



2013 BUDGET

Hennepin County, Minnesota

As approved on December 11, 2012 by the

Hennepin County Board of Commissioners

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January 2, 2013

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Honorable Board Members,

I am pleased to present to you the approved 2013 Hennepin County budget and to discuss some of the 2012 results and on-going efforts.

The 2013 Hennepin County Budget totals \$1.78 billion and includes a net property tax levy of \$674.6 million. This is an overall budget increase of 2.9 percent compared to the adjusted 2012 budget and a 0.93 percent increase in the net property tax levy.

OVERALL BUDGET ENVIRONMENT

A continuing theme in establishing the county's budget the last several years has been that these are difficult times for government funding, with challenges that include the nation's economic downturn, uncertain funding from the state and federal governments, an aging infrastructure and growing needs for county services that every year are more costly to provide. Yet throughout these times, Hennepin County government has remained financially stable, maintaining our triple-A credit rating, trimming spending while working to provide excellent service at the lowest possible cost.

For 2013 and beyond, we expect that economic pressures nationally and locally will continue. The State of Minnesota budget is in better shape this year than in the recent past. But the 2011 government shutdown was an illustration of the difficulty the state has in making choices, and providing funding

for local government tends to rank lower than other state priorities. For the coming biennium, the state has forecast a \$1.1 billion shortfall that the Governor and the new State Legislature will have to address. At the federal level, although policy makers have addressed aspects of the so-called "fiscal cliff", they deferred action on automatic spending cuts that are now scheduled to take effect in February 2013. The net result is uncertainty for state and local governments, which will feel the impact should deep spending cuts be implemented.

The county continues to fund what is essential, but there is less flexibility to do so. We can cut back only so far before the services residents have come to expect can no longer be provided at the same level year after year. In 2012, we closed a service center and changed management of the Library collection by reducing the number of items that can be checked out per patron. These and other staffing and funding reductions have been difficult for an organization that takes pride in its reputation for outstanding public service. Nevertheless, the county is a resilient organization, and we have adapted, pursuing the innovation, partnerships and continuous improvement that are vital to the bottom line, and ultimately and most importantly, to the satisfaction of county residents.

THE CHANGING ENVIRONMENT

The county environment is changing and we must adapt accordingly, no matter whether our resources are increasing or declining. One important factor is the aging of the Baby Boomer generation. Between 1990 and 2010, the number of county residents older than age 46 increased by 70 percent. People age 65 and older now make up 11 percent of our county population. By 2035, they will account for 20 percent. People also are living longer, and an aging population will need more of many kinds of county health and social services. In the county's own workforce, more than half of our employees are Baby Boomers. Many will be retiring over the next several years. This is a change for which the county organization must prepare.

The ethnic diversity of the county's population is also in flux. The U.S. Census bureau forecasts that nationally birthrates for the white population will continue to fall, as birthrates rise among Latinos, Asians and people of more than one race. The future will bring into sharp contrast the needs of an increasingly diverse young generation with a largely white older population. But diversity is not only about age or ethnicity. It includes varying perspectives, abilities, work skills and education levels. The county has a wide range of responsibilities in serving a diverse population – and there is also a wide range in what people expect in county services.

Also driving change for the county is the rapid advance of technology -- along with the public's expectations for convenient and accessible online services. The county's utilization of new technology is necessary, but we must ensure that choices are effective and worth the expense. Expansion of eGovernment is an absolute necessity to allow people more access to services online.

This is a time of more skepticism in public attitudes about the role and effectiveness of government. That is one reason we take care in explaining the relationship between the property taxes residents pay and the services they receive. An important avenue for this is our well-attended Citizens Academy -- a series of seven evening

sessions in the spring and the fall for residents who want more information about what the county does and how it operates.

RESPONDING TO CHANGE

To develop long-term strategies that will allow us to be successful, the county is using several approaches to respond to external funding pressures and the changing environment. One approach is continuous improvement in order to transform Hennepin County's organizational culture in ways that preserve the value of services to customers but streamlines the work. Continuous improvement is a mind-set, and a range of techniques such as LEAN principles and Six Sigma methods that have been proven to work in the public and private sectors. We are involving all levels of the organization in this effort -- from front-line employees to senior management. And we are getting input and feedback from customers, community agencies and businesses. In addition, we are changing our work environment by stepping back from day-to-day routines to review the purpose of the work we do from the customer's perspective.

Some of our responses to the challenges outlined above include the following redesign efforts and expanded external relationships that will result in real savings over time.

- The Human Services and Public Health Department (HSPHD) is beginning to move direct social services into community-based sites throughout the county. This regional approach to service delivery will allow HSPHD to more consistently connect clients with a continuum of services provided by non-profit organizations in their neighborhood.

Residents have indicated that this type of access is what they prefer. In our pilot efforts over the past year, we have seen that people give higher satisfaction ratings -- and are more successful at reaching their goals -- when services are delivered nearer to where they live. Residents will seek services for problems earlier, if those services are close to home, and that

reduces the number of clients requiring more expensive, late-end services. The county will save by building these regional sites using a flexible office space model where staff shares workspace and have less parking and mileage expenses.

In October, Hennepin County opened the first primary regional service site in Brooklyn Center in partnership with the Osseo School District and the Community Emergency Assistance Program. In 2013, we plan to open regional sites in south Minneapolis and in the southern and western suburbs. Regional sites in downtown Minneapolis and north Minneapolis will follow in 2014.

- HSPHD has developed a new Client Service Delivery Model in conjunction with the opening of the regional sites. The model features a holistic approach for clients, from initial assessment toward the goals of stability, safety and independence, whenever possible. Clients provide background information only once. They are the key to setting and achieving personal goals. The clients get access to information and services at one location, and they are connected to resources through coordinated case management. The clients hear a consistent message about what is expected of them and why. With this model HSPHD expects clients to achieve better outcomes more quickly.
- In Community Corrections and Rehabilitation, we are pursuing evidence-based practices, such as training probation officers in new skills for assessing offender risk. We get the greatest improvement in public safety when we focus resources on the highest-risk offenders, whether they are on probation or in one of our correctional facilities. Other jurisdictions have found the use of these practices reduced criminal recidivism by as

much as 10 to 60 percent. We already are replacing extensive stays for some youth at the County Home School with community-based programming.

- The merger of the Minneapolis Public Library with the Hennepin County Library in 2008 brought together two collections that use different classification systems. This has negative cost, workflow and service implications. Converting the libraries to a single system will cost \$800,000, but the return on investment is expected to take just three years -- with ongoing annual savings projected at \$300,000.
- Data collected from the Hennepin County Library system show ongoing changes in patron use. For example, the Library saw the use of eBooks and other downloadable content go from 130,000 items in 2010 to 750,000 items in 2012 – nearly a fivefold increase. The Library Board is developing a new policy to guide the development, delivery and evaluation of services in the future. Library staff is creating a service portfolio that will clearly describe to the public the types of services offered in Library buildings, online and in the community.
- Nearly 300,000 visitors a month rely on the county website, *Hennepin.us*, for information, products, and services. This fall, the county is launching a user research and website design project in order to offer better access by mobile devices and facilitate online transactions.

PARTNERING FOR SUCCESS

Hennepin must develop more relationships with other public jurisdictions, nonprofits and businesses. Where responsibilities and needs are aligned, leveraging resources and working together should produce better results. Hennepin is taking the lead in the merger of medical examiner offices in which Hennepin County will provide forensic

services to Dakota and Scott counties. Hennepin County Medical Examiner, Dr. Andrew Baker, has championed the consolidation of these services, which will open the door to creating a regional center of forensic excellence that offers the highest quality death investigation services. This merger will enable counties to share staff, equipment and overhead. The consolidation addresses an even more critical issue – a national shortage of forensic pathologists. The partnership is expected to sustain a model of service long into the future that can attract, retain and train the best doctors and death investigators in the field.

Two areas in which the county regularly forms new partnerships are the Hennepin Youth Sports Program, which builds or refurbishes sports facilities throughout the county, and the Transit Oriented Development (TOD) program, designed to spur economic development and housing along transit corridors. An example of the success of the Youth Sports Program is the Northwoods Park project in Brooklyn Park where a grant from the county and \$200,000 from Pepsi, awarded through the Minnesota Twins, financed a competition-level wheelchair softball field. A recent TOD project is Longfellow Station, along the Hiawatha light rail transit (LRT) line, transforming a former industrial eyesore into 180 housing units and \$30 million in total development value.

The Human Services and Public Health Department's effort to regionalize the delivery of services relies partly on relationships with nonprofits and private agencies in the community. Some will be co-located in our regional centers to share space, reduce costs and better serve clients.

The development of the Interchange, a major regional amenity being constructed near Target Field in downtown Minneapolis, involves a considerable amount of interagency cooperation among local, state and federal agencies. The Minnesota Twins are also contributing funds to this important facility which will serve as a multi-modal transportation hub and gathering space bringing together the current Hiawatha LRT

and Northstar commuter rail lines with the Central LRT line in 2014 and the Southwest and Bottineau LRT lines in the future.

APPROVED 2013 BUDGET

The approved 2013 Hennepin County budget totals \$1,779,178,731. This is an overall budget increase of 2.88 percent or \$49.9 million from the \$1.73 billion adjusted 2012 budget. The net property tax levy for 2013 is \$674,616,060 which is approximately \$6.2 million or 0.93 percent more than the 2012 level. The operating portion of the budget totals \$1.41 billion, an increase of \$27.9 million or 2.0 percent from the adjusted 2012 budget. The capital budget is \$182.9 million, a decrease of \$13.0 million, or 6.7 percent lower than the adjusted 2012 capital budget.

The approved 2013 budget provides funding for a general salary adjustment for the first time since 2009. Many 2013 department budgets are reduced or show little increase when compared to 2012. The 2013 budget does include an increase for the one-time purchase of replacement voting equipment next year in the Taxpayer Services budget. Much of our current voting equipment is more than 13 years old. It is unable to meet some current requirements, such as rank-choice voting used by some city governments. The cost to the county will be about \$4.1 million, with a state grant of \$917,000 funding the remainder needed.

The economic effects of the Great Recession that began in 2008 are still being felt. Initially, unemployment and home foreclosures soared. Property values plummeted. Funding for local government sank and investment income dropped due to low interest rates. This created a paradox of rising needs for county services during a time when resources were dwindling. Over the last four years we have seen that:

- Cash assistance payments have grown by 10 percent.
- Food support cases have increased by 69 percent.
- Monthly calls to Child Protection Services are up 28 percent.

- The ratio of cases per Human Services representative continues to increase, leading to a lower level of service per customer and the potential for a higher risk of errors in administering assistance programs.
- The costs for uncompensated care at Hennepin County Medical Center and its clinics is an ongoing challenge, and the county share is increasing. This is primarily due to the reduced funding for Emergency Medical Care by the state. Legislation in 2012 mitigated the anticipated risk of more than \$6.0 million in increased uncompensated care due to restricted funding for emergency medical care. The county has been aggressive in seeking coverage from the state for every eligible patient. Nevertheless, we anticipate the effect of the Emergency Medical Assistance change to result in an additional \$4.0 million in uncompensated care in 2013 -- an increase of 20 percent compared to the 2012 budget.

Turning to the capital budget, \$52.6 million for projects at the Medical Center have been included for facility preservation, inpatient improvements and initiation of a suburban primary care facility in the western suburbs. The Human Services and Public Health Department's plan for six regional hubs along with several satellite facilities is funded by \$9.7 million in additional capital bonding. With regard to bonded indebtedness, the debt service in the 2013 budget and related property tax is higher than 2012 levels. This is necessary to cover increased principal and interest payments on existing debt, and to accommodate proposed additional debt in 2013. The approved budget for debt service is \$149.7 million, or \$30.4 million more than in 2012, and the property tax for debt service is \$80.2 million, up \$2.5 million from 2012.

Hennepin County market values, which peaked with the 2007 assessment at \$148.2 billion dollars, have decreased every year since to the current level of \$123.6 billion for taxes payable in 2013. While the market values of all the major market sectors --

single-family residential, multifamily, and commercial-industrial -- have decreased, they have not changed at the same rate. Over the past three assessment periods, residential properties have had larger value reductions than commercial and industrial properties, and commercial-industrial properties have had larger reductions than apartments properties. With these different changes in market value some market sectors have picked up a larger portion of the total tax. As an example of this tax shift, in certain areas of the county residential properties have had double-digit reductions in value while others are more stable. Thus, there is a tax shift to the more stable residential properties.

CURRENT PROJECTS AND OUTCOMES

Hennepin County serves its community well, even during tough times. Here are some examples of accomplishments and current projects.

- In October, we celebrated the grand opening of the new Lowry Avenue Bridge. Planning for a new bridge began in 2007 and the old span was closed for safety reasons in 2008. The new structure restores the vital connection between north and northeast Minneapolis, a connection across the Mississippi River that goes back to 1905. Although budgeted at \$104.2 million, it is expected the total cost of the bridge will be approximately \$8 million less due to favorable bids and construction conditions.
- The county bridge on Lyndale Avenue over Minnehaha Creek also reopened in October. This is the last portion of an extensive, multi-year reconstruction of Lyndale Avenue in south Minneapolis.
- In July, construction began on the Interchange project in downtown Minneapolis. Thousands of people will pass through the Interchange each day, opening up potential redevelopment opportunities that complement the light rail and

commuter rail station, Target Field, the Minneapolis Farmers Market and the surrounding area. Completion of the project is expected in 2014 in time for the start of the Central Corridor light rail line's operation.

There are also a number of other major projects under way.

- In Brooklyn Park, schematic design work will soon begin on a \$23.5-million library with between 35,000 and 40,000 gross square feet and an adjacent surface parking lot. A special feature in the library's multipurpose room will utilize videoconferencing in an effort to connect patrons with other people around the world. A Teen Learning Lab digital media literacy space also is planned. Construction is to begin in 2014, with completion in 2015.
- A new 7,200 gross square foot library will be built in downtown Excelsior at a cost of \$5.7 million. Construction is anticipated to start in mid-2013, with completion in 2014. The new library will provide for a refreshed collection, more public computers, and spaces for reading, study, and meeting. Sustainable building components are another feature of this facility.
- Hennepin's Walker Library in Minneapolis has closed so that new construction may begin. This \$12.0 million project includes demolition of the old library, re-use of some of the building's structural components, and construction of a 31,000 gross square foot building that will include an underground parking facility. Generous use of glass will provide natural light and visual connections to Hennepin and Lagoon Avenues. Walker patrons will find more computers, a new teen collaboration space and ample bike parking when the library opens in 2014.
- The historic Hennepin County Roosevelt Library in Minneapolis is undergoing renovation with a budget of \$3.2 million. The building will be made fully accessible, and will comprise approximately 5,500 gross square feet, with a new book return and more public computers. Mechanical and electrical systems and the sanitary sewer line will be replaced, and a fire sprinkler system installed. Completion is expected in mid-2013.
- The county continues retrofitting facilities in an effort to become more energy efficient and use fewer resources. Since 2008, Property Services has reduced its energy use by 11 percent. Over the past four years, more than half of the county's building square footage has been recommissioned, and 18 buildings are getting a "tune-up" this year. Lighting improvements have been implemented in nearly every county building. In addition, an increased focus on water conservation has resulted in the installation of more efficient restroom fixtures.
- A draft environmental impact statement on the Southwest light rail transit (LRT) line was published in 2012. Preliminary engineering on the project is scheduled to begin in early 2013. The line covers about 14 miles between Eden Prairie and downtown Minneapolis. Work is proceeding also on the Southwest LRT Corridor Community Works Project, which is coordinating the planning and design of infrastructure investments along the corridor. Estimated costs and user benefits indicate that the LRT project would likely qualify for New Starts federal funding of up to 50 percent of capital costs.
- Planning is not as far along on the proposed Bottineau Transitway, a project that will make transit improvements in the highly traveled northwest area of the Twin Cities. The Bottineau Transitway extends approximately 13 miles from

downtown Minneapolis to Osseo, and may serve a broader area to the northwest. Decisions were made in 2012 concerning the alignment and transit mode for the Bottineau project, but more work is needed to secure approval of all affected cities. The Transitway investments under study for the Bottineau project would also maintain or enhance local bus service in north Minneapolis and the northwest suburbs.

Both Southwest LRT and the Bottineau Transitway will connect at the new Interchange to the Hiawatha and Central Corridor light rail lines, and to Northstar commuter rail.

Significant progress has been made on some of the major challenges that we face now and will extend well into the future:

- In July, the board unanimously approved a new Diversity and Inclusion Policy for Hennepin County that supports what our organization values -- employee empowerment, inclusion, diversity and effective communication. It also reinforces our belief in the fundamental business principle that diversity makes the county workforce stronger. This commitment will better position Hennepin to address the needs and challenges of our workforce and the community we serve.
- Under the solid waste management master plan, Hennepin has made significant progress to increase the countywide recycling rate to nearly 50 percent by 2015. All of our cities will be collecting the same materials by the end of this year, and Minneapolis is implementing single-sort recycling. We have enhanced our education efforts with a new recycling campaign, and awarded grants to schools to improve their recycling programs.
- As part of the federal Affordable Care Act, the county has formed an

Accountable Care Organization -- called Hennepin Health -- that is intended to: (1) improve health outcomes; (2) improve customer and staff satisfaction; and (3) reduce average costs per customer through better coordination and a model of "right care at the right time" to reduce more expensive costs downstream. Health care reform is critical to our community. The increase in uncompensated care at HCMC and the significant increase in requests for county services clearly support the case for a holistic approach to providing care to those most in need.

CONCLUSION

As always, the accomplishments and outstanding service provided by this county are the results of a smart and committed workforce. I want to thank all of the employees for what they do every day to ensure the quality of life that we all have come to expect in Hennepin County. Our employees are our most valuable resource and we need to be as committed to them as they are to our residents. I also want to thank the department directors. Each year they have been challenged to continue to provide the existing or better level of service with reduced resources in order to meet budget targets. Each year they have responded in new and creative ways.

Finally, I want to express my appreciation to you, the members of the County Board, for your leadership and dedication. Looking ahead, I believe the future will continue to be challenging, but this county is resilient and creative and I have no doubt that it will continue to take on the new initiatives and responsibilities that this community requires in order to continue to be one of the best places to live and work.

Respectfully submitted,



David J. Hough
Acting County Administrator

The 2013 Hennepin County Budget Process

Preparation of the annual budget begins eleven months prior to the start of the fiscal/calendar year with the distribution in February of the five-year Capital Improvement Program (CIP) instructions to departments. In late April, the Office of Budget and Finance (OBF) distributes the operating budget instructions. These instructions provide guidelines and parameters from County Administration and the Executive Team to departments in the preparation of their 2013 operating and capital budget requests. The schedule on page 10 identifies key stages in the formulation of the operating and capital budgets.

Over the last several years, a persistent theme in establishing the county's budget has been one of difficulty in government funding, with challenges that include the nation's economic downturn, uncertain funding from state and federal governments and growing needs for county services that every year are more costly to provide. The economy is gradually showing signs of improvement. The State of Minnesota budget shortfall for the coming biennium is less than in previous years. While in the short term we are seeing signs of economic improvement, the longer term public sector fiscal outlook remains uncertain. The federal budget deficit widened during the recession and efforts to shrink the federal budget gap will impact state and ultimately local government budgets. Additionally, demographic trends will create stresses on county revenues and service demands.

To meet these future fiscal challenges the county continues to stress the innovative redesign of county service delivery with a goal of reducing county costs and maintaining structural balance.

