of sex offenders under corrections jurisdiction.
- ✓ Adds \$6.2 million for sex offender treatment.

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Governor Pawlenty's FY 2006-07 Budget



Department of Public Safety

- ✓ Changes to Predatory Offender system and funds for testing DNA samples
- ✓ Information systems investments:
 - Automated Fingerprint system upgrade,
 - Livescan replacements, CJIS Audit trail
- ✓ BCA agents to combat methamphetamine
- ✓ Gang Strike Force funding
- ✓ Crime Victim Assistance funding increase
- ✓ 911 fee increase of 25 cents for 1 year, then 10 cents

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Governor Pawlenty's FY 2006-07 Budget



Judicial Branch Agencies

- ✓ Adds \$20 million to recognize caseload increases for the courts and public defenders.
- ✓ Adds \$22.2 million for additional costs related to the sentencing of sex and meth offenders.
- ✓ Provides ongoing funding to the Board of Public Defense for loss of co-pay funding.
- ✓ Increases criminal/traffic surcharge by \$10 to assist with funding public safety initiatives.

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Governor Pawlenty's FY 2006-07 Budget



Other Agencies

- ✓ Governor recommends 2.5% reduction for the Attorney General, the same as for other constitutional officers and the legislature.
- ✓ Budget adds \$1.6 million to pay local government units for peace officer training costs, funded through drivers license reinstatement fees.
- ✓ Human Rights and other agencies maintain funding at current levels.

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Governor Pawlenty's FY 2006-07 Budget



Additional Budget Documents at www.finance.state.mn.us

Address: <http://www.budget.state.mn.us/budget/operating>

Bookmark

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- Agency Profile
- Fiscal Report
- Program: HEALTH IM
 - Narrative
 - Fiscal Report
- Activity: COMMUN
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 - Narrative
 - Fiscal Report
- Activity: HEALTH
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 - Fiscal Report

HEALTH DEPT Agency Profile

Agency Purpose
The primary mission of the Minnesota Department of Health (MDH) is to protect, maintain, and improve the health of all Minnesotans.

MDH is the state's lead public health agency and works with local public health agencies, federal health agencies, and other organizations to operate programs that protect and improve the health of entire communities, and programs that promote clean water, safe food, quality health care, and healthy personal choices.

Together, these programs are contributing to longer, healthier lives. As a result, Minnesota is consistently ranked one of the healthiest states in the country.

Core Functions
While MDH is perhaps best known for responding to disease outbreaks, the department's core functions are very diverse and far-reaching, and focus on preventing health problems in the first place.

Preventing Diseases MDH detects and investigates disease outbreaks, controls the spread of disease, encourages immunizations, and seeks to prevent chronic and infectious disease, including HIV/AIDS, TB, and cancer. The department's public health laboratories analyze some of the most complex and dangerous biological specimens in the state.

At A Glance
The Minnesota Department of Health (MDH) is one of the top state health departments in the country.

MDH has earned an international reputation for being on the cutting edge of disease detection and control and developing new public health methods.

MDH workforce of 1300 includes many MD's, PHDs, nurses, health educators, biologists, chemists, epidemiologists, and engineers.

MDH program resources are deployed in the Twin Cities and seven regional offices statewide, to better serve the state population.

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Governor Pawlenty's FY 2006-07 Budget