The following organizational values guided the preparation of the 2013 budget:

- Provision of appropriate sustainable services to customers with the resource level available.
- Continuous development and engagement of our workforce to reflect innovation, creativity, and diversity in planning for the future.
- Development of collaborative relationships through partnerships with other governmental units, school districts, communities, non-profits, foundations and others.
- Strengthen internal and external collaboration to increase efficient and effective service as an enterprise.
- Strengthen the role of the community, the use of volunteers and the commitment of each of us individually in supporting our community.
- Use of technology to increase Hennepin County residents' satisfaction, ease of use and knowledge of our services.

In April, the County Administrator issued budget guidelines and property tax targets for each business line/department, directing most departments to submit budgets with property tax decreases of 2 percent from their 2012 property tax budget.

Departments submitted budget requests to OBF on June 29, 2012. During July and August, department staff met with County Administration and OBF to clarify and resolve areas of concern. "Truth-in-Taxation" statutes established in 1989 by the State of Minnesota require that a proposed budget and maximum tax levy be

approved by September 15 every year. On September 11th, the County Administrator recommended to the Hennepin County Board of Commissioners a maximum levy of \$675.1 million, a one percent increase over the adjusted 2012 budget and the County Board approved a maximum levy at the \$675.1 million level.

On September 25, 2012, the County Administrator presented a proposed budget within the context of the current state of the economy, the County Board's mission and vision statements and the maximum levy approved by the County Board. During October and November, the County Board held a series of public hearings in which Hennepin County citizens, contracted service providers, taxpayers and clients were given the opportunity to testify on the proposed budget.

The "Truth-in-Taxation" statutes require that the county send out proposed property tax notices to all taxpayers in November based on the maximum proposed levy set by the County Board in September. In addition, the statutes require that the county hold a public hearing where the proposed budget and levy are discussed. This hearing must occur after November 24 at 6:00 PM or later. The time and place of this hearing must be announced during the meeting where the preliminary levy is adopted and subsequently published in the minutes of that meeting, and included with the parcel-specific notices sent to taxpayers.

The County Board held its public hearing at 6:00 PM on November 27, 2012. On December 11, the County Board adopted the 2013 budget by resolution, authorizing appropriations and establishing staffing complements for county departments.

The final approved property tax levy for 2013 is \$674.6 million, a .93 percent increase from 2012.

Other Governmental Unit Budgets

In conjunction with the Hennepin County budget process, other governmental units associated with the county also create budgets during the same time period.

The Hennepin County Regional Railroad Authority (HCRRA) was established to plan, design and implement light rail transit in Hennepin County. The final approved HCRRA 2013 budget is \$26,518,742, with a property tax levy of \$21,000,000.

The Hennepin County Housing and Redevelopment Authority (HCHRA) was established to serve the housing, economic development and redevelopment needs of the citizens of Hennepin County and its municipalities. The final approved HCHRA 2013 budget is \$14,710,894, with a property tax levy of \$6,433,881.

Hennepin Healthcare System, Inc. is a public subsidiary corporation of the county which does business under the name Hennepin County Medical Center (HCMC). Although the HCMC budget is not included in the county budget, Minnesota Statutes section 383B.908 subd. 5 require the county board to approve the annual budget of HCMC. The approved 2013 HCMC operating budget is \$769,588,000. Although there is no property tax levy directly associated with the HCMC budget, the county makes various payments to HCMC which are funded with property taxes. The largest of those payments are discussed in the Health section of this book.

2013 BUDGET PROCESS CALENDAR

Current Fiscal Year	2013 Operating Budget	2013 - 2017 Capital Improvement Program	Related Activities
January			2012 Fiscal Year begins
February		2013 - 2017 Capital Budget Instructions Distributed	
March		Departmental Preliminary Capital Project Requests submitted to Property Services	Recap of FY 2011 Financials Completed & Distributed
April	2013 Operating Budget Instructions & Targets Distributed		
May	Departments develop 2013 Budget Requests consistent with Property Tax Targets and other Budget Guidelines	Capital project descriptions & cost estimates returned to departments; Departments finalized capital project requests; and Departments meet with County Administration regarding CIP as required	
June			
July	2013 Department Budget Requests due County Administration & Budget Office review and discuss budget requests with departments	Capital Budgeting Task Force (CBTF) meets with departments to review 2013 - 2017 capital improvement program requests	2nd Quarter 2012 Financials/Year-end Projections Completed & Distributed
August			
September	County Board Briefing on 2013 budget & tax levy; County Board adopts maximum proposed property tax levy for 2013; and County Administrator presents Proposed 2013 Budget	CBTF finalizes its recommended 2013 - 2017 CIP; County Administrator finalizes the proposed 2013 Capital Budget	
October	Beginning in October, the County Board holds a series of public hearings to review and discuss proposed 2013 operating and capital budgets, and proposed fee schedule revisions		3rd Quarter 2012 Financials/Year-end Projections Completed & Distributed
November	Truth-in-Taxation notices mailed to all property owners The County Board holds public hearings to consider amendments to the proposed 2013 operating and capital budgets; and holds a public meeting for budget and levy discussion.		
December	County Board approves a final 2013 property tax levy and adopts a 2013 Operating and Capital Budget; and Budget Office finalizes property tax levy certifications and reporting to State agencies.		2012 Fiscal Year ends

Budget/Financial Planning Processes

The annual budget process incorporates several short and long-term planning processes.

- The foundation of the annual budget is the five overarching goals first established by the County Board in 1999, found on page 1-2 of this document.
- The five-year Capital Improvement Program (CIP), which includes the 2013 Capital Budget as the first year of the program, is another example of an annual planning process that the county conducts. The CIP is reviewed and amended each year with the assistance of the Capital Budgeting Task Force (CBTF), an eleven member advisory committee of citizens appointed by the Hennepin County Board of Commissioners. Specific details of the county's capital projects and the CBTF's Report are contained within a separate document, **2013 Capital Budget and 2013-2017 Capital Improvement Program**. An itemized list of the authorized 2013 capital projects and their authorized appropriations are contained in Section VIII of this document.
- The county's APEX system, which incorporates financial, human resources

and procurement data into a single integrated system, was launched on January 1, 2011. The system allows county employees to track processes, query data and run reports on an on-going basis. The budget module of the APEX system incorporates both the annual operating budget and the five year Capital Improvement Program and is used throughout the planning process to create draft budgets culminating in County Board consideration and adoption of the final budget.

- The Office of Budget and Finance prepares interim financial reports at the fund and departmental level to increase participation and accountability throughout county government. These reports provide the County Board and County Administrator critical financial information needed for sound fiscal management decision-making as the fiscal year progresses.

In addition to these formalized planning processes, the county has incorporated a number of other short-term or ad-hoc planning groups to study and make recommendations on a variety of discussion issues.

The 2013 Hennepin County Property Tax Process

Tax Base

Minnesota's property tax system is generally considered to be one of the most complex in the country. The tax base starts with Estimated Market Value (EMV), which is set by county or local assessors. The amount of value that is actually used in computing taxes is Taxable Market Value (TMV). Differences between the two are the result of specific market value exclusions adopted by the state legislature, such as the exclusion for qualifying disabled veterans.

Property taxes in Minnesota are ultimately based on a local jurisdiction's total tax capacity, or tax base. The tax capacity of an individual property is determined by multiplying the property's taxable market value by the relevant class rate or rates. The use of a particular property determines which class rate is applied. For example, a property with a primary use as residential has a lower class rate than a property that has a use that is primarily commercial or industrial. These rates are set in statute and are uniform throughout the state.

Estimated Market Value (EMV)

Estimated market value represents the selling price of a property, given a willing buyer and seller. In the assessment year 2012, for taxes payable in 2013, the county's total EMV was \$123.6 billion, a decline of \$4.5 billion, or 3.5 percent, from taxes payable in 2012. In Minneapolis, property values decreased by \$1.0 billion, or 3.1 percent. Suburban property values fell by \$3.5 billion, or 3.7 percent.

For the third year in a row, both the City of Minneapolis and suburban Hennepin saw a decline in value for residential properties which represent 70.8 percent of all property in the county. In Minneapolis, residential values fell by 5.0 percent, respectively. In

the suburbs, residential property values declined by 5.5 percent.

Suburban properties account for 73.7 percent of Hennepin County's estimated market value with the remaining 26.3 percent in the City of Minneapolis. Residential property accounts for the majority of the property value in both Minneapolis (66.1 percent) and suburban Hennepin County (72.3 percent).

Apartments comprise 6.8 percent of Hennepin County's total EMV and are less prevalent in the suburbs than in Minneapolis where they are 10.3 percent of total EMV. There is also a larger percentage of commercial and industrial property value in Minneapolis (22.3 percent of EMV) than in suburban areas (20.2 percent of EMV).

**Final Pay 2013 Estimated Market Value
Hennepin County
Includes Personal Property
(in millions)**

Suburban

<u>Property Type</u>	<u>Pay 2012 Suburbs</u>	<u>% Total</u>	<u>Pay 2013 Suburbs</u>	<u>% Total</u>	<u>Percent Change 2012-2013</u>
Apartment	\$4,866.4	5.1%	\$5,093.1	5.6%	4.7%
Residential	69,713.8	73.8%	65,859.2	72.3%	(5.5%)
Farm	665.8	0.7%	644.5	0.7%	(3.2%)
Comm./Ind.	18,278.3	19.3%	18,365.6	20.2%	0.5%
Other	35.6	0.1%	33.5	0.1%	(6.0%)
Personal Prop.	<u>949.4</u>	<u>1.0%</u>	<u>1,042.7</u>	<u>1.1%</u>	<u>9.8%</u>
Total	\$94,509.3	100.0%	\$91,038.6	100.0%	(3.7%)

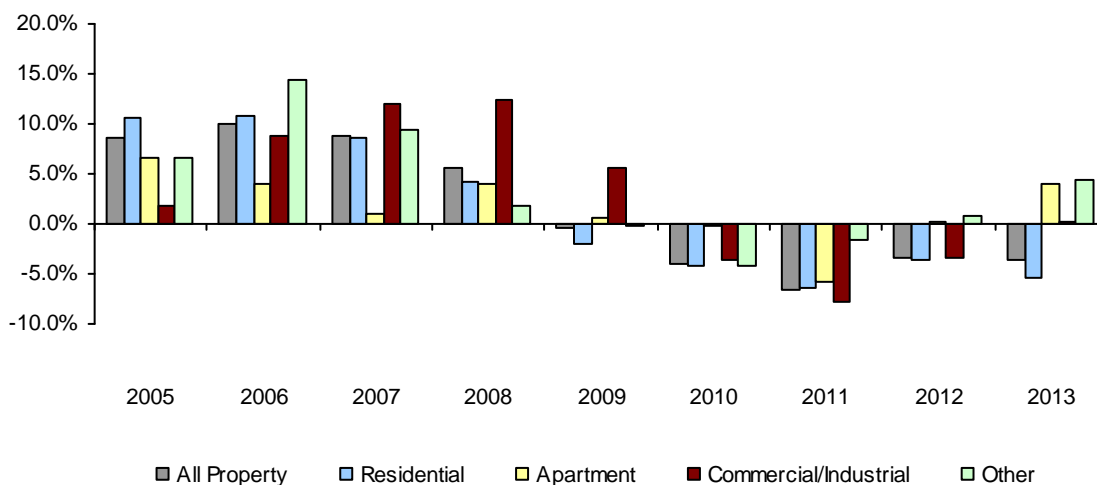
Minneapolis

<u>Property Type</u>	<u>Pay 2012 Minneapolis</u>	<u>% Total</u>	<u>Pay 2013 Minneapolis</u>	<u>% Total</u>	<u>Percent Change 2012-2013</u>
Apartment	\$3,266.2	9.7%	\$3,363.8	10.3%	3.0%
Residential	22,638.8	67.4%	21,512.9	66.1%	(5.0%)
Farm	1.5	0.0%	1.5	0.0%	(0.3%)
Comm./Ind.	7,288.1	21.7%	7,263.2	22.3%	(0.3%)
Other	20.7	0.1%	20.4	0.1%	(1.4%)
Personal Prop.	<u>384.1</u>	<u>1.1%</u>	<u>406.5</u>	<u>1.2%</u>	<u>5.8%</u>
Total	\$33,599.3	100.00%	\$32,568.3	100.0%	(3.1%)

Countywide

<u>Property Type</u>	<u>Pay 2012 County</u>	<u>% Total</u>	<u>Pay 2013 County</u>	<u>% Total</u>	<u>Percent Change 2012-2013</u>
Apartment	\$8,132.7	6.3%	\$8,456.9	6.8%	4.0%
Residential	92,352.6	72.1%	87,372.2	70.7%	(5.4%)
Farm	667.3	0.5%	645.9	0.5%	(3.2%)
Comm./Ind.	25,566.3	20.0%	25,628.9	20.7%	0.2%
Other	56.3	0.1%	53.8	0.1%	(4.5%)
Personal Prop.	<u>1,333.4</u>	<u>1.0%</u>	<u>1,449.2</u>	<u>1.2%</u>	<u>8.7%</u>
Total	\$128,108.5	100.00%	\$123,606.9	100.00%	(3.5%)

Change in Estimated Market Value



Tax Capacity

Tax capacity is the county's tax base, after the state-determined tax classification rates are applied to taxable market value. Tax capacity acts as one of the major determinants of tax incidence, a measure of which properties bear the burden of the property tax levy. For example, residential properties valued under \$500,000 convert to tax capacity at a rate of 1.0 percent of Estimated Market Value (EMV), while commercial properties convert at a rate of 2.0 percent of EMV in excess of \$150,000. This shifts the distribution of the tax burden between property types. On a countywide basis, residential property makes up 70.7 percent of the EMV, but after the conversion to (unadjusted) tax capacity, residential properties comprise 56.8 percent of total tax capacity. Similarly, commercial/industrial property represents 20.7 percent of the countywide EMV, but the tax capacity of those commercial/industrial properties accounts for 34.0 percent of the county's total tax base.

There are two state programs which further shift the tax burden between property types and are set by jurisdictions other than

Hennepin County. They are the Metropolitan Fiscal Disparities Program and Tax Increment Financing.

- The Metropolitan Fiscal Disparities Program was created by the state legislature and shares the growth in the commercial/industrial tax base between municipalities in the 7-county metropolitan area. In 2013, approximately \$22.5 million in taxes paid by Hennepin County taxpayers will be used to support services in other counties.
- Tax Increment Financing (TIF) districts, which are established by city governments, exclude portions of the tax base to finance redevelopment efforts. In 2013, approximately \$33.2 million in taxes will be used to pay for improvements in TIF districts located throughout the county and unavailable to support county and school programs. These programs increase the tax burden on all other properties. After adjusting for the fiscal disparities contribution and TIF, the tax burden shifts back onto residential, apartment, and other properties.

Property % of Total	Estimated Market Value	Tax Capacity	Net Tax Capacity
Residential	70.8%	56.8%	61.6%
Commercial/ Industrial	20.7%	34.0%	28.5%
Apartment	6.8%	6.8%	7.4%
Other/Personal	1.7%	2.4%	2.5%
Total	100%	100%	100%

Tax capacity is adjusted for fiscal disparities and TIF to get the net tax capacity. The property tax levy is divided by the net tax capacity of all real and personal property in the county to determine the tax capacity rate. That rate then will be applied against the adjusted tax capacity of real and personal property in Hennepin County. For taxes payable 2013, the total adjusted tax capacity of taxable property in Hennepin County is estimated to be \$1.4 billion, a 2.1 percent decrease from taxes payable in 2012.

Residential property tax bills are impacted by 2011 legislation that created the Homestead Market Value Exclusion Program. The exclusion provides that for a home valued at \$76,000, 40 percent of the home's market value is excluded from its value for property tax calculations. The amount of value excluded decreases as the value of a home increases, with homes valued over \$413,700 receiving no exclusion.

Tax Levy Process

The process for establishing and certifying the property tax levy is prescribed by Minnesota Statutes, Section 275.065. For taxes payable in 2013, local governments were required to adopt a maximum property tax levy by September 15, 2012 and to send out proposed property tax notices between the 10th and 24th of November. Local governments were also required to hold a meeting after 6 pm where the public was allowed to speak and the 2013 budget and

levy were discussed. The final 2013 tax levy had to be adopted and certified to the County Auditor by December 28, 2012. Hennepin County met all of the statutory requirements for establishing the 2013 property tax levy.

After the county has determined its property tax requirements for the budget year, the budget requirement is increased by a factor to compensate for delinquent and uncollectible taxes and refunds of prior-year taxes. The collection factor for 2013 is 97.0% and therefore, an additional 3.0% is applied to the property tax requirement of county funds (except in the case of debt service funds where the collection factor is regulated by law) to produce the amount of property tax to be levied.

**Hennepin County Board/
Welfare Board**



**Hennepin County, Minnesota
1\$##-2012**

County Administrator
Richard P. Johnson

Deputy County Administrator
David J. Hough

Assistant County Administrator
Human Services and Public Health
Daniel E. Engstrom

Assistant County Administrator
Public Works
Debra R. Brisk

Medical Center Systems
David Jones
(interim)

Budget and Finance
David Lawless

Criminal Justice Coordinating Committee

County Assessor
James Atchison

Human Services and Public Health Areas
Jennifer DeCubellis
Curt Haats
Rex Holzemer
Deborah Huskins
Todd Monson
Donald Sabre
Milton Schoen

Environmental Services
Carl Michaud

Metropolitan Health Plan
Karen Sturm
(interim)

Emergency Management
Eric Waage

Examiner of Titles
Kimball Foster

Housing, Community Works and Transit
Philip Eckhart

NorthPoint Health and Wellness Center
Stella Whitney-West

Human Resources
Rafael Viscasillas

Human Resources Board

Information Technology
Judy Regenscheid

Public Works Management Support
Maurice Gieske

Intergovernmental Relations
Mary Beth Davidson

Medical Examiner
Dr. Andrew Baker

Joint Committee Community Corrections

Transportation
James Grube

Internal Audit
Karen Marquardt

Audit Committee

Property Services
Judith Hollander

Community Corrections and Rehabilitation
Thomas Merkel

Labor Relations
William Peters

Purchasing and Contract Services Div.
Christopher Gran

District Court Administration
Mark Thompson

Judges

Library
Lois Thompson

Library Board

Taxpayer Services
Mark Chapin

Office of the County Attorney
Michael O. Freeman

Public Affairs
Carolyn Marinar

Office of the Public Defender
William Ward

State Board of Public Defense

Research, Planning and Development
Sherrie Simpson

Office of the Sheriff
Richard Stanek

Law Library
Edward Carroll

Trustees of the Law Library



Hennepin County

2013 BUDGET

Adopted

Mission:

The mission of Hennepin county is to enhance the health, safety and quality of life of our residents and communities in a respectful, efficient and fiscally responsible way.

Description and Goals:

Vision:

We envision a future where residents are healthy and successful and where our communities are safe and vibrant. We strive to meet and exceed expectations by engaging people and communities in developing innovative solutions to challenges. We will be a diverse, learning organization. We will partner with others to enhance the quality of life in Hennepin County and the region.

Overarching Goals:

Healthy - People are healthy, have access to quality health care and live in a clean environment.

Protected and Safe - People are safe from harm through prevention, early intervention and treatment services, and through enhanced public safety.

Self-Reliant - People achieve success with the support of essential services, have access to affordable housing and opportunities for life-long learning.

Assured Due Process - People are assured equal protection of the laws through an adversarial and respectful system designed to assure fairness and reliability in the ascertainment of liability, guilt and innocence.

Mobile - People and goods move easily and safely throughout the county and the region, via an integrated system of transportation.

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$646,077,765	\$647,061,110	\$656,232,680
Taxes - Other	38,474,529	33,080,768	35,239,635
Federal	169,468,294	184,971,407	156,631,448
State	185,734,023	195,207,059	171,193,320
Local	41,326,435	68,879,499	60,915,237
Fees and Services	313,569,514	387,641,962	403,610,897
Bond Proceeds	60,000,000	42,602,750	110,593,641
Other Revenue	109,488,053	169,871,835	184,761,873
Total Revenues	\$1,564,138,612	\$1,729,316,390	\$1,779,178,731
Public Works	\$114,565,022	\$119,838,065	\$121,968,037
Public Safety	250,392,863	253,648,024	256,937,946
Health	243,196,614	328,455,633	346,317,360
Libraries	65,935,700	69,900,068	70,139,701
Human Services	443,134,271	445,778,302	450,442,937
General Government	284,704,795	315,721,048	350,430,781
Capital Improvements	144,434,094	195,975,250	182,941,969
Total Expenditures	\$1,546,363,359	\$1,729,316,390	\$1,779,178,731

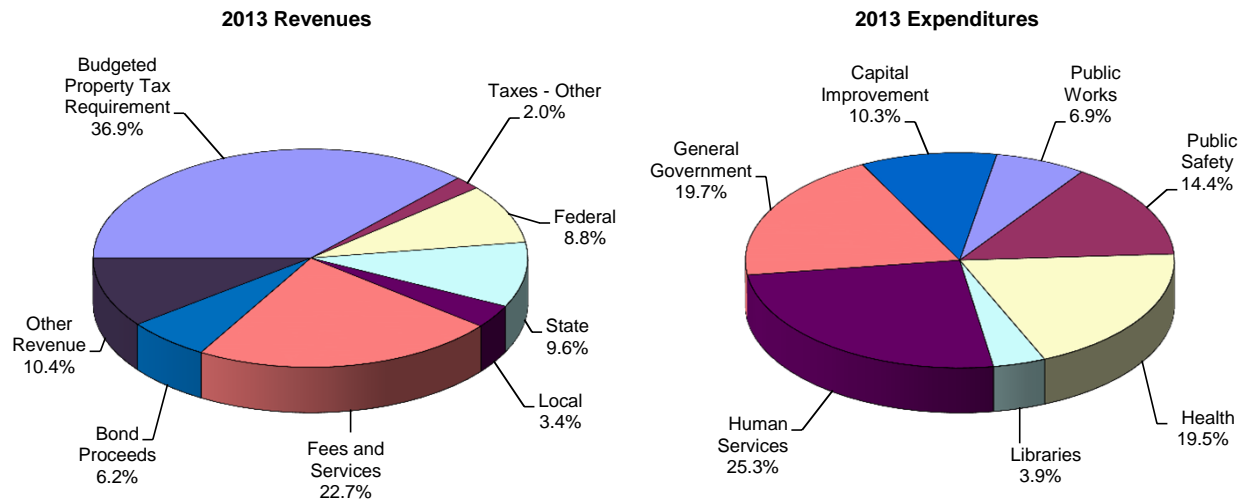
*Reflects the adjusted property tax requirement budget, not actual property tax collections.

Hennepin County

2013 BUDGET

Adopted

Revenue and Expenditure Comparison:



The Revenue and Expenditure Section reflects an overview of the 2013 budget by revenue category and major program area. The majority of Hennepin County's 2013 budgeted expenditures stem from the Human Services, General Government (including debt) and Health programs. In 2013, these programs account for 64.5 percent of the appropriated expenditures and 57.2 percent of the FTEs.

For further detail on significant changes in revenues and expenditures by category or major program see Sections II-VIII.

Revenue Highlights:

The 2013 revenue budget for Hennepin County is \$1.78 billion, an increase of 2.9 percent or \$49.9 million over the 2012 adjusted budget. The approved capital budget totals \$182.9 million, which is 6.7 percent or \$13.0 million less than the adjusted 2012 capital budget. When capital is excluded, the operating portion reflects an increase of \$62.9 million or 4.1 percent over the 2012 adjusted budget. The operating and capital expenditures will be offset by \$1.1 billion in non-property tax revenues and \$656.2 million in property taxes. The county will operate with 7,389.8 authorized full-time equivalents (FTEs) which is an increase of 52.7 FTEs over the 2012 adjusted budget.

Property Tax Revenues

Property tax revenue contributes \$656.2 million or 36.9 percent of the 2013 budgeted revenue of \$1.78 billion. Property Taxes for 2013 have increased by approximately \$9.2 million or 1.4 percent. Information on the property tax computation can be found on page 12.

Other Taxes

Other taxes for 2013 are budgeted at \$35.2 million with \$31.0 million from Ballpark Sales Tax Revenues and \$2.6 million from Tax Increment Financing (TIF). The expected revenues from the Ballpark Sales Tax will be utilized to pay debt service on the Ballpark bonds and other uses as allowed by legislation.

Federal Revenues

The 2013 budgeted federal revenue is \$156.6 million, or 8.8 percent of all county revenues and represents a decrease of 15.3 percent or \$28.3 million from the 2012 adjusted budget. The majority of the decrease falls within the Capital Improvements program. The Interchange project accounts for \$20.5 million of the reduction and another \$5.8 million in federal highway aid for road improvements.

Of the \$156.6 million in anticipated federal revenue, \$130.6 million or 83.4 percent stems from the Human Services program and \$21.7 million or 13.9 percent from programs in the General Fund. The Human Services program revenue consists of reimbursements from the administrative costs of health, child support, medical assistance, food stamps, human services, economic assistance, and training and employment. Revenue in the General Fund supports Federal housing grant programs, and the Workforce Improvement Program (WIP) in the Public Works program; and reimbursement for administrative costs related to child support collection, child protection, welfare fraud, State Criminal Alien Assistance Program (SCAAP), Driving While Intoxicated (DWI) countermeasure programs, DNA Backlog, along with the breakfast and lunch programs at the Juvenile Detention Center (JDC) and County Home School (CHS) within the Public Safety programs.

Revenue Highlights Continued:

State Revenues

The revenues from the State of Minnesota are budgeted at \$171.2 million, or a 9.6 percent of all county revenues, which excludes health maintenance organization fees from state sources. In general, state monies are used to fund activities and services for the following: human service programs, financial assistance along with training and employment programs (\$53.0 million); highway construction and maintenance projects (\$39.2 million); correctional subsidy to assist with correctional services and programs (\$18.6 million); partial expense reimbursement in the Public Defender's Office (\$8.4 million), and a pension subsidy for peace officers (\$2.2 million). Typically, state funding is based on criteria such as caseloads, statewide funding formulas, approved plans, and particular service requirements.

State revenues decreased \$24.0 million when compared to the 2012 adjusted budget of \$195.2 million. The majority of the decrease (\$17.2 million) is attributed to the Interchange project which was fully funded as part of the 2012 adjusted capital budget. Reductions in the state funded portions of the Long Term Homeless Support and Adult Mental Health grants in the Human Services program account for an additional \$4.2 million of the decrease.

The State of Minnesota provides property tax relief to Minnesota counties and taxpayers through local aid programs. County Program Aid (CPA) is a general purpose aid, which consists of County Need Aid and County Tax Base Equalization Aid. The aid is distributed as general property tax relief that is allocated based upon percent of the total budgeted property tax to the following funds: County Revenue, Human Services, and Library. CPA for 2013 is budgeted at \$18.3 million.

Local Revenue

The 2013 local revenue budget has decreased by \$8.0 million from the 2012 adjusted budget of \$68.9 million. The majority of the decrease occurs within the Capital Improvements program for the Interchange project which was fully funded as part of the 2012 adjusted capital budget. This reduction is partially offset by increased revenues from the cooperative service agreement the Hennepin County Medical Examiners office has with Dakota and Scott Counties to provide medical examiner services beginning January 1, 2013.

Fees and Services Revenues

User fees are established charges borne by those individuals that utilize specific government services and activities. This source of revenue provides an equitable, proportional method to fund governmental services without charging the general population. Minnesota Statutes 383B.118 authorizes counties to establish a fee or charge for a service, after holding a public hearing, based upon the costs of providing such services. The new and revised fee schedules were authorized by the County Board and incorporated into the 2013 budget resolution approved on December 11, 2012.

Total revenues generated from fees charged for services are estimated at \$403.6 million for 2013 which represents 22.7 percent of the total county revenue budget. Hennepin County provides a wide range of services for which fees are charged. The most significant portion of this revenue (\$269.0 million, or 66.6 percent of all fees and services) is generated by reimbursement/payment from third party payers and state and federal reimbursement for patient fees and services provided by NorthPoint Health and Wellness Center, Hennepin Health, and Metropolitan Health Plan.

The Human Services program anticipates an estimated \$49.4 million in fees for services provided in 2013. The majority of this revenue is accounted for in case management and other services for specialized populations (developmentally disabled, vulnerable adults, child at-risk, etc.) and is reimbursed by federal/state Medical Assistance funding at pre-established rates for units of service.

Another major source of fee revenue is the Solid Waste program which collects fees for services associated with management of solid waste. In 2013, \$48.1 million is budgeted as revenue from tipping fees, ordinances, and solid waste fees.

The Public Safety program, including the Sheriff's Radio Communication Fund, has budgeted \$20.1 million in 2013 fee revenue. Each department or office provides services in which fees are charged and/or fines assessed. The majority of the revenue stems from charges to other jurisdictions or clients for processing, boarding or monitoring pre- and post-adjudications of clients, civil fees, court fees, program participation fees and leasing radio space and equipment.

Hennepin County

2013 BUDGET

Adopted

Revenue Highlights Continued:

The General Government program has budgeted fee revenue of \$15.9 million for 2013. The majority of this revenue is generated by the county's Taxpayer Services Department at \$13.0 million and includes charges for passports, service center fees, and public records for the recording of abstract and torrens properties.

Bond Proceeds

Proceeds generated through the sale of general obligation (GO) bonds finance authorized road and bridge projects and facility projects within the 2013 capital budget. When compared to the 2012 adjusted budget, bonded indebtedness has increased by \$68.0 million to \$110.6 million. Much of the difference stems from the result of increased bonding requirements for Health and Library projects. Another contributor to the increase pertains to the refunding of general obligation bonds. Details concerning the county's debt retirement and debt management can be found in the Debt Retirement section of the General Government program.

Other Revenues

A wide variety of revenues contribute to the total of \$184.8 million make up 10.4 percent of total revenue in 2013. Other revenue includes book fines, building rental, investment income, parking revenue, fines, health and driver licenses, vital records (e.g. birth and death certificates).

Investment income continues to decrease, primarily because the Federal Reserve Bank has maintained a policy that its benchmark borrowing rates will stay at their historic lows, between 0 percent and 0.25 percent, into 2015. Those rates, in combination with challenging economic circumstances elsewhere in the world, continue to keep U.S. Treasury bonds and similar investments permitted under state law, at very low yields. In this budget, investment income is projected at \$5.1 million which is a 42 percent decrease from the 2012 adjusted budget of \$8.9 million.

Budgeting of prior year revenue reflects the county's fiscal management practice of maximizing all sources of revenues while simultaneously monitoring revenues and expenditures within the current year to ensure that, while fund balance is utilized to develop the budget, it is seldom used. In the 2013 budget, the use of fund balance has been set \$28.7 million.

The remaining revenue is comprised of indirect cost allocation revenue which is based upon the county's indirect cost allocation plan, interfund transfers, commodity/surplus sales, and changes in net assets in the enterprise funds.

Budgeted Positions:	2010 Budget	2011 Budget	2012 Budget
Public Works	412.5	414.0	414.9
Public Safety	2,215.5	2,153.3	2,142.6
Health	339.5	316.9	325.6
Libraries	622.0	611.0	604.0
Human Services	2,751.2	2,722.5	2,776.8
General Government	1,122.1	1,119.4	1,125.9
Capital Improvements	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	7,462.8	7,337.1	7,389.8

2013 BUDGET

COMPUTATION OF LEVIES BY FUND

	TOTAL BUDGET	INCOME FROM OTHER SOURCES	PROPERTY TAX REQUIREMENT	COLLECTION RATE	GROSS PROPERTY TAX LEVY
County Revenue	\$580,324,399	\$254,352,431	\$325,971,968	97.0%	\$336,053,575
Human Services	450,442,937	242,692,592	207,750,345	97.0%	214,175,613
Metropolitan Health Plan	129,227,679	129,227,679	0	0.0%	0
Hennepin Health	120,124,886	120,124,886	0	0.0%	0
Solid Waste Enterprise Fund	55,909,974	55,909,974	0	0.0%	0
Library	70,139,701	14,202,052	55,937,649	97.0%	57,667,679
Glen Lake Golf Course	1,042,913	1,042,913	0	0.0%	0
Radio Communications	<u>3,157,316</u>	<u>3,157,316</u>	0	0.0%	0
Total Operating	<u>\$1,410,369,805</u>	<u>\$820,709,843</u>	<u>\$589,659,962</u>		<u>\$607,896,868</u>
Debt Retirement - Countywide	145,248,080	69,519,169	75,728,911	100.0%	75,728,911
Debt Retirement - Suburban	4,440,917	0	4,440,917	100.0%	4,440,917
Ballpark Sales Tax Revenue	36,177,960	36,177,960	0	0.0%	0
Capital Improvements	<u>182,941,969</u>	<u>178,205,969</u>	<u>4,736,000</u>	97.0%	<u>4,882,474</u>
Total Non-Operating	<u>\$368,808,926</u>	<u>\$283,903,098</u>	<u>\$84,905,828</u>		<u>\$85,052,302</u>
GRAND TOTAL	<u>\$1,779,178,731</u>	<u>\$1,104,612,941</u>	<u>\$674,565,790</u>		<u>\$692,949,170</u>
Less County Program Aid			<u>(\$18,333,110)</u>		<u>(\$18,333,110)</u>
County Property Tax Levy			<u>\$656,232,680</u>		<u>\$674,616,060</u>

2013 BUDGET

TAX CAPACITY TAX CAPACITY RATES

	2011 Actual		2012 Budget		2013 Budget	
ESTIMATED MARKET VALUE						
Minneapolis	\$34,955,675,900		\$33,599,252,600		\$32,568,246,600	
Suburban	<u>97,469,684,200</u>		<u>94,509,213,500</u>		<u>91,038,641,500</u>	
TOTAL ESTIMATED MARKET VALUE	<u>\$132,425,360,100</u>		<u>\$128,108,466,100</u>		<u>\$123,606,888,100</u>	
NET TAX CAPACITY						
Minneapolis	\$394,912,341		\$371,544,574		\$372,793,650	
Suburban	<u>1,082,056,515</u>		<u>1,025,659,980</u>		<u>995,764,628</u>	
TOTAL NET TAX CAPACITY	<u>\$1,476,968,856</u>		<u>\$1,397,204,554</u>		<u>\$1,368,558,278</u>	
TAX CAPACITY RATE (OPERATING)	Taxes Payable 2011		Taxes Payable 2012		Taxes Payable 2013	
County Revenue	22.374%		23.365%		23.862%	
Human Services	14.497%		14.602%		15.210%	
Library	<u>3.825%</u>		<u>4.072%</u>		<u>4.095%</u>	
TOTAL OPERATING RATE	40.696%		42.039%		43.167%	
TAX CAPACITY RATE (NON-OPER.)	<i>Minneapolis</i>	<i>Suburbs</i>	<i>Minneapolis</i>	<i>Suburbs</i>	<i>Minneapolis</i>	<i>Suburbs</i>
Countywide Debt Retirement	4.377%	4.377%	5.185%	5.185%	5.563%	5.563%
Suburban Debt Retirement	0.000%	0.653%	0.000%	0.560%	0.000%	0.422%
Capital Improvements	<u>0.114%</u>	<u>0.114%</u>	<u>0.460%</u>	<u>0.460%</u>	<u>0.359%</u>	<u>0.359%</u>
TOTAL NON-OPERATING RATE	4.491%	5.144%	5.645%	6.205%	5.922%	6.344%
TOTAL TAX CAPACITY RATE	45.187%	45.840%	47.684%	48.244%	49.089%	49.512%

Tax capacity and tax capacity rates shown are prior to final determination of tax capacity and disparity reduction aid.
The rates also reflect initial contributions and distributions of the fiscal disparities program.

2013 BUDGET

2013 Expenditures and Revenues By Fund (Page 1 of 2)

I. Governmental Funds

	County Revenue	Human Services	Library	Capital Improvement	Debt Retirement	Ballpark Sales Tax Revenue	Governmental Subtotals
BUDGET EXPENDITURES							
Public Works	65,015,150						65,015,150
Public Safety	253,780,630						253,780,630
Health	96,964,795						96,964,795
Libraries			70,139,701				70,139,701
Human Services		450,442,937					450,442,937
General Government	164,563,824				149,688,997	36,177,960	350,430,781
Capital Improvements				182,941,969			182,941,969
TOTAL EXPENDITURES	\$580,324,399	\$450,442,937	\$70,139,701	\$182,941,969	\$149,688,997	\$36,177,960	\$1,469,715,963
BUDGET REVENUES							
Property Taxes							
Current Collections	\$325,971,968	\$207,750,345	\$55,937,649	\$4,736,000	\$80,169,828		\$674,565,790
Less Program Aid	(10,154,744)	(6,440,683)	(1,737,683)				(18,333,110)
Net Property Tax Total	315,817,224	201,309,662	54,199,966	4,736,000	80,169,828		656,232,680
Nonproperty Taxes	4,089,635					31,000,000	35,089,635
Total Taxes	319,906,859	201,309,662	54,199,966	4,736,000	80,169,828	31,000,000	691,322,315
Intergovernmental-Federal	21,727,096	130,575,994		2,000,000	2,278,358		156,581,448
Intergovernmental-State							
County Program Aid	10,154,744	6,440,683	1,737,683				18,333,110
Market Value Homestead Credit							
Highway Maintenance	18,659,717			20,553,000			39,212,717
Community Corrections	18,634,464						18,634,464
Community Health		2,039,000					2,039,000
Human Services		50,940,000					50,940,000
Public Defender	8,366,931						8,366,931
Health Intergovernmental Transfers	18,575,000						18,575,000
Other	10,488,841		1,250,600				11,739,441
Total State	84,879,697	59,419,683	2,988,283	20,553,000	0	0	167,840,663
Intergovernmental-Local							
Health Intergovernmental Transfers	20,650,000						20,650,000
Other Local	2,251,768	611,000	4,105,736	21,388,000	11,908,733		40,265,237
Total Intergovernmental	129,508,561	190,606,677	7,094,019	43,941,000	14,187,091	0	385,337,348
Fees & Services	53,402,411	49,402,598	30,000				102,835,009
Fines & Forfeitures	78,300		1,600,000				1,678,300
Other Revenue							
Interest on Investments	4,200,000	0	90,000				4,290,000
Licensing & Permits	5,362,427	1,500,000					6,862,427
Bond Proceeds				87,463,641	23,130,000		110,593,641
Indirect Cost Allocation	16,089,496						16,089,496
Miscellaneous	36,268,412	1,624,000	3,249,076	46,801,328	32,202,078		120,144,894
Total Other Revenue	61,920,335	3,124,000	3,339,076	134,264,969	55,332,078	0	257,980,458
Total Current Revenue	564,816,466	444,442,937	66,263,061	182,941,969	149,688,997	31,000,000	1,439,153,430
Fund Balance / Assets Decrease (Increase)	15,507,933	6,000,000	3,876,640			5,177,960	30,562,533
Total Revenue	\$580,324,399	\$450,442,937	\$70,139,701	\$182,941,969	\$149,688,997	\$36,177,960	\$1,469,715,963

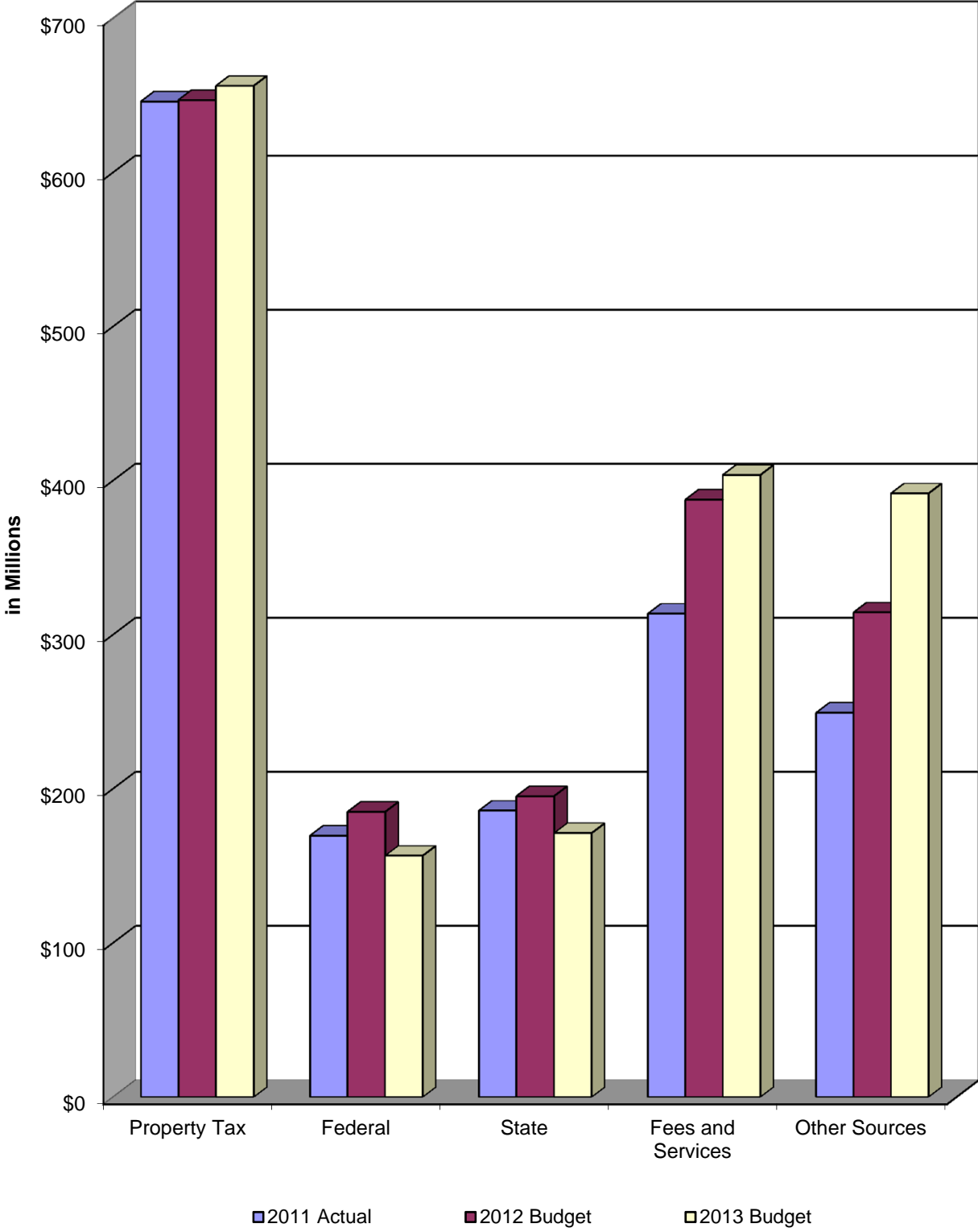
2013 BUDGET

2013 Expenditures and Revenues By Fund (Page 2 of 2)

II. Enterprise Funds

	Metropolitan Health Plan	Hennepin Health	Solid Waste Enterprise	Glen Lake Golf Course	Sheriff's Radio Communications	Governmental & Enterprise Totals
BUDGET EXPENDITURES						
Public Works			55,909,974	1,042,913		\$121,968,037
Public Safety					3,157,316	256,937,946
Health	129,227,679	120,124,886				346,317,360
Libraries						70,139,701
Human Services						450,442,937
General Government						350,430,781
Capital Improvements						182,941,969
TOTAL EXPENDITURES	\$129,227,679	\$120,124,886	\$55,909,974	\$1,042,913	\$3,157,316	\$1,779,178,731
BUDGET REVENUES						
Property Taxes						
Current Collections						\$674,565,790
Less Program Aid						(18,333,110)
Net Property Tax Total						656,232,680
Nonproperty Taxes			150,000			35,239,635
Total Taxes	0	0	150,000	0	0	691,472,315
Intergovernmental-Federal			50,000			156,631,448
Intergovernmental-State						
County Program Aid						18,333,110
Market Value Homestead Credit						-
Highway Maintenance						39,212,717
Community Corrections						18,634,464
Community Health						2,039,000
Human Services						50,940,000
Public Defender						8,366,931
Health Intergovernmental Transfers						18,575,000
Other			3,352,657			15,092,098
Total State	0	0	3,352,657	0	0	171,193,320
Intergovernmental-Local						
Health Intergovernmental Transfers						20,650,000
Other Local						40,265,237
Total Intergovernmental	0	0	3,402,657	0	0	388,740,005
Fees & Services	129,577,308	120,256,800	48,094,464		2,847,316	403,610,897
Fines & Forfeitures			20,000			1,698,300
Other Revenue						
Interest on Investments	100,501	64,584	690,000			5,145,085
Licensing & Permits			870,000			7,732,427
Bond Proceeds						110,593,641
Indirect Cost Allocation						16,089,496
Miscellaneous			4,086,192	1,042,913	77,450	125,351,449
Total Other Revenue	100,501	64,584	5,646,192	1,042,913	77,450	264,912,098
Total Current Revenue	129,677,809	120,321,384	57,313,313	1,042,913	2,924,766	1,750,433,615
Fund Balance / Assets Decrease (Increase)	(450,130)	(196,498)	(1,403,339)		232,550	28,745,116
Total Revenue	\$129,227,679	\$120,124,886	\$55,909,974	\$1,042,913	\$3,157,316	\$1,779,178,731

SOURCES OF REVENUE 2011 - 2013

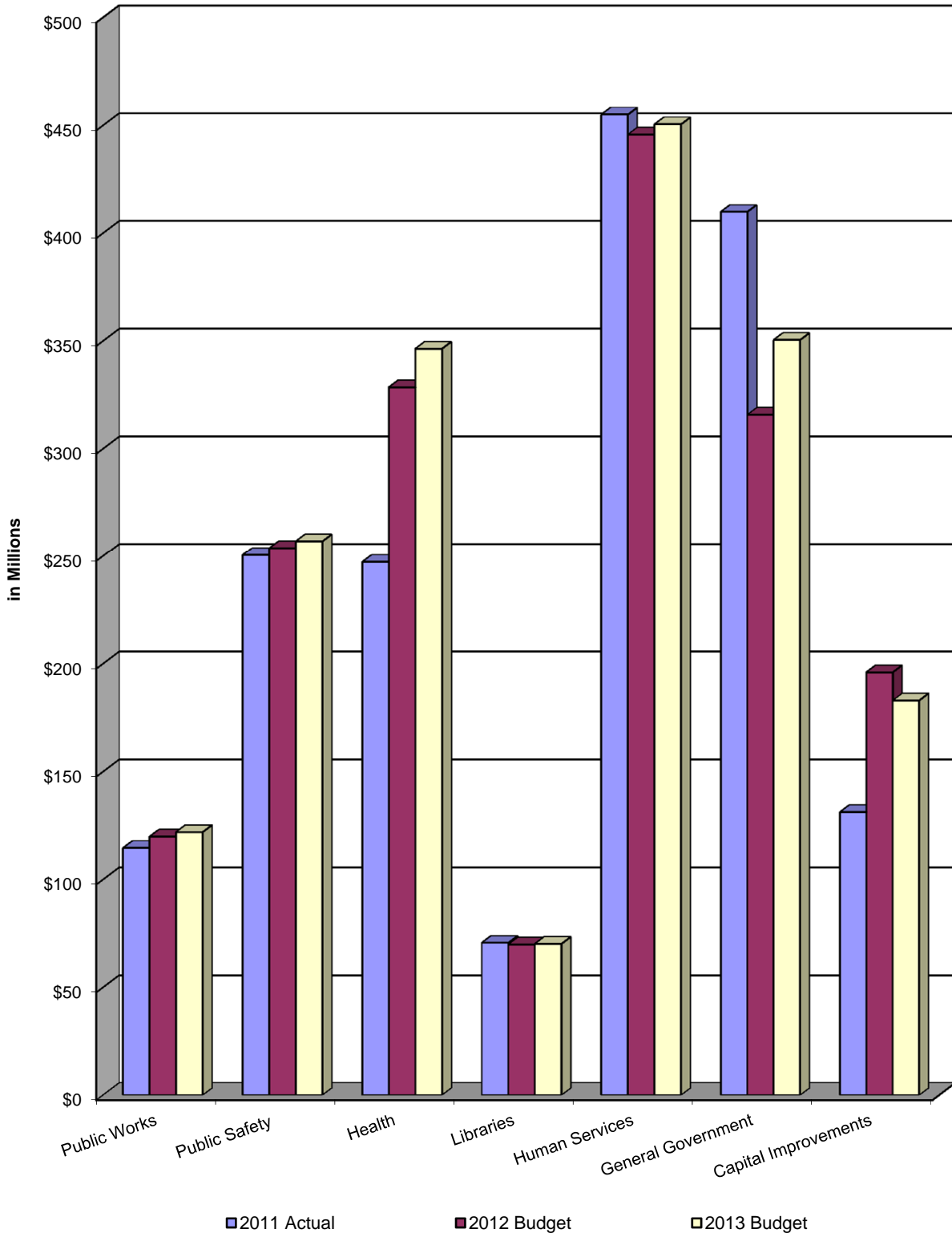


2013 BUDGET

SOURCES OF REVENUE

	2011 Actual	2012 Budget	2013 Budget	Chg 12-13
Current Property Tax	\$646,077,765	\$647,061,110	\$656,232,680	1.4%
Taxes - Other	38,474,529	33,080,768	35,239,635	6.5%
Federal	169,468,294	184,971,407	156,631,448	-15.3%
State	185,734,023	195,207,059	171,193,320	-12.3%
Local	41,326,435	68,879,499	60,915,237	-11.6%
Interest on Investments	15,310,378	8,898,175	5,145,085	-42.2%
Fees and Services	313,569,514	387,641,962	403,610,897	4.1%
Fines and Forfeitures	1,952,983	1,753,300	1,698,300	-3.1%
Licensing and Permits	7,292,289	7,285,915	7,732,427	6.1%
Bond Proceeds	60,000,000	42,602,750	110,593,641	159.6%
Other	84,932,404	128,248,262	141,440,945	10.3%
Subtotal - Current Revenue	<u>1,564,138,612</u>	<u>1,705,630,207</u>	<u>1,750,433,615</u>	2.6%
Use of Fund Balance	<u>0</u>	<u>23,686,183</u>	<u>28,745,116</u>	21.4%
TOTAL REVENUES	<u>\$1,564,138,612</u>	<u>\$1,729,316,390</u>	<u>\$1,779,178,731</u>	2.9%

EXPENDITURES BY MAJOR PROGRAM 2011 - 2013



2013 BUDGET

EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM	2011 ACTUAL		2012 BUDGET		2013 BUDGET	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
Public Works	\$114,565,022	412.5	\$119,838,065	414.0	\$121,968,037	414.9
Public Safety	250,392,863	2,215.5	253,648,024	2,153.3	256,937,946	2,142.6
Health	243,196,614	339.5	328,455,633	316.9	346,317,360	325.6
Libraries	65,935,700	622.0	69,900,068	611.0	70,139,701	604.0
Human Services	443,134,271	2,751.2	445,778,302	2,722.5	450,442,937	2,776.8
General Government	284,704,795	1,122.1	315,721,048	1,119.4	350,430,781	1,125.9
Capital Improvements	<u>144,434,094</u>	<u>0.0</u>	<u>195,975,250</u>	<u>0.0</u>	<u>182,941,969</u>	<u>0.0</u>
Total	<u>\$1,546,363,359</u>	<u>7,462.8</u>	<u>\$1,729,316,390</u>	<u>7,337.1</u>	<u>\$1,779,178,731</u>	<u>7,389.8</u>

PERSONNEL COMPARISON BY DEPARTMENT
 FULL-TIME EQUIVALENTS (FTEs)

PROGRAM / DEPARTMENT	2011 YEAR END	2012 BUDGET	2013 BUDGET	Chg 2012-2013
PUBLIC WORKS				
Public Works Administration.....	12.5	11.5	12.5	1.0
Strategic Planning & Resources.....	0.0	0.0	20.0	20.0
Housing,Community Works & Transit.....	62.0	65.5	50.5	(15.0)
Management Support *.....	60.0	60.0	57.0	(3.0)
Transportation.....	213.0	213.0	212.0	(1.0)
Environmental Services *.....	64.0	64.0	62.9	(1.2)
Glen Lake Golf Course.....	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>411.5</u>	<u>414.0</u>	<u>414.9</u>	<u>0.9</u>
PUBLIC SAFETY				
County Attorney's Office.....	344.0	349.5	346.0	(3.5)
County Court Functions	0.0	0.0	0.0	0.0
Law Library.....	7.8	6.7	6.7	0.0
Public Defender.....	94.8	89.1	82.9	(6.2)
County Sheriff.....	835.0	808.0	808.0	0.0
Dept of Community Corrections & Rehabilitation.	933.9	900.0	899.0	(1.0)
Sheriff's Radio Communications.....	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>2,215.5</u>	<u>2,153.3</u>	<u>2,142.6</u>	<u>(10.7)</u>
HEALTH				
NorthPoint Health and Wellness.....	161.3	179.7	181.1	1.4
Metropolitan Health Plan.....	151.5	105.5	105.5	0.0
Medical Examiner.....	26.7	26.7	34.0	7.3
Hennepin Health.....	<u>0.0</u>	<u>5.0</u>	<u>5.0</u>	<u>0.0</u>
TOTAL	<u>339.5</u>	<u>316.9</u>	<u>325.6</u>	<u>8.7</u>
LIBRARIES				
TOTAL	<u>622.0</u>	<u>611.0</u>	<u>604.0</u>	<u>(7.0)</u>
HUMAN SERVICES				
TOTAL	<u>2,751.2</u>	<u>2,722.5</u>	<u>2,776.8</u>	<u>54.3</u>
GENERAL GOVERNMENT				
Commissioners.....	25.0	25.0	25.0	0.0
County Administration.....	17.4	17.4	17.4	0.0
County Assessor.....	39.5	39.0	39.0	0.0
Budget and Finance.....	92.3	92.3	90.8	(1.5)
Research, Planning and Development.....	19.0	19.0	19.0	0.0
Information Technology *.....	276.0	303.0	315.5	12.5
Property Services.....	226.5	219.5	218.5	(1.0)
Taxpayer Services.....	300.3	278.1	274.6	(3.5)
Human Resources.....	64.1	64.1	64.1	0.0
Public Affairs.....	17.5	17.5	17.5	0.0
Internal Audit.....	13.0	13.0	13.0	0.0
Examiner of Titles.....	8.0	8.0	8.0	0.0
Computer Forensics Unit.....	5.0	5.0	5.0	0.0
General County Purposes.....	8.0	7.0	7.0	0.0
Debt Retirement.....	0.0	0.0	0.0	0.0
Ballpark Sales Tax Revenue Programs.....	0.0	0.0	0.0	0.0
Employee Health Plan Self Insurance*.....	6.0	6.0	6.0	0.0
Self Insurance *.....	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>	<u>0.0</u>
TOTAL	<u>1,123.1</u>	<u>1,119.4</u>	<u>1,125.9</u>	<u>6.5</u>
GRAND TOTAL	<u>7,462.8</u>	<u>7,337.1</u>	<u>7,389.8</u>	<u>52.7</u>

*Includes Internal Service Fund FTEs.

2013 BUDGET

COUNTY REVENUE FUND SUMMARY (Page 1 of 2)

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$526,637,486</u>	<u>\$571,146,685</u>	<u>\$580,324,399</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	330,615,891	323,090,902	325,971,968
Less Program Aid	<u>(10,234,056)</u>	<u>(10,193,953)</u>	<u>(10,154,744)</u>
Total Property Taxes	<u>320,381,835</u>	<u>312,896,949</u>	<u>315,817,224</u>
<u>Market Value Homestead Credit</u>	<u>(1,878,662)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>			
Mortgage Registry/Deed Tax	1,353,206	1,278,000	1,400,000
Tax Increment Financing	6,361,448	2,652,271	2,624,515
Other	<u>330,721</u>	<u>36,941</u>	<u>65,120</u>
Total Nonproperty Taxes	<u>8,045,376</u>	<u>3,967,212</u>	<u>4,089,635</u>
Total Taxes	<u>326,548,548</u>	<u>316,864,161</u>	<u>319,906,859</u>
<u>Intergovernmental Revenue</u>			
Federal	22,326,849	24,713,670	21,727,096
State - County Program Aid	10,234,056	10,193,953	10,154,744
State - Market Value Homestead Credit	1,878,662	0	0
State - Highway Maintenance	15,236,692	17,340,732	18,659,717
State - Community Corrections	18,513,074	18,436,400	18,634,464
State - Public Defender	8,024,825	8,395,728	8,366,931
State - Intergovernmental Gov't Transfers	16,338,114	19,225,000	18,575,000
State - Other	<u>10,186,597</u>	<u>10,591,249</u>	<u>10,488,841</u>
Total State	<u>80,412,021</u>	<u>84,183,062</u>	<u>84,879,697</u>
Local - Intergovernmental Gov't Transfers	21,651,187	20,000,000	20,650,000
Other	<u>566,621</u>	<u>729,050</u>	<u>2,251,768</u>
Total Local	<u>22,217,808</u>	<u>20,729,050</u>	<u>22,901,768</u>
Total Intergovernmental Revenue	<u>124,956,677</u>	<u>129,625,782</u>	<u>129,508,561</u>
<u>Investment Income</u>	<u>13,293,701</u>	<u>7,250,000</u>	<u>4,200,000</u>

2013 BUDGET

COUNTY REVENUE FUND SUMMARY (Page 2 of 2)

	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>Fees and Services</u>			
Service Center Fees and Passports	2,279,996	2,067,825	2,063,132
North Point Patient Reimbursements	18,868,008	18,323,500	19,117,642
Assessor - Services Provided To Municipalities	1,672,943	1,716,100	1,828,025
Boarding of Prisoners	4,864,227	5,265,638	5,314,393
Correction Facility Fees	1,776,167	1,667,065	1,658,500
Law Library	1,063,562	1,010,000	1,000,000
Public Records Fees	8,036,381	6,808,500	7,945,000
Client Fees	1,944,081	2,729,500	2,299,140
Sheriff Fees	3,400,370	3,482,304	3,434,508
Other Fees and Service Charges	<u>7,028,228</u>	<u>7,781,365</u>	<u>8,742,071</u>
Total Fees and Services	<u>50,933,963</u>	<u>50,851,797</u>	<u>53,402,411</u>
Total Fines and Forfeitures	<u>307,487</u>	<u>78,300</u>	<u>78,300</u>
<u>Licenses and Permits</u>			
Drivers Licenses	1,228,793	943,000	1,189,576
Vital Certificates	1,047,522	1,111,000	1,078,932
Motor Vehicle Licenses	2,078,203	2,138,000	2,219,404
Other Licenses and Permits	<u>829,662</u>	<u>962,915</u>	<u>874,515</u>
Total Licenses and Permits	<u>5,184,180</u>	<u>5,154,915</u>	<u>5,362,427</u>
<u>Other Revenue</u>			
Commodity, Concession and Miscellaneous	1,045,686	1,063,366	858,400
Indirect Cost Allocation	9,841,764	9,977,289	16,089,496
Interfund	(26,160,542)	926,444	1,902,544
Building Rental	20,562,408	18,003,613	19,582,656
Miscellaneous	<u>16,242,345</u>	<u>16,728,734</u>	<u>13,924,812</u>
Total Other Revenue	<u>21,531,661</u>	<u>46,699,446</u>	<u>52,357,908</u>
<u>Total Current Revenue</u>	<u>542,756,216</u>	<u>556,524,401</u>	<u>564,816,466</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>14,622,284</u>	<u>15,507,933</u>
<u>TOTAL BUDGETED REVENUES</u>	<u>\$542,756,216</u>	<u>\$571,146,685</u>	<u>\$580,324,399</u>

2013 BUDGET

COUNTY REVENUE FUND EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM/DEPARTMENT	2011		2012		2013	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
PUBLIC WORKS						
Public Works	<u>\$61,713,044</u>	<u>318.5</u>	<u>\$64,229,326</u>	<u>321.0</u>	<u>\$65,015,150</u>	<u>323.0</u>
PUBLIC SAFETY						
County Attorney's Office	42,131,851	344.0	42,605,276	349.5	43,568,611	346.0
Court Functions	1,872,562	0.0	2,237,000	0.0	2,192,000	0.0
Law Library	1,644,570	7.8	1,644,295	6.7	1,626,651	6.7
Public Defender	15,209,557	94.8	15,368,225	89.1	15,652,512	82.9
Sheriff's Office	86,138,804	835.0	86,231,438	808.0	86,894,641	808.0
Community Corrections & Rehabilitation	<u>100,459,470</u>	<u>933.9</u>	<u>103,038,673</u>	<u>900.0</u>	<u>103,846,215</u>	<u>899.0</u>
Subtotal	247,456,814	2,215.5	251,124,907	2,153.3	253,780,630	2,142.6
HEALTH						
NorthPoint Health and Wellness	24,694,091	161.3	27,209,957	179.7	27,712,060	181.1
Medical Examiner	3,731,594	26.7	3,765,887	26.7	5,268,235	34.0
Uncompensated Care	20,000,000	0.0	20,000,000	0.0	24,000,000	0.0
HCMC Intergovernmental Transfers	<u>38,976,251</u>	<u>0.0</u>	<u>40,000,000</u>	<u>0.0</u>	<u>39,984,500</u>	<u>0.0</u>
Subtotal	87,401,936	188.0	90,975,844	206.4	96,964,795	215.1
GENERAL GOVERNMENT						
Commissioners	2,387,272	25.0	2,725,829	25.0	2,725,829	25.0
County Administration	2,537,205	17.4	2,881,491	17.4	2,838,854	17.4
County Assessor	3,649,248	39.5	4,037,682	39.0	4,093,501	39.0
Budget and Finance	14,705,651	92.3	13,250,630	92.3	14,003,748	90.8
Research, Planning and Development	2,674,581	19.0	2,684,121	19.0	2,601,539	19.0
Information Technology	7,337,947	47.8	8,407,340	42.3	9,246,652	38.8
Property Services	42,581,267	226.5	46,198,273	219.5	45,325,900	218.5
Taxpayer Services	24,557,110	300.3	29,448,171	278.1	34,038,051	274.6
Human Resources	6,555,674	64.1	7,104,783	64.1	7,003,227	64.1
Public Affairs	2,262,915	17.5	2,230,911	17.5	2,195,885	17.5
Internal Audit	1,852,416	13.0	2,026,229	13.0	2,059,930	13.0
Examiner of Titles	846,895	8.0	913,877	8.0	963,433	8.0
Computer Forensics Unit	428,114	5.0	779,798	5.0	816,222	5.0
General County Purposes	<u>17,689,397</u>	<u>8.0</u>	<u>42,127,473</u>	<u>7.0</u>	<u>36,651,053</u>	<u>7.0</u>
Subtotal	<u>130,065,692</u>	<u>883.4</u>	<u>164,816,608</u>	<u>847.2</u>	<u>164,563,824</u>	<u>837.7</u>
TOTAL	<u>\$526,637,486</u>	<u>3,605.4</u>	<u>\$571,146,685</u>	<u>3,527.9</u>	<u>\$580,324,399</u>	<u>3,518.4</u>

2013 BUDGET

HUMAN SERVICES FUND SUMMARY

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$443,134,270</u>	<u>\$445,778,302</u>	<u>\$450,442,937</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	211,770,095	202,158,752	207,750,345
Less Program Aid	<u>(6,628,664)</u>	<u>(6,363,599)</u>	<u>(6,440,683)</u>
Total Property Taxes	<u>205,141,432</u>	<u>195,795,153</u>	<u>201,309,662</u>
<u>Less Market Value Homestead Credit</u>	<u>(1,217,316)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>			
Other Taxes	<u>168,529</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Administrative Grants	23,777,670	22,949,000	28,675,000
Federal - Title XX - Human Services Grants	7,654,811	7,641,000	7,646,000
Federal - Title IVE - Foster Care	5,337,577	5,380,000	5,353,000
Federal - Grants for Training and Employment Programs	17,747,029	16,847,512	13,239,000
Federal - General	14,130,462	16,702,212	16,139,700
Federal - Title IVD - Child Support	17,184,880	17,753,775	17,990,000
Federal - Refugee Assistance	50,006	52,000	50,000
Federal - Medical Assistance Administration	11,483,899	13,113,449	11,764,000
Federal - Food Stamp Administration	12,343,880	14,440,000	13,000,000
Federal - TANF Administration	7,289,719	3,400,331	4,500,000
Federal - Community Health	9,874,488	8,118,100	10,019,294
Federal Incentive - Child Support	<u>2,555,030</u>	<u>2,125,000</u>	<u>2,200,000</u>
Total Federal	<u>129,429,451</u>	<u>128,522,379</u>	<u>130,575,994</u>

2013 BUDGET

HUMAN SERVICES FUND SUMMARY

(Page 2 of 3)

	2011 ACTUAL	2012 BUDGET	2013 BUDGET
State - Grants for Human Services	30,156,404	32,538,000	26,431,000
State - Program Aid	6,628,664	6,363,599	6,440,683
State - Market Value Homestead Credit	1,217,316	0	0
State - Vulnerable Children and Adults Act	12,537,844	12,665,064	12,626,000
State - Grants for Training and Employment Programs	3,586,349	2,574,000	3,572,000
State - Administrative	2,658,867	2,318,000	2,691,000
State - General Assistance	0	2,700,000	2,900,000
State - Community Health	2,039,185	2,038,000	2,039,000
State - Medical Assistance/Medicare	6,109,296	2,324,000	2,720,000
State - Minnesota Supplemental Aid	0	0	0
State - Emergency Assistance	0	0	0
Total State	<u>64,933,924</u>	<u>63,520,663</u>	<u>59,419,683</u>
Local Grants	<u>1,339,358</u>	<u>1,193,000</u>	<u>611,000</u>
<u>Interest Income</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fees and Services</u>			
Patient Fees	5,939,685	4,684,000	5,653,000
Medicaid/GAMC/Targeted Case Management	28,711,605	29,446,000	31,174,598
Medicare	178,981	197,000	181,000
Other Services	<u>11,550,217</u>	<u>13,201,107</u>	<u>12,394,000</u>
Total Fees and Services	<u>46,380,488</u>	<u>47,528,107</u>	<u>49,402,598</u>

2013 BUDGET

HUMAN SERVICES FUND SUMMARY (Page 3 of 3)

	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>Health Licenses</u>	<u>1,223,611</u>	<u>1,278,000</u>	<u>1,500,000</u>
<u>Other Revenue</u>			
Miscellaneous - Other	1,892,020	1,941,000	1,624,000
Interfund Transfers	<u>(12,734,000)</u>	<u>0</u>	<u>0</u>
Total Other Revenue	<u>(10,841,980)</u>	<u>1,941,000</u>	<u>1,624,000</u>
Total Current Revenue	<u>436,557,497</u>	<u>439,778,302</u>	<u>444,442,937</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>6,000,000</u>	<u>6,000,000</u>
<u>TOTAL REVENUES</u>	<u>\$436,557,497</u>	<u>\$445,778,302</u>	<u>\$450,442,937</u>
	-		

2013 BUDGET

METROPOLITAN HEALTH PLAN FUND SUMMARY

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$155,794,678</u>	<u>\$116,999,789</u>	<u>\$129,227,679</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees and Services</u>			
Medical Assistance	116,519,663	90,569,616	100,680,903
General Assistance (GAMC)	28,162	0	0
Minnesota Care	8,958,931	0	0
Medicare Revenue	38,279,615	14,537,234	17,071,605
Administrative Services Revenue	0	12,048,000	11,824,800
Miscellaneous Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Fees and Services	<u>163,786,371</u>	<u>117,154,850</u>	<u>129,577,308</u>
<u>Other Revenue</u>			
Investment Income	611,201	<u>100,501</u>	<u>100,501</u>
<u>Capital Contributions</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>(255,562)</u>	<u>(450,130)</u>
<u>TOTAL REVENUES</u>	<u>\$164,397,572</u>	<u>\$116,999,789</u>	<u>\$129,227,679</u>

2013 BUDGET

HENNEPIN HEALTH FUND SUMMARY

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$0</u>	<u>\$120,480,000</u>	<u>\$120,124,886</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees and Services</u>			
Medical Assistance	0	120,480,000	120,256,800
Miscellaneous Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Fees and Services	<u>0</u>	<u>120,480,000</u>	<u>120,256,800</u>
<u>Other Revenue</u>			
Investment Income	0	<u>187,200</u>	<u>64,584</u>
<u>Capital Contributions</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>(187,200)</u>	<u>(196,498)</u>
<u>TOTAL REVENUES</u>	<u>\$0</u>	<u>\$120,480,000</u>	<u>\$120,124,886</u>

2013 BUDGET

SOLID WASTE ENTERPRISE FUND SUMMARY

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$51,987,897</u>	<u>\$54,481,954</u>	<u>\$55,909,974</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	(1,289)	0	0
Less Program Aid	0	0	0
Less Market Value Homestead Credit	0	0	0
Total Property Taxes	<u>(1,289)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>	<u>108,464</u>	<u>200,000</u>	<u>150,000</u>
<u>Intergovernmental Revenue</u>			
Federal Grants	323,967	1,000,000	50,000
State and Local Grants	3,829,586	3,313,000	3,352,657
State Program Aid	0	0	0
State - Market Value Homestead Credit	0	0	0
Local Government Grants	<u>41,385</u>		<u>0</u>
Total Intergovernmental Revenue	<u>4,194,938</u>	<u>4,313,000</u>	<u>3,402,657</u>
<u>Investment Income*</u>	<u>929,166</u>	<u>1,280,000</u>	<u>690,000</u>
<u>Fees & Services</u>			
Solid Waste Tipping Fees	20,563,493	21,575,000	22,070,000
Solid Waste Mgmt Fees - Hauler Collected	13,189,406	12,600,000	13,500,000
Solid Waste Mgmt Fees - County Collected	0	0	0
Other Fees & Services	<u>16,410,043</u>	<u>15,260,665</u>	<u>12,524,464</u>
Total Fees & Services	<u>50,162,942</u>	<u>49,435,665</u>	<u>48,094,464</u>
<u>Licenses & Permits</u>			
Solid/Hazardous Waste Licenses	<u>884,498</u>	<u>853,000</u>	<u>870,000</u>
<u>Fines & Penalties</u>			
Solid Waste and Other Fines	<u>20,935</u>	<u>25,000</u>	<u>20,000</u>
<u>Other Revenue/Transfers</u>	<u>(1,420,708)</u>	<u>303,832</u>	<u>4,086,192</u>
<u>(Increase)/Decrease in Net Assets**</u>	<u>0</u>	<u>(1,928,543)</u>	<u>(1,403,339)</u>
<u>TOTAL REVENUES</u>	<u>\$54,878,946</u>	<u>\$54,481,954</u>	<u>\$55,909,974</u>

*For 2011, includes (\$271,224) in unrealized losses.

**Change in net assets is prior to adjustment for debt retirement payment for the Hennepin Energy Resource Corporation (HERC).

2013 BUDGET

LIBRARY FUND SUMMARY

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$65,935,700</u>	<u>\$69,900,068</u>	<u>\$70,139,701</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	55,812,971	56,336,145	55,937,649
Less Program Aid	(1,748,828)	(1,775,558)	(1,737,683)
Total Property Taxes	<u>54,064,143</u>	<u>54,560,587</u>	<u>54,199,966</u>
<u>Less Market Value Homestead Credit</u>	<u>(320,285)</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
State - County Program Aid	1,748,828	1,775,558	1,737,683
Market Value Homestead Credit	320,285	0	0
Federal Grants	72,649	0	0
State Grants	1,423,027	1,006,600	1,250,600
Local Grants	<u>5,871,568</u>	<u>4,979,312</u>	<u>4,105,736</u>
Total Intergovernmental Revenue	<u>9,436,357</u>	<u>7,761,470</u>	<u>7,094,019</u>
<u>Investment Income</u>	<u>108,617</u>	<u>80,474</u>	<u>90,000</u>
<u>Fees and Services</u>			
Other Services	<u>27,011</u>	<u>30,000</u>	<u>30,000</u>
<u>Fines and Forfeitures</u>			
Book Fines	<u>1,624,561</u>	<u>1,650,000</u>	<u>1,600,000</u>
<u>Other Revenue</u>			
Book Sales	139,554	165,000	145,000
Concessions	328,018	310,000	325,000
Donations	980,783	920,937	670,000
Miscellaneous	188,536	171,600	149,076
Ballpark Sales Tax Transfer	<u>1,754,837</u>	<u>1,860,000</u>	<u>1,960,000</u>
Total Other Revenue	<u>3,391,728</u>	<u>3,427,537</u>	<u>3,249,076</u>
<u>Total Current Revenue</u>	<u>68,332,132</u>	<u>67,510,068</u>	<u>66,263,061</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>2,390,000</u>	<u>3,876,640</u>
<u>TOTAL REVENUES</u>	<u>\$68,332,132</u>	<u>\$69,900,068</u>	<u>\$70,139,701</u>

2013 BUDGET

GLEN LAKE GOLF COURSE FUND SUMMARY

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$864,081</u>	<u>\$1,126,785</u>	<u>\$1,042,913</u>
<u>SOURCE OF REVENUE</u>			
<u>Other Revenue</u>	<u>841,106</u>	<u>1,126,785</u>	<u>1,042,913</u>
Total Current Revenue	<u>841,106</u>	<u>1,126,785</u>	<u>1,042,913</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL BUDGETED REVENUES</u>	<u>\$841,106</u>	<u>\$1,126,785</u>	<u>\$1,042,913</u>

2013 BUDGET

SHERIFF'S RADIO COMMUNICATIONS FUND SUMMARY

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$2,936,049</u>	<u>\$2,523,117</u>	<u>\$3,157,316</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees & Services</u>	<u>2,278,739</u>	<u>2,161,543</u>	<u>2,847,316</u>
<u>Other Revenue</u>	<u>0</u>	<u>0</u>	<u>77,450</u>
<u>Total Current Revenue</u>	<u>2,278,739</u>	<u>2,161,543</u>	<u>2,924,766</u>
<u>Capital Contributions</u> <u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>361,574</u>	<u>232,550</u>
<u>TOTAL REVENUES</u>	<u>\$2,278,739</u>	<u>\$2,523,117</u>	<u>\$3,157,316</u>

2013 BUDGET

CAPITAL IMPROVEMENTS FUND SUMMARY

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>Total Expenditures</u>			
Library	\$7,648,692	\$4,968,000	\$13,505,000
Capital Improvement Funds	136,785,402	191,007,250	169,436,969
<u>TOTAL EXPENDITURES</u>	<u>\$144,434,094</u>	<u>\$195,975,250</u>	<u>\$182,941,969</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	1,683,234	6,151,000	4,736,000
Less Program Aid	(773)	0	0
Less Market Value Homestead Credit	(9,588)	0	0
Total Property Taxes	<u>1,672,873</u>	<u>6,151,000</u>	<u>4,736,000</u>
<u>Nonproperty Taxes</u>	<u>1,326</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Highway Aids	12,111,304	7,840,000	2,000,000
Federal - Other	2,634,243	20,617,000	0
State - Program Aid	773	0	0
State - Market Value Homestead Credit	9,588	0	0
State - General	673,028	21,900,000	0
State - Highway and Bridge Aids	31,947,617	19,508,176	20,553,000
Other - Transp. Revolving Loan Fund	0	0	0
Other - Local	<u>4,001,996</u>	<u>30,067,324</u>	<u>21,388,000</u>
Total Intergovernmental Revenue	<u>51,378,549</u>	<u>99,932,500</u>	<u>43,941,000</u>
<u>Investment Income</u>	<u>367,094</u>	<u>0</u>	<u>0</u>
<u>Fees and Services</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Other Revenue</u>			
Bond Proceeds	55,285,000	42,602,750	87,463,641
Other	<u>37,384,643</u>	<u>47,289,000</u>	<u>46,801,328</u>
Total Other Revenue	<u>92,669,643</u>	<u>89,891,750</u>	<u>134,264,969</u>
<u>Total Current Revenue</u>	<u>146,089,485</u>	<u>195,975,250</u>	<u>182,941,969</u>
<u>TOTAL REVENUES</u>	<u>\$146,089,485</u>	<u>\$195,975,250</u>	<u>\$182,941,969</u>

2013 BUDGET

DEBT RETIREMENT FUND SUMMARY

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$118,453,932</u>	<u>\$119,307,254</u>	<u>\$149,688,997</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	68,670,380	77,657,421	80,169,828
Less Program Aid	<u>(29,932)</u>	<u>0</u>	<u>0</u>
Total Property Taxes	<u>68,640,448</u>	<u>77,657,421</u>	<u>80,169,828</u>
Less Market Value Homestead Credit	<u>(405,414)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>	<u>55,987</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Interest Subsidy Payments	2,569,831	2,278,358	2,278,358
State - Program Aid	29,932	0	0
State - Market Value Homestead Credit	405,414	0	0
Other intergovernmental	<u>7,854,320</u>	<u>11,910,813</u>	<u>11,908,733</u>
Total Intergovernmental Revenue	<u>10,859,497</u>	<u>14,189,171</u>	<u>14,187,091</u>
<u>Other Revenue</u>			
Interest on Investments	90	0	0
Bond Proceeds	4,715,000	0	23,130,000
Other Revenues	<u>34,045,953</u>	<u>27,460,662</u>	<u>32,202,078</u>
Total Other Revenue	<u>38,761,043</u>	<u>27,460,662</u>	<u>55,332,078</u>
<u>Total Current Revenue</u>	<u>117,911,561</u>	<u>119,307,254</u>	<u>149,688,997</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$117,911,561</u>	<u>\$119,307,254</u>	<u>\$149,688,997</u>

Notes: This fund summary shows budgets for General Obligation Debt in Fund 70 (including bonds issued on behalf of CTIB), and for Ballpark Debt in Fund 79, as well as Lease Revenue Certificates of Participation payments. The latter two obligations are paid with non-property tax revenues.

2013 BUDGET

BALLPARK SALES TAX REVENUE FUND SUMMARY

Basis of Accounting: Modified Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$36,185,171</u>	<u>\$31,597,186</u>	<u>\$36,177,960</u>
<u>SOURCE OF REVENUE</u>			
<u>Sales Tax Revenue</u>	<u>30,094,848</u>	<u>28,913,556</u>	<u>31,000,000</u>
<u>Interest on Investments</u>	<u>509</u>	<u>0</u>	<u>0</u>
<u>Total Current Revenue</u>	<u>30,095,357</u>	<u>28,913,556</u>	<u>31,000,000</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>2,683,630</u>	<u>5,177,960</u>
<u>TOTAL REVENUES</u>	<u>\$30,095,357</u>	<u>\$31,597,186</u>	<u>\$36,177,960</u>

2013 BUDGET

INTERNAL SERVICE FUND SUMMARIES

Basis of Accounting: Accrual	2011 ACTUAL	2012 BUDGET	2013 BUDGET
FUND: Central Services			
Program Expenditures	<u>\$4,917,528</u>	<u>\$7,586,559</u>	<u>\$7,359,312</u>
Charges for Services	4,653,486	7,586,559	7,359,312
Net Assets (Increase)/Decrease	264,042	0	0
FUND: Central Mobile Equipment (CMED)			
Program Expenditures	<u>\$11,798,778</u>	<u>\$13,497,656</u>	<u>\$13,883,064</u>
Charges for Services	13,243,173	13,497,656	13,883,064
Net Assets (Increase)/Decrease	(1,444,395)	0	0
FUND: Energy Center			
Program Expenditures	<u>\$8,164,301</u>	<u>\$9,751,272</u>	<u>\$9,163,152</u>
Charges for Services	8,363,011	9,751,272	9,163,152
Net Assets (Increase)/Decrease	(198,710)	0	0
FUND: Information Technology			
Program Expenditures	<u>\$40,319,587</u>	<u>\$53,923,413</u>	<u>\$60,234,219</u>
Charges for Services	36,843,674	53,923,413	60,234,219
Net Assets (Increase)/Decrease	3,475,913	0	0
FUND: Self Insurance Fund			
Program Expenditures	<u>\$4,514,932</u>	<u>\$5,486,519</u>	<u>\$5,608,082</u>
Charges for Services	6,491,626	5,486,519	5,608,082
Net Assets (Increase)/Decrease	(1,976,694)	0	0
FUND: Other Employee Benefits			
Program Expenditures	<u>\$15,554,672</u>	<u>\$22,000,000</u>	<u>\$26,000,000</u>
Charges for Services	15,482,659	22,000,000	26,000,000
Net Assets (Increase)/Decrease	72,013	0	0
FUND: Employee Health Plan Self Insurance			
Program Expenditures	<u>\$81,605,207</u>	<u>\$108,019,263</u>	<u>\$99,840,000</u>
Charges for Services	95,006,424	108,019,263	99,840,000
Net Assets (Increase)/Decrease	(13,401,217)	0	0

Major Program: Public Works

- Public Works Administration
- Strategic Planning & Resources
- Housing, Community Works & Transit
- Public Works Management Support
- Transportation
- Environmental Services
- Glen Lake Golf Course



Transit Oriented Development

Mission:

Public Works creates active and livable communities through economic development, environmental stewardship, and advancement of an intermodal transportation network.



Lowry Avenue Bridge

Program Description:

The Public Works programs support Hennepin County by providing services and facilities to enhance the mobility, connectivity, environmental stewardship and economy within the county. The services and programs vary from transit-oriented development, alternative energy, transportation infrastructure planning, design, construction and operations to housing. The departments that comprise Public Works include Administration; Strategic Planning and Resources; Housing, Community Works and Transit; Management Support; Transportation; Environmental Services; and Glen Lake Golf Course.

Program Highlights:

The Public Works program budget for 2013 is \$122.0 million, an increase of 1.8 percent when compared with the 2012 adjusted budget of \$119.8 million. Property tax support for this program has remained constant at \$22.9 million.

The Public Works program will operate with 414.9 full-time equivalent (FTE) employees in 2013, 0.9 FTE more than the 2012 adjusted budget. The part-time FTE will be used to support recycling efforts in Environmental Services.

In addition, as part of the 2013 reorganization of the Public Works business line, the Strategic Planning and Resources department was created. This new department is intended to enhance coordination between Public Works departments by providing technical support. Staff and resources were moved from other Public Works departments: Administration (1.0 FTE), Housing Community Works and Transit (15.0 FTEs), Management Support (1.0 FTE), Transportation (1.0 FTE) and Environmental Services (2.0 FTEs).

Public Works 2012 highlights include:

- The Lowry Avenue bridge over the Mississippi River was completed
- Over 1,600 Workforce Development Program participants became employed.
- Seven Transit Oriented Development projects generated \$164 million in total development value
- \$2.0 million in Affordable Housing Incentive Funding was awarded
- The construction of the Interchange transit hub began, with expected completion in 2014.

Hennepin County

2013 BUDGET

Adopted

Revenue Highlights:

Budgeted 2012 revenue totals \$122.0 million, a 1.8 percent increase from the 2012 adjusted budget of \$119.8 million. The Public Works program relies primarily on revenue from fees and services, property tax and state aid to finance its budget. The following is a summary comparing major budgeted revenues in 2012 and 2013.

Property Tax Revenues

For 2013, property tax comprises 18.8 percent of the Public Works program's total estimated revenues. Property tax revenue for 2013 increased \$14,000 over 2012.

Federal Revenue

Federal revenue of \$13.6 million consist mainly of federal grants for Housing, Community Works & Transit (HCWT) programs. The federal portion of the 2013 budget is 11.2 percent of the total Public Works program revenue, down from 12.8 percent in 2012.

State/Local Revenue

Revenue from the State of Minnesota is estimated at \$25.2 million, and consists mostly of \$18.7 million in County State Aid Highway funding, \$2.5 million for workforce improvement programs and \$3.4 million in state recycling and conservation grants. State and local revenue makes up 20.7 percent of the total Public Works program revenue for 2013, the same as in 2012.

Fees and Services Revenue

Fees and services represent the most significant category of revenue, estimated at \$49.1 million for 2013. These items account for approximately 40.2 percent of the 2013 Public Works program's total funding, compared to 41.9 percent in 2012. This revenue category consists primarily of solid waste and hazardous waste management fees for services.

Other Revenue

The other revenue category historically consisted of revenue generated by the Environmental Response Fund, Glen Lake Golf Course, and revenue HCWT receives from the Hennepin County Regional Railroad Authority and Hennepin County Housing and Redevelopment Authority for project staffing support. The \$4.5 million change in 2013 is primarily due to the use of \$3 million of Environmental Response Fund fund balance and a decrease in net earnings in Environmental Services.

Department Summary:	2011 Actual	2012 Budget	2013 Budget
Public Works Administration	\$1,829,578	\$1,850,866	\$2,319,189
Strategic Planning & Resources			2,100,669
Housing, Community Works & Transit	23,949,434	23,906,865	22,025,698
Public Works Management Support	2,820,383	2,788,660	2,457,517
Transportation	34,644,473	35,682,935	36,112,077
Environmental Services	54,878,946	54,481,954	55,909,974
Glen Lake Golf Course	841,106	1,126,785	1,042,913
Total Revenues	\$118,963,920	\$119,838,065	\$121,968,037
Public Works Administration	\$1,766,313	\$1,850,866	\$2,319,189
Strategic Planning & Resources			2,100,669
Housing, Community Works & Transit	22,984,885	23,906,865	22,025,698
Public Works Management Support	2,227,972	2,788,660	2,457,517
Transportation	34,733,874	35,682,935	36,112,077
Environmental Services	51,987,897	54,481,954	55,909,974
Glen Lake Golf Course	864,081	1,126,785	1,042,913
Total Expenditures	\$114,565,022	\$119,838,065	\$121,968,037

Hennepin County

2013 BUDGET

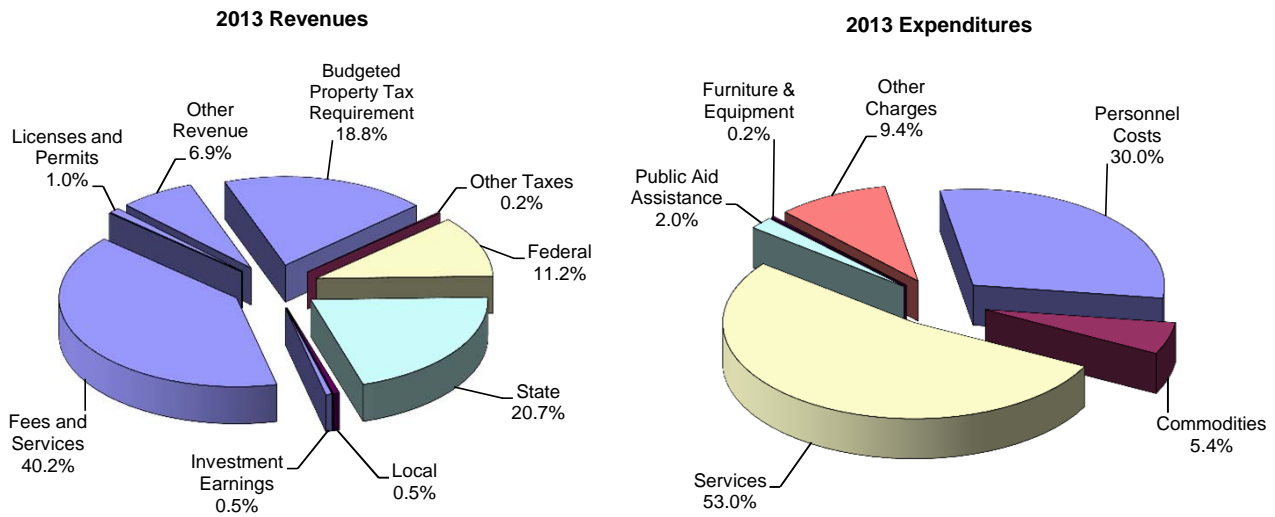
Adopted

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$24,655,032	\$22,903,479	\$22,917,509
Other Taxes	205,285	236,941	215,120
Federal	14,733,046	15,361,377	13,611,426
State	22,135,577	24,184,256	25,200,421
Local	579,533	587,150	687,048
Other Intergovernmental			
Investment Earnings	936,819	1,280,000	690,000
Fees and Services	50,659,323	50,243,665	49,073,854
Fines and Forfeitures	20,935	25,000	20,000
Licenses and Permits	1,203,903	1,161,765	1,178,765
Other Revenue	3,834,467	3,854,432	8,373,894
Total Revenues	\$118,963,920	\$119,838,065	\$121,968,037

**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Personnel Costs	\$33,438,734	\$35,694,215	\$36,529,862
Commodities	6,098,438	6,251,885	6,558,992
Services	62,331,964	64,237,967	64,602,734
Public Aid Assistance	4,981,378	2,772,000	2,490,000
Furniture & Equipment	609,294	148,142	264,001
Other Charges	7,105,214	10,733,856	11,522,448
Total Expenditures	\$114,565,022	\$119,838,065	\$121,968,037

Revenue and Expenditure Comparison:



Budgeted Positions:	2011 Budget	2012 Budget	2013 Budget
Public Works Administration	12.5	11.5	12.5
Strategic Planning & Resources	0.0	0.0	20.0
Housing, Community Works & Transit	62.0	65.5	50.5
Public Works Management Support**	60.0	60.0	57.0
Transportation	213.0	213.0	212.0
Environmental Services**	64.0	64.0	62.9
Glen Lake Golf Course	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	411.5	414.0	414.9

***FTE totals include employees from Internal Service Funds.*

Hennepin County

Public Works Administration
Public Works

2013 BUDGET
Adopted

Department Description:

Public Works Administration provides leadership and support to the Public Works team and advances public works initiatives within Hennepin County. The business support from Public Works Administration includes payroll, information technology, and safety.

Public Works Administration provides executive leadership to the Hennepin County Regional Railroad Authority.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$1,192,472	\$1,289,773	\$1,693,756
Other Taxes			
Federal			
State	42,076		
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	595,030	561,093	625,433
Total Revenues	\$1,829,578	\$1,850,866	\$2,319,189
Personnel Costs	\$1,068,376	\$1,176,832	\$1,331,132
Supplies and Materials	15,399	123,177	123,408
Purchased or Contract Services	673,819	492,820	804,795
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	8,719	58,037	59,854
Total Expenditures	\$1,766,313	\$1,850,866	\$2,319,189

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	12.5	11.5	12.5
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Hennepin County

Public Works Administration

2013 BUDGET

Public Works

Adopted

Significant Budget Changes:

Safety was transferred from Management Support to Public Works Administration. 1.0 Sr. Administrative Assistant vacancy was transferred from Administration to the new department, Strategic Planning and Resources.

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Administration	\$815,768	\$943,335	\$1,211,952
Safety			195,532
Management Information Systems	950,545	907,532	911,705
Total Expenditures	\$1,766,313	\$1,850,867	\$2,319,189

Additional Resources:

www.hennepin.us

Hennepin County

Strategic Planning and Resources

Public Works

2013 BUDGET

Adopted

Mission:

Public Works Strategic Planning and Resources provides technical expertise, facilitation of broad public works outreach, engagement and programming. This includes: internal and external communication, comprehensive county wide planning and capital improvement programming analysis and environmental management document control, real estate acquisition and disposition, and environmental process management.

Department Description:

This new department will facilitate enhanced coordination within Public Works by providing technical support to advance knowledge and application of tools, techniques and procedures for seamless delivery of projects and programs.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$1,373,087
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			5,000
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			722,582
Total Revenues	\$0.0	\$0.0	\$2,100,669
Personnel Costs	\$0.0	\$0.0	\$1,925,258
Supplies and Materials			5,600
Purchased or Contract Services			158,911
Public Aid			
Equipment and Asset Purchases			
Other Expenditures			10,900
Total Expenditures	\$0.0	\$0.0	\$2,100,669

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalent)	0.0	0.0	20.0
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Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Real Estate	\$0	\$0	\$1,283,095
Administration	0	0	817,574
Total Expenditures	\$0	\$0	\$2,100,669

Key Results:	2011	2012 Est.	2013 Goal
Cost Savings to Public Works based on process improvement and streamlining delivery of projects and programs	0	0	\$50,000
Projects and programs utilizing multi-department/division teams using case project management framework	0	0	50%
Alignment of strategic goals and metrics within Public Works (% of goals are baselined)	0	0	90%

Additional Resources:

www.hennepin.us, search on "Public Works strategic plan"

Hennepin County

Housing, Community Works & Transit
Public Works

2013 BUDGET
Adopted

Mission:

The mission of Housing, Community Works and Transit is to build and strengthen communities by developing quality, affordable housing and creating healthy built environments that provide transportation choices and community connections, attract investment and create jobs.

Department Description:

Communities are at the heart of Hennepin County's Housing, Community Works and Transit Department (HCWT). HCWT's work focuses on investing local, regional, county, state and federal resources in partnership with public and private partners to achieve housing, economic and workforce development and transit improvement goals. It is organized into four divisions:

- Engineering and Transit Planning
- Community and Workforce Development
- Housing Development and Finance
- Sentencing to Service Homes

HCWT also provides staff for the Housing and Redevelopment Authority and the Regional Railroad Authority.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$3,108,008	\$3,049,535	\$2,156,615
Other Taxes	45,909		
Federal	14,246,615	14,104,496	13,378,366
State	3,048,274	3,425,524	3,154,280
Local	332,093	194,000	234,800
Investment Earnings	7,653		
Fees for Services	472,558	644,000	846,010
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	2,688,324	2,489,310	2,255,627
Total Revenues	\$23,949,434	\$23,906,865	\$22,025,698
Personnel Costs	\$5,984,948	\$6,592,577	\$5,554,767
Supplies and Materials	509,521	295,670	52,270
Purchased or Contract Services	14,524,217	14,090,308	13,745,121
Public Aid	1,846,842	2,772,000	2,490,000
Equipment and Asset Purchases	9,532	365	2,000
Other Expenditures	109,825	155,945	181,540
Total Expenditures	\$22,984,885	\$23,906,865	\$22,025,698

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalent)	62.0	65.5	50.5
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Hennepin County

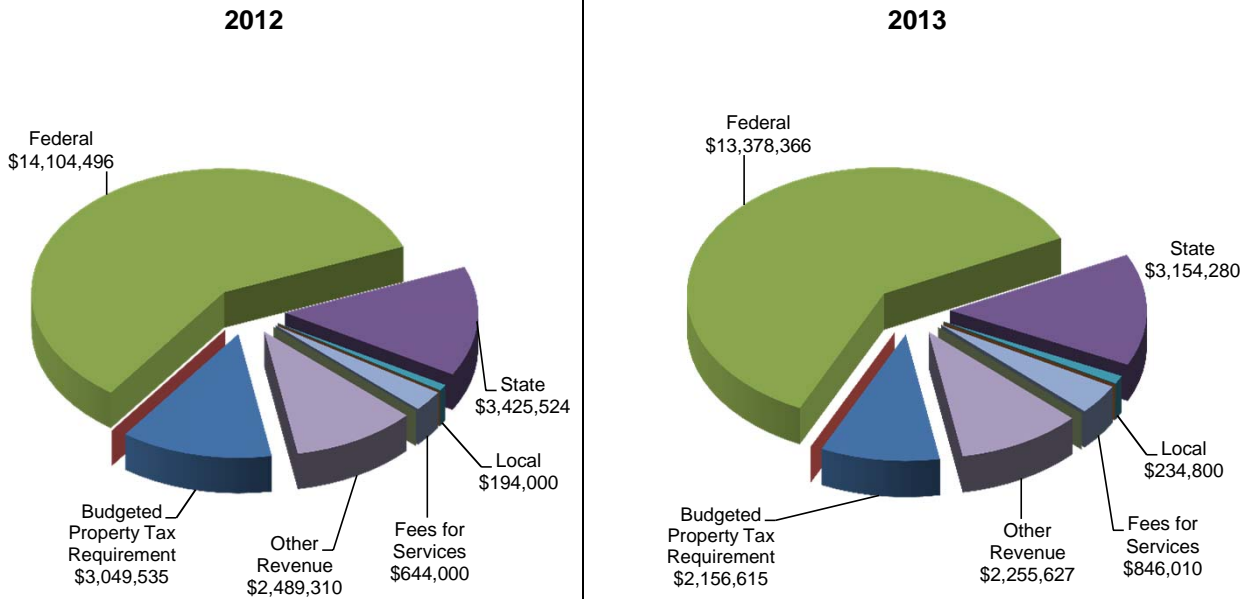
Housing, Community Works & Transit

2013 BUDGET

Public Works

Adopted

Revenue Comparison:



Significant Budget Changes:

The 2013 HCWT Budget reflects the following major budget changes:

1. It is projected that the federal and state resources available to fund the Workforce Investment Programs will be down by 15 percent, and the federal housing grant programs will be down by 5 percent. In contrast, the Active Living / Healthy Design programs in the Community and Workforce Development division have increased and have added an additional 2.5 FTEs since 2011.

2. Public Works is undergoing a transformation in 2013 to put in place a structure that supports collaboration across the business line, across the county and into the community. Part of this transformation includes the Real Estate Division will be transferred from HCWT, and additional 2.0 FTEs and property tax resources are allocated to the new department.

Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
Administration	\$901,273	\$940,398	\$1,018,113
Engineering and Transit Planning	962,117	1,002,756	1,069,683
Community / Workforce Development	6,041,460	7,572,836	6,778,813
Real Estate (Transferred in 2013)	1,312,340	1,374,473	
Housing Development & Finance	11,795,701	11,363,549	10,915,942
STS Homes	1,971,994	1,652,853	2,243,147
Total Expenditures	\$22,984,885	\$23,906,865	\$22,025,698

Hennepin County

Housing, Community Works & Transit

2013 BUDGET

Public Works

Adopted

Budget Commentary

2012 programs and projects that will be advanced in 2013:

1. Transit Development: Southwest Corridor – Preliminary Engineering (PE), Bottineau Corridor – preparation of Draft Environment Impact Statement (DEIS), The Interchange – Construction, Central Corridor - Construction, Northern Lights Express, Red Rock Corridor, Counties Transit Improvement Board staff participation
2. Housing Development and Finance: Affordable Rental Housing, Housing Rehabilitation, Affordable Homeownership, Special Needs Housing, Homeless Housing and Services, Foreclosure Prevention and Recovery, Public Services and Neighborhood Revitalization, Healthy Homes
3. Community Works: Penn Avenue, Bottineau LRT, Southwest LRT, Minnehaha- Hiawatha, Corridors of Opportunity, 66th Street Corridor, Ft. Snelling Upper Post
4. Economic Development: Transit Oriented Development, Business Assistance (Economic Gardening, Minnesota Community Capital Fund, Common Bond Fund, "Open to Business" with the Metropolitan Consortium of Community Developers), Workforce Investment, Active Living, Healthy Design, Complete Streets
5. Sentencing to Services Homes: Life Skills and Carpentry training for Hennepin County probationers, partnership with Summit Academy

Key Results:	2011	2012 Est.	2013 Goal
# Affordable Housing Units Impacted (Rental, Develop, Rehab, Lead Testing & Abatement)	1,492	1,332	1,265
# of Jobs Created / Retained with County Financing Tools	145	200	210
Southwest / Bottineau / Interchange - Corridor Advancement	DEIS/AA/Plan*	PE/DEIS/Design	PE/DEIS/Build
% of Work Force program participants will return to long term employment	80%	85%	86%
\$ leveraged with Federal Housing Programs, AHIF & TOD (in millions)	255.6	183.2	274.7

*AA - Alternative Analysis

Additional Resources:

The following web sites provide additional information associated with the HCWT projects and programs:

- www.hennepin.us/hcwt
- Southwest Transitway - <http://www.southwesttransitway.org/>
- Bottineau Transitway - <http://www.bottineautransitway.org/>
- The Interchange - <http://www.theinterchange.net/>
- Minnehaha – Hiawatha Community Works - <http://minnehaha-hiawatha.com/>
- Corridors of Opportunity Initiative - <http://www.metrocouncil.org/planning/COO/index.htm>
- Counties Transit Improvement Board - <http://mnrides.org>
- Summit Academy - <http://www.saoic.org/>

Hennepin County

Management Support
Public Works

2013 BUDGET
Adopted

Mission:

In partnership with the departments served, support the county and Public Works mission and vision by providing support services that are timely, effective, and efficient.

Department Description:

Provides accounting and financial services including accounts payable, accounts receivable, general ledger, financial reporting, and cash receipts; provide central warehousing services for Public Works departments. The department also provides centralized fleet management services for all county departments.

Budget Summary:

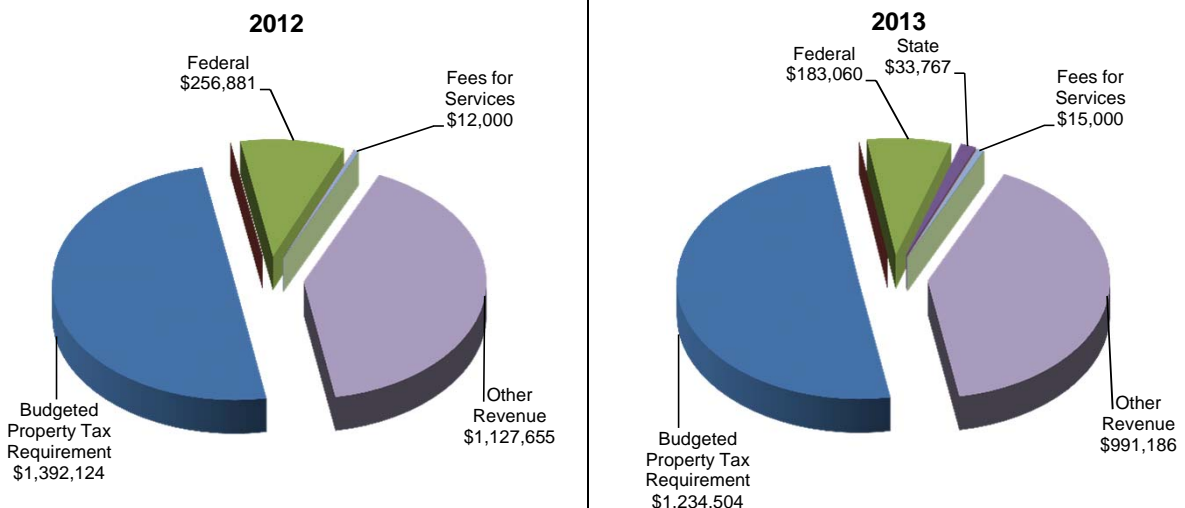
	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$1,517,478	\$1,392,124	\$1,234,504
Other Taxes			
Federal	162,464	256,881	183,060
State	21,025		33,767
Local			
Investment Earnings			
Fees for Services	12,053	12,000	15,000
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	1,107,363	1,127,655	991,186
Total Revenues	\$2,820,383	\$2,788,660	\$2,457,517
Personnel Costs	\$2,027,597	\$2,542,857	\$2,254,702
Supplies and Materials	13,814	11,150	10,750
Purchased or Contract Services	182,392	210,153	173,215
Public Aid			
Equipment and Asset Purchases		4,100	1,000
Other Expenditures	4,169	20,400	17,850
Total Expenditures	\$2,227,972	\$2,788,660	\$2,457,517

*Reflects the adjusted property tax requirement budget, not actual property tax collection.

Budgeted Positions (Full-time Equivalents)** 60.0 60.0 57.0

**Includes CMED internal services fund FTEs

Revenue Comparison:



Hennepin County

Management Support

2013 BUDGET

Public Works

Adopted

Significant Budget Changes:

The Management Support Department budget and revenue changes reflect 1.0 FTE from Financial Management and Accounting Division (FMA) moved to the newly created Strategic Planning and Resources department. An additional 1.0 FTE was also moved to the newly created Management Support Administration Division. In addition, 2.0 FTE from the Safety Division was moved to Public Works Administration.

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
FMA & Warehouse Administration	\$1,935,583	\$1,989,545	\$2,226,629
Support Services (Safety)	292,391	371,343	230,888
Total Expenditures	<u>\$2,227,974</u>	<u>\$2,364,888</u>	<u>\$2,457,517</u>

Budget Commentary

After a successful implementation of the APEX systems, a major priority for the FMA Division and the department has been to fully take advantage of the capabilities of the new system. FMA continues to collaborate with the APEX and the COGNOS teams to produce reports for analysis.

Since go-live on January 3, 2011, FMA has been actively involved in developing and requesting enhancements to APEX, despite significant turn over in the department during the last three years. FMA has represented the Public Works business line, and collaborated with other county departments, to leverage the capabilities of APEX to create a system that considers current best practices in governmental accounting, as well as, the unique needs and characteristics of the individual departments within Hennepin County. Since Public Works piloted the Project Costing, Grants and Billing/Accounts Receivable modules, "lessons learned" have been offered to other departments to assist in their implementation of those modules.

Key Results:	2011	2012 Est.	2013 Goal
Revenue Collected - Days outstanding		33	33
Department budget as % of PW budget	2%	2%	2%
Accounts Receivable billings processed	5,832	5,800	5,800
Vehicles are economical: maint & fuel \$/mile for intermediate automobiles	\$0.27	\$0.28	\$0.28

Additional Resources:

www.hennepin.us, select "Departments" and select "Public Works Management Support"

Hennepin County

**Transportation
Public Works**

**2013 BUDGET
Adopted**

Mission:

To support, sustain and enhance the economic vitality and quality of life within Hennepin County by developing and maintaining a safe, efficient, balanced and environmentally sound county transportation system.

Department Description:

The primary department responsibilities are planning, design, construction and maintenance of the county highway system. Minnesota statutes require that "county highways shall be established, located, relocated, improved, maintained, revoked, or vacated" and "it shall be the primary duty of the county to maintain and to remove snow from all county-state aid highways." As a result, the department develops a transportation program to meet these statute directives at a level of service commensurate to safety, capacity and highway transportation needs as interpreted by the County Board of Commissioners.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$18,837,074	\$17,172,047	\$16,459,547
Other Taxes	52,200	36,941	65,120
Federal			
State	15,194,616	17,445,732	18,659,717
Local	206,056	393,150	452,248
Investment Earnings			
Fees for Services	11,770	152,000	113,380
Fines and Forfeitures			
Licenses and Permits	319,405	308,765	308,765
Other Revenue	23,352	174,300	53,300
Total Revenues	\$34,644,473	\$35,682,935	\$36,112,077
Personnel Costs	\$18,351,061	\$19,191,397	\$19,181,987
Supplies and Materials	5,381,910	5,627,528	6,150,629
Purchased or Contract Services	10,253,207	10,555,582	10,358,119
Public Aid			
Equipment and Asset Purchases	599,762	143,677	261,001
Other Expenditures	147,934	164,751	160,341
Total Expenditures	\$34,733,874	\$35,682,935	\$36,112,077

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	213.0	213.0	212.0
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Hennepin County

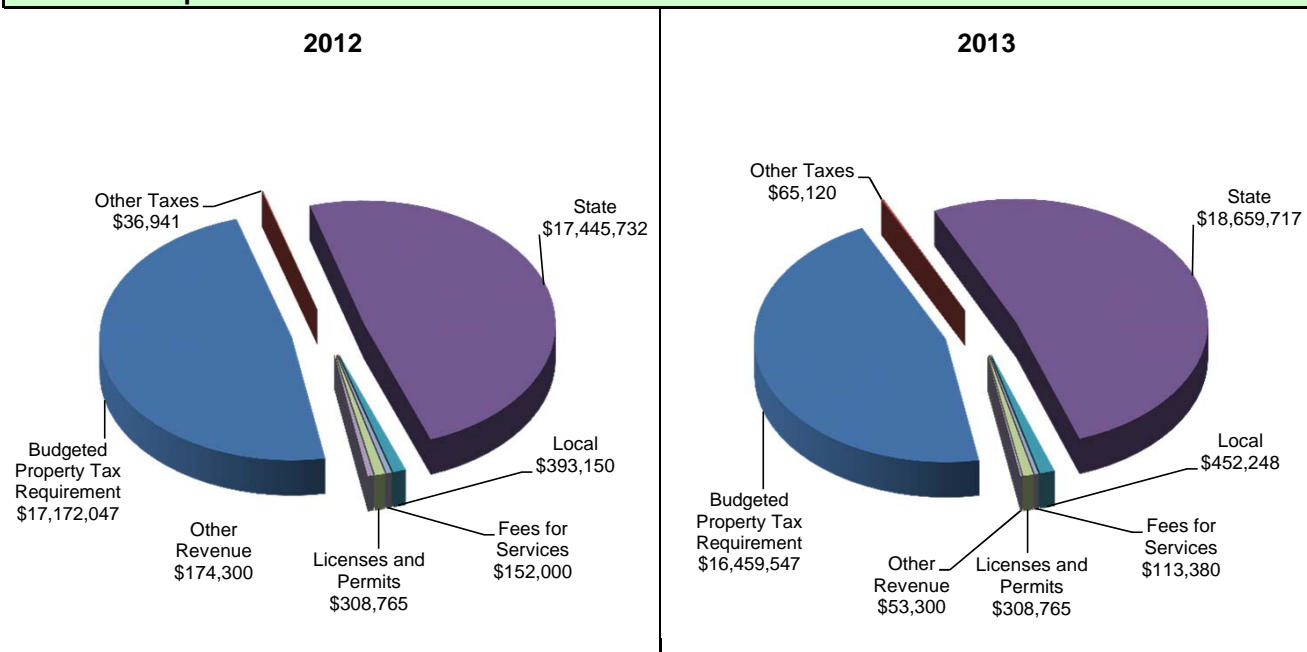
Transportation

2013 BUDGET

Public Works

Adopted

Revenue Comparison:



Significant Budget Changes:

The Transportation Department's proposed 2013 Operating Budget is \$36.1 million or \$429,000 (1.2%) more than the department's 2012 Operating Budget. The increase reflects a policy that State Aid construction funds be diverted to the Operating Budget to finance the majority of the cost of bituminous pavement overlays (\$3.9 million of the anticipated \$6 million cost).

The department's 2012 Operating Budget included \$17.1 million of Property Tax revenue. In 2013, the Operating Budget was reduced by \$712,500 of which \$369,000 (which includes 1.0 FTE) to support the new Strategic Planning and Resource Department.

Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
Administration	\$448,662	\$462,535	\$545,904
Design	3,067,989	3,177,066	3,581,888
Transportation Planning	1,550,856	1,443,105	1,458,735
Construction	4,473,606	4,457,002	4,531,142
Road & Bridges	20,325,033	20,328,053	20,414,212
Traffic	4,867,728	5,815,174	5,580,196
Total Expenditures	\$34,733,874	\$35,682,935	\$36,112,077

Hennepin County

Transportation

2013 BUDGET

Public Works

Adopted

Budget Commentary

The department's primary responsibilities are to maintain and improve the county highway system. The following is a Transportation System overview:

- System Objectives: preservation, safety, reconstruction/expansion and implementation of mobility options.
- System components: roads, 2,182 lane miles; bikeways, 540 miles; sidewalks, 385 miles; bridges, 146; traffic signals, 784.

The department's anticipated 2012 accomplishments include: complete 109 lane miles of bituminous overlays (104 by county staff and 5 by contractors), complete 13 miles of trails and bikeways, close 3 bicycle gaps as identified in the Hennepin Bicycle Gap Study, restripe a number of county highways to include shoulder and/or bicycle lanes and complete \$42.4 million in construction projects.

Key Results:	2011	2012 Est.	2013 Goal
Percent of bridges with sufficiency rating < 50	0.065	0.05	0.043
System annual crash rate (for the years 2009, 2010, 2011)	0.0306	0.0291	0.0281
Present serviceability rating (portion rated good or better)	0.529	0.53	0.537
Engineering costs as a percent of actual capital project costs.	0.185	0.18	0.18
Capital Improvement Program Construction Expenditures (million)	51.5	42.4	14.4
Percent of employees attaining the 24 hour training goal	82%	100%	100%

Additional Resources:

- www.hennepin.us/transportation or search on:
- Hennepin County Transportation Systems Plan
 - Intelligent Transportation Systems Strategic Plan
 - Bicycle System Transportation Plan
 - Road Construction Interactive Map
 - Active Living Hennepin County
 - Hennepin County Pedestrian Plan
 - Hennepin County Capital Budgets

Hennepin County

Environmental Services

Public Works

2013 BUDGET

Adopted

Mission:

To preserve and enhance the county's environment for future generations through responsible management of waste, protection of natural resources and promotion of environmental stewardship.

Department Description:

The department carries out its responsibilities through three divisions: Administration, Environmental Protection, and Solid Waste and Energy. These divisions operate programs to provide environmental education and outreach to the community, manage solid and hazardous waste, protect and manage natural resources, clean up contaminated lands and operate the Hennepin County Energy Center (HCEC) and Hennepin Energy Recovery Center (HERC).

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes	107,176	200,000	150,000
Federal	323,967	1,000,000	50,000
State	3,829,586	3,313,000	3,352,657
Local	41,384		
Investment Earnings	929,166	1,280,000	690,000
Fees for Services	50,162,942	49,435,665	48,094,464
Fines and Forfeitures	20,935	25,000	20,000
Licenses and Permits	884,498	853,000	870,000
Other Revenue	(1,420,708)	(1,624,711)	2,682,853
Total Revenues	\$54,878,946	\$54,481,954	\$55,909,974
Personnel Costs	\$6,006,752	\$6,190,552	\$6,282,016
Supplies and Materials	177,794	194,360	216,335
Purchased or Contract Services	36,698,329	38,889,104	39,362,573
Public Aid	3,134,536		
Equipment and Asset Purchases			
Other Expenditures	5,970,486	9,207,938	10,049,050
Total Expenditures	\$51,987,897	\$54,481,954	\$55,909,974

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)**	64.0	64.0	62.9
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**Includes HCEC internal services fund FTEs

Hennepin County

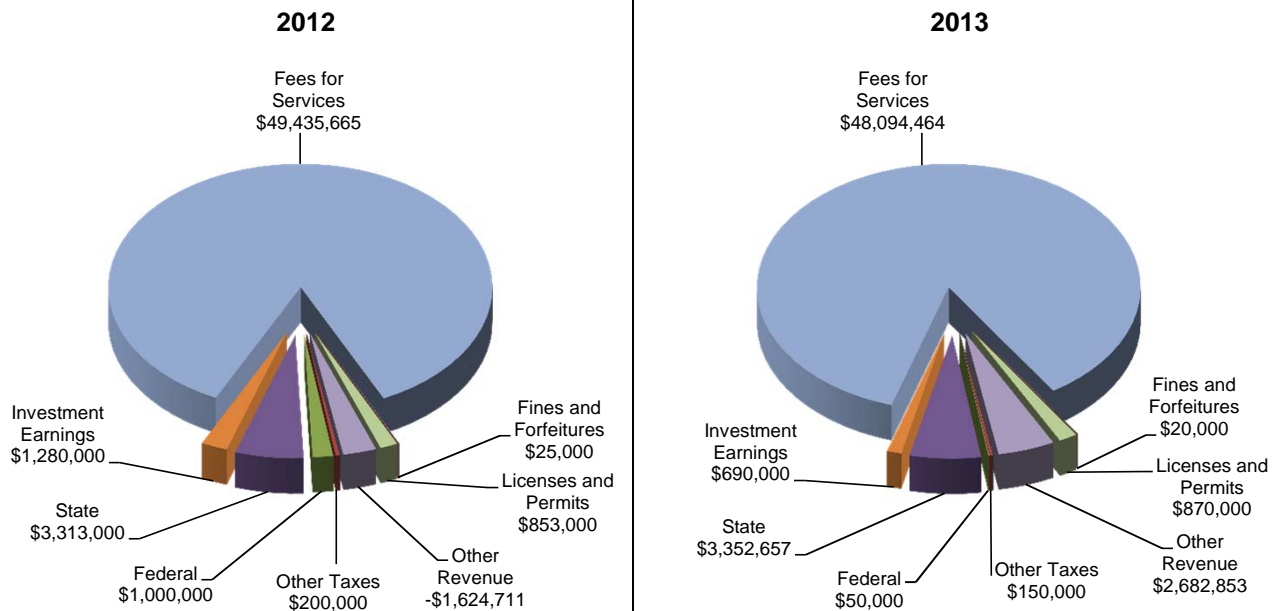
Environmental Services

2013 BUDGET

Public Works

Adopted

Revenue Comparison:



Significant Budget Changes:

The Environmental Services Department does not rely on any property tax revenues for its operations. Fees for services and the sale of energy and materials generates more than \$48.1 million of the department's revenue with an additional \$3.4 million coming from federal and state grants. The 2013 department budget request includes \$55.9 million in expenditures. The department anticipates that it will gather \$57.3 million in revenues which will add \$1.4 million to the balance of the Solid Waste Enterprise Fund.

Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
Administration	\$8,446,320	\$9,654,576	\$10,565,349
Protection	7,799,685	6,902,380	6,940,725
Solid Waste & Energy	35,741,892	37,924,998	38,403,900
Total Expenditures	\$51,987,897	\$54,481,954	\$55,909,974

Hennepin County

Environmental Services

2013 BUDGET

Public Works

Adopted

Budget Commentary

For 2013, the department will continue to build upon efforts begun which include:

1. Expand the use of volunteers through programs such as Wetland Health Evaluation (WHEP) and the new Master Recycler/Composter Program.
2. Seek to educate and engage community organizations using Community Power, Networks and youth projects along with emerging tools such as social media
3. Expand E-Government opportunities to the public and businesses such as: licensing waste haulers and hazardous waste generators, and Environmental Response Fund grant submissions
4. Evaluate service changes to address the evolving demographics of our customers.

The Minnesota Pollution Control Agency recently adopted new goals for how Hennepin County must manage municipal solid waste generated within the county. The department will expand its current program activities to meet the goals (see Resolution 11-0306R2)

Key Results:	2011	2012 Est.	2013 Goal
Number of Participants using HHW/Problem Material Programs	118,908	130,799	143,900
% of Large Quantity Generator inspections completed	100%	100%	100%
Energy Produced - MegaWatt Hours of Electricity	261,753	287,000	289,000
Total tons of municipal solid waste delivered for processing	447,275	450,000	460,000

Additional Resources:

- <http://www.hennepin.us/portal/site/Hennepin>
- www.hennepin.us/hwgenerators
- www.hennepin.us/reducewaste
- <http://www.rethinkrecycling.com/>
- <http://www.mepc-mn.org/>

Hennepin County

Glen Lake Golf Course
Public Works

2013 BUDGET
Adopted

Mission:

To operate in a manner that provides the greatest amount of community benefit.

Department Description:

The Glen Lake Golf Course is a Hennepin County owned recreational facility operated by the Three Rivers Park District. The facility provides a nine-hole executive course and driving range. There are golf lessons available and fee discounts are offered to seniors 62 years of age and older and juniors 17 years of age and younger. The facility is self-supporting through fees charged for services provided.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	841,106	1,126,785	1,042,913
Total Revenues	\$841,106	\$1,126,785	\$1,042,913
Personnel Costs	\$0	\$0	\$0
Supplies and Materials			
Purchased or Contract Services			
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	864,081	1,126,785	1,042,913
Total Expenditures	\$864,081	\$1,126,785	\$1,042,913

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	0.0	0.0	0.0
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Additional Resources:

www.threeriversparks.org/parks/glen-lake-golf.aspx

Hennepin County

2013 BUDGET

Adopted

Major Program: Public Safety

County Attorney's Office
Court Functions
Law Library
Public Defender
Sheriff's Office
Dept. of Community Corrections and Rehabilitation
Sheriff's Radio Communications



County Attorney Michael O. Freeman



Sheriff Richard W. Stanek

Program Description:

The Public Safety program includes the county's activities in law enforcement, criminal prosecution, legal counsel for the indigent, correctional programs, and provides legal reference information to attorneys and citizens of the county. The county departments contributing to this major program are the County Attorney's Office, Court Functions, Law Library, Public Defender, Sheriff's Office, Department of Community Corrections and Rehabilitation, and Sheriff's Radio Communications.

Program Highlights:

The 2013 Public Safety program accounts for 43.7 percent of the expenditures in the County Revenue Fund (also referred to as the General Fund), and 100 percent of the Sheriff's Radio Communications Fund. The program will operate with 2,142.6 authorized full-time equivalents (FTEs) which is a decrease of 10.7 FTEs over the 2012 adjusted budget.

The 2013 budgeted expenditures for the Public Safety program has increased 1.3 percent (\$3.3 million) over the 2012 adjusted budget of \$253.6 million. The expenditures will be offset by \$57.5 million in expected non-property tax revenues and \$199.4 million in property tax. Overall contributors to the increase in 2013 are in Personnel Costs (\$866,500), Commodities (\$388,600), Services (\$1,931,800), Other expenses (\$811,200), with an offset in Capital (\$708,300). The increase in Personnel Costs expenditures stems from a cost of living adjustment (COLA) and retiree health insurance. These expenses were offset by the downward shift in the number of full-time-equivalents (FTEs) from attrition. The increase in Services stems from the county wide information technology (IT) infrastructure, Multi Functional Devices (MFDs), and attorney contracts for the attrition of county FTEs in the Public Defender's Office. Other expense increase is driven by the radio depreciation expense.

County Attorney's Office

For 2013, the Hennepin County Attorney's Office continues to manage ongoing budget challenges by pursuing innovative cost saving measures, growing community partnerships, and seeking outside funding sources for critical work in the office. While the Attorney's Office continues to work hard to hold the line on property tax, the approved 2013 operating budget and property tax reflects an increase of 2.3 percent. The increase stems from a staff COLA, health insurance, information technology infrastructure costs, and the addition of two culturally specific advocates to enhance domestic abuse and sexual assault victim services to underserved communities.

Program Highlights Continued:

Court Functions

When the State of Minnesota took over District Court on July 1, 2003, Hennepin County was to provide administrative oversight and funding for certain functions that were to remain with the county. Some of these duties are: representation in Mental Health Court and temporary hospital confinement, Family Court, Probate Court, along with Housing and Criminal Court representation.

The 2013 budgeted expenditure authority is funded 100 percent by property taxes. When compared to the 2012 adjusted budget of \$2.23 million, the 2013 operating budget reflects a decrease of 2.0 percent or \$45,000 to \$2.19 million. The decrease stems from the alignment of the Commitment Defense budget with historical expenditures.

Law Library

The Law Library's main objectives are to provide legal information service pursuant to Minnesota Statutes Chapter 134A to the judges, government officials, practicing attorneys and citizens of Hennepin County. The Law Library will have a 2013 operating expenditure budget authority of \$1.6 million, offset by expected non-property tax revenues of \$1.25 million and property tax of \$374,600. When compared to the 2012 adjusted budget of \$1.6 million, the authorized operating budget will decrease by \$17,600 or 1.1 percent. The majority of the decrease ties to the salary adjustment of the vacant Public Services Librarian.

Public Defender

In 2013, the Public Defender's Office has an appropriation of \$15.7 million, offset by expected non-property tax revenues of \$8.4 million and property tax of \$7.3 million. When compared to the 2012 adjusted budget of \$15.4 million, the authorized operating budget will increase by \$284,300 and offset by a decrease of \$28,800 in non-property tax revenue and an increase of \$313,100 in property tax utilization. The majority of the increase stems from the county-wide rise in IT infrastructure rate, the inclusion of state Public Defender employee into the Hennepin County IT infrastructure costs, and attorney contracts to fill the gap of reduced Hennepin County FTEs.

Some of the accomplishments/efficiencies are technological advancement with case discovery information, court reorganization, community agencies, specialty courts, and the utilization of volunteers from private firms.

Sheriff's Office

In 2013, the Sheriff's Office will have an appropriation of \$86.9 million which will be offset by expected non-property tax revenues of \$11.5 million and property tax of \$75.4 million. When compared to the 2012 adjusted budget of \$86.2 million, the operating budget has increased by \$663,200; property tax revenues have increased by \$1.4 million; and non-property tax revenues have decreased by \$732,200. In 2013, the Sheriff's Office was approved to operate with 808.0 FTEs. In 2013 the vacancy factor has been lowered to provide an additional funding for 4.9 FTEs over the 2012 adjusted budget of 739.0 FTEs for a new total of 743.9 funded FTEs.

Although the 2013 operating budget is relatively flat when compared to the 2012 adjusted budget, the 2013 approved budget contains several significant increases like employee cost of living adjustment, IT infrastructure and employee equipment provision rates, and retiree health insurance. The majority of these increases will be offset by managing employee attrition, increased training facility lease revenues, and investigative activities funded through the Violent Offender Task Force forfeitures fund balance.

Department of Community Corrections and Rehabilitation

The Department of Community Corrections and Rehabilitation (DOCCR) is continuing its multi-year transformation to become a results-oriented and data driven organization. Consistent with previous budgets, the 2013 budget allocates resources to maintain funding and support for core efforts that address the department priorities. In order to meet the 2013 operating budget and property tax targets, DOCCR has pushed forward with program innovations to achieve cost savings as well as reallocating resources from lower risk offenders to high risk offenders.

In 2013, DOCCR will have an appropriation of \$103.8 million, offset by expected non-property tax revenues of \$28.5 million and property tax of \$75.3 million. When compared to the 2012 adjusted budget of \$103 million, the operating budget has increased by \$807,500; property tax revenues have increased by \$800,300; and non-property tax revenues have remained flat. DOCCR was approved to operate with 899.0 FTEs, which is 1.0 FTEs less than in the 2012 adjusted budget.

Hennepin County

2013 BUDGET

Adopted

Revenue Highlights:

Property Tax Revenues

In 2013, property tax comprises 77.6 percent or \$199.4 million of the Public Safety program's total expected revenues of \$256.9 million. The majority of the property tax will fund the Sheriff's Office at \$75.4 million, Department of Community Corrections and Rehabilitation at \$75.3 million, County Attorney's Office at \$38.9 million, Public Defender at \$7.3 million, and Court Functions at \$2.2 million.

Non-Property Tax Revenues

The departments in the Public Safety program will rely on \$57.5 million in expected non-property tax revenues for 2013. The main sources are the State of Minnesota with \$30.5 million, Fees and Services revenue at \$20.1 million, and Federal revenue at \$3.9 million.

Federal Revenue

The federal monies fund activities in child support, child protection, welfare fraud, Homeland Security, DNA testing, crime lab, State Criminal Alien Assistance Program, Minneapolis Anti-Violence Initiative, DWI countermeasures, and reimbursement for breakfast and lunch programs at the Juvenile Detention Center and County Home School.

When 2013 budgeted federal revenues of \$3.9 million are compared to the 2012 adjusted budget, the Public Safety program anticipates a decrease of \$700,000. Of this, \$679,000 is located in the Sheriff's Office from the sunseting of several grant

State Revenue

Revenue from the State of Minnesota is the largest source of non-property tax income for the Public Safety program. The majority of state revenue is realized in the following departments: Department of Community Corrections and Rehabilitation accounting for \$18.6 million, Public Defender with \$8.4 million, and the Sheriff's Office at \$3.3 million.

When compared to the 2012 adjusted budget, revenue from the State of Minnesota has remained flat at \$30.5 million, however support for specific programs has changed. The sunseting of the Auto Theft Grant in the County Attorney's Office and Sheriff's Office has been offset by an increase in Department of Community Correction and Rehabilitation for state contract beds at the Adult Correctional Facility and mental health grant expansion.

Fees and Services Revenue

The anticipated 2013 Fee and Service revenue is to increase by \$614,300 to \$20.1 million over the 2012 adjusted budget. The Sheriff's Radio Communication drove the 2013 increase due to the lease back fees and the number of radios utilized.

As the second largest source of non-property tax income, the majority of the revenues result from charges to other jurisdictions or clients for processing, boarding, monitoring pre- and post- adjudication of clients, civil fees, court fees, and lease revenue for radios and Mobile Data Computers.

License and Permits

License and Permits revenue is derived from gun permits applications in the Sheriff's Office. In 2013, the Sheriff's Office has realigned this revenue to historical receipts which is an increase by \$35,000 over 2012 adjusted budget of \$300,000.

Other Revenue

In 2013, Other Revenue has been budgeted at \$2.4 million and accounts for 4.2 percent of anticipated non-property tax revenues. The majority of the revenue falls in the Sheriff's Office for reimbursement for personnel services for the Sheriff's Radio Communications (fund 38) and jail commissary sales. Other contributors are revenues derived from Department of Community Corrections and Rehabilitation for the Productive Day program and commissary sales at the Adult Correctional Facility.

Hennepin County

2013 BUDGET

Adopted

Department Summary:	2011 Actual	2012 Budget	2013 Budget
County Attorney's Office	\$42,180,150	\$42,605,276	\$43,568,611
Court Functions	2,294,000	2,237,000	2,192,000
Law Library	1,727,348	1,644,295	1,626,651
Public Defender	15,267,872	15,368,225	15,652,512
Sheriff's Office	85,809,810	86,231,438	86,894,641
Department of Community Corrections and Rehabilitation	103,188,446	103,038,673	103,846,215
Sheriff's Radio Communications Fund	2,278,739	2,523,117	3,157,316
Total Revenues	\$252,746,365	\$253,648,024	\$256,937,946

County Attorney's Office	\$42,131,851	\$42,605,276	\$43,568,611
Court Functions	1,872,562	2,237,000	2,192,000
Law Library	1,644,570	1,644,295	1,626,651
Public Defender	15,209,557	15,368,225	15,652,512
Sheriff's Office	86,138,804	86,231,438	86,894,641
Department of Community Corrections and Rehabilitation	100,459,470	103,038,673	103,846,215
Sheriff's Radio Communications Fund	2,936,049	2,523,117	3,157,316
Total Expenditures	\$250,392,863	\$253,648,024	\$256,937,946

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$196,685,287	\$196,121,539	\$199,435,252
Federal	5,126,070	4,621,511	3,923,637
State	29,986,293	30,532,593	30,532,431
Local	(15,783)	63,900	101,400
Fees and Services	18,181,415	19,478,659	20,092,942
Fines and Forfeitures	307,487	78,300	78,300
License and Permits	334,325	300,000	335,000
Other Revenue	2,141,271	2,451,522	2,438,984
Total Revenues	\$252,746,365	\$253,648,024	\$256,937,946

Personnel Costs	\$198,195,179	\$199,232,504	\$200,099,027
Commodities	8,828,941	8,360,665	8,749,306
Services	39,456,579	41,999,526	43,931,350
Furniture & Equipment	1,765,517	1,960,846	1,252,590
Other Charges	2,146,647	2,094,483	2,905,673
Total Expenditures	\$250,392,863	\$253,648,024	\$256,937,946

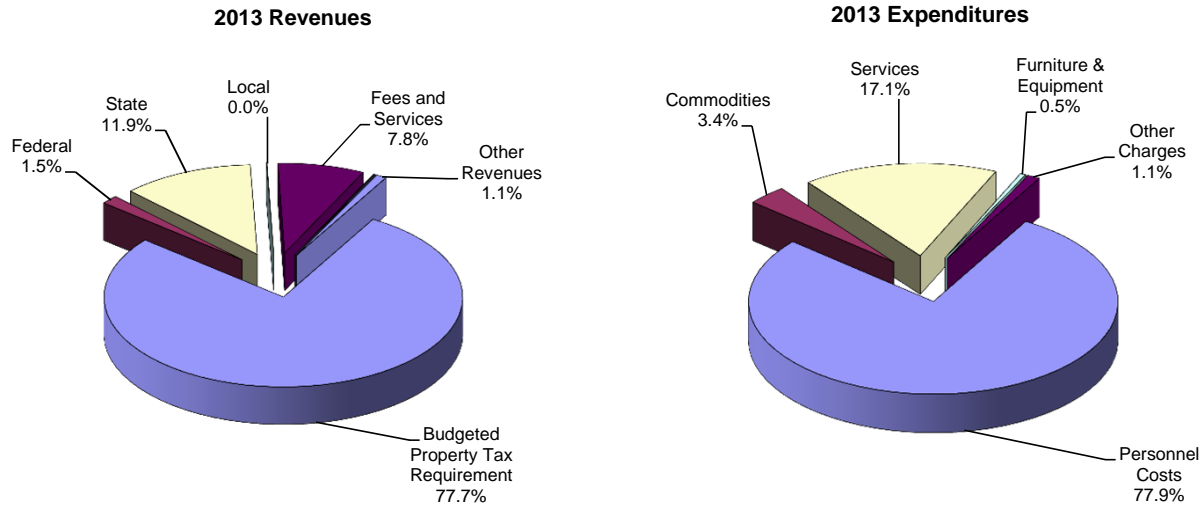
*Reflects the adjusted property tax requirement budget, not actual property tax collections.

Hennepin County

2013 BUDGET

Adopted

Revenue and Expenditure Comparison:



Budgeted Positions:	2011 Budget	2012 Budget	2013 Budget
County Attorney's Office	344.0	349.5	346.0
County Court Functions	0.0	0.0	0.0
Law Library	7.8	6.7	6.7
Public Defender	94.8	89.1	82.9
Sheriff's Office	835.0	808.0	808.0
Department of Community Corrections and Rehabilitation	933.9	900.0	899.0
Sheriff's Radio Communications	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	2,215.5	2,153.3	2,142.6

Hennepin County

County Attorney's Office
Public Safety

2013 BUDGET
Adopted

Mission:

We serve justice and public safety through our commitment to ethical prosecution, crime prevention and innovative and reasoned client representation.

Department Description:

The Hennepin County Attorney's Office (HCAO) is organized by Criminal and Civil Divisions.

The Criminal Divisions represent the State of Minnesota, prosecuting adults charged with felonies, and all crimes committed by juveniles. The Criminal Divisions include Adult Prosecution, Juvenile Prosecution, the Gang Unit, Community Prosecution, Special Litigation and the Victim Witness Program, which includes the Domestic Abuse Service Center.

The Civil Division provides legal representation to all county departments, including Hennepin Healthcare Systems. The other Civil Divisions include Child Protection, Child Support Enforcement and Mental Health. The Administration Division provides executive direction and coordination for policy and office-wide functions.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$37,641,029	\$38,017,439	\$38,874,976
Other Taxes	-	-	-
Federal	3,104,430	2,627,026	2,731,680
State	88,114	344,190	263,255
Local	3,000	50,000	50,000
Other Intergovernmental	-	-	-
Investment Earnings	-	-	-
Fees for Services	1,021,994	1,362,621	1,419,700
Fines and Forfeitures	-	-	-
Licenses and Permits	-	-	-
Other Revenue	321,582	204,000	229,000
Total Revenues	\$42,180,150	\$42,605,276	\$43,568,611
Personnel Costs	\$36,226,008	\$36,672,099	\$36,985,426
Supplies and Materials	303,697	242,600	237,400
Purchased or Contract