CORRECTIONS DEPT

Agency Overview

Dollars in Thousands

| | Current | | Governor Recomm. | | Biennium |
|---|----------------|----------------|------------------|----------------|----------------|
| | FY2004 | FY2005 | FY2006 | FY2007 | 2006-07 |
| <u>Direct Appropriations by Fund</u> | | | | | |
| General | | | | | |
| Current Appropriation | 358,654 | 362,871 | 362,871 | 362,871 | 725,742 |
| Recommended | 358,654 | 362,871 | 404,282 | 419,921 | 824,203 |
| Change | | 0 | 41,411 | 57,050 | 98,461 |
| % Biennial Change from 2004-05 | | | | | 14.2% |
| Special Revenue | | | | | |
| Current Appropriation | 1,000 | 1,000 | 1,000 | 1,000 | 2,000 |
| Recommended | 1,000 | 1,000 | 890 | 890 | 1,780 |
| Change | | 0 | (110) | (110) | (220) |
| % Biennial Change from 2004-05 | | | | | -11% |
| <u>Expenditures by Fund</u> | | | | | |
| Direct Appropriations | | | | | |
| General | 350,442 | 373,273 | 404,282 | 419,921 | 824,203 |
| Special Revenue | 698 | 1,000 | 890 | 890 | 1,780 |
| Statutory Appropriations | | | | | |
| General | 3 | 15 | 0 | 0 | 0 |
| Special Revenue | 14,558 | 18,936 | 16,066 | 16,126 | 32,192 |
| Federal | 14,356 | 9,832 | 5,976 | 2,261 | 8,237 |
| Miscellaneous Agency | 20,393 | 20,832 | 20,888 | 20,965 | 41,853 |
| Gift | 31 | 59 | 21 | 17 | 38 |
| Correctional Industries | 30,490 | 39,783 | 36,261 | 37,541 | 73,802 |
| Total | 430,971 | 463,730 | 484,384 | 497,721 | 982,105 |
| <u>Expenditures by Category</u> | | | | | |
| Total Compensation | 230,710 | 239,313 | 246,882 | 248,645 | 495,527 |
| Other Operating Expenses | 103,745 | 138,445 | 153,149 | 164,451 | 317,600 |
| Capital Outlay & Real Property | 10,207 | 91 | 91 | 91 | 182 |
| Payments To Individuals | 22,712 | 21,695 | 21,486 | 21,758 | 43,244 |
| Local Assistance | 63,577 | 64,186 | 62,776 | 62,776 | 125,552 |
| Other Financial Transactions | 20 | 0 | 0 | 0 | 0 |
| Total | 430,971 | 463,730 | 484,384 | 497,721 | 982,105 |
| <u>Expenditures by Program</u> | | | | | |
| Correctional Institutions | 317,457 | 343,625 | 363,260 | 376,456 | 739,716 |
| Community Services | 98,064 | 102,293 | 104,389 | 104,530 | 208,919 |
| Operations Support | 15,450 | 17,812 | 16,735 | 16,735 | 33,470 |
| Total | 430,971 | 463,730 | 484,384 | 497,721 | 982,105 |
| Full-Time Equivalents (FTE) | 3,722.4 | 3,898.2 | 3,966.4 | 3,968.0 | |

CORRECTIONS DEPT

Change Summary

| | FY2005 | Dollars in Thousands | | Biennium 2006-07 |
|--|---------|------------------------------|---------|---------------------|
| | | Governor's Recomm. FY2006 | FY2007 | |
| Fund: GENERAL | | | | |
| FY 2005 Appropriations | 362,871 | 362,871 | 362,871 | 725,742 |
| Technical Adjustments | | | | |
| Current Law Base Change | | (223) | (72) | (295) |
| End-of-session Estimate | | 10,728 | 17,267 | 27,995 |
| November Forecast Adjustment | 0 | 18,031 | 25,180 | 43,211 |
| One-time Appropriations | | (67) | (67) | (134) |
| Subtotal - Forecast Base | 362,871 | 391,340 | 405,179 | 796,519 |
| Change Items | | | | |
| Sex Offender Enforcement | 0 | 3,922 | 3,922 | 7,844 |
| Sex Offender Treatment | 0 | 3,100 | 3,100 | 6,200 |
| Health Services | 0 | 4,420 | 4,420 | 8,840 |
| Sex & Meth Offender Sentencing Changes | 0 | 1,500 | 3,300 | 4,800 |
| Total Governor's Recommendations | 362,871 | 404,282 | 419,921 | 824,203 |
| Fund: SPECIAL REVENUE | | | | |
| FY 2005 Appropriations | 1,000 | 1,000 | 1,000 | 2,000 |
| Technical Adjustments | | | | |
| Receipt Adjustments | | (110) | (110) | (220) |
| Subtotal - Forecast Base | 1,000 | 890 | 890 | 1,780 |
| Total Governor's Recommendations | 1,000 | 890 | 890 | 1,780 |
| Fund: GENERAL | | | | |
| Planned Statutory Spending | 15 | 0 | 0 | 0 |
| Total Governor's Recommendations | 15 | 0 | 0 | 0 |
| Fund: SPECIAL REVENUE | | | | |
| Planned Statutory Spending | 18,936 | 16,066 | 16,126 | 32,192 |
| Total Governor's Recommendations | 18,936 | 16,066 | 16,126 | 32,192 |
| Fund: FEDERAL | | | | |
| Planned Statutory Spending | 9,832 | 5,976 | 2,261 | 8,237 |
| Total Governor's Recommendations | 9,832 | 5,976 | 2,261 | 8,237 |
| Fund: MISCELLANEOUS AGENCY | | | | |
| Planned Statutory Spending | 20,832 | 20,888 | 20,965 | 41,853 |
| Total Governor's Recommendations | 20,832 | 20,888 | 20,965 | 41,853 |
| Fund: GIFT | | | | |
| Planned Statutory Spending | 59 | 21 | 17 | 38 |
| Total Governor's Recommendations | 59 | 21 | 17 | 38 |
| Fund: CORRECTIONAL INDUSTRIES | | | | |
| Planned Statutory Spending | 39,783 | 36,261 | 37,541 | 73,802 |
| Total Governor's Recommendations | 39,783 | 36,261 | 37,541 | 73,802 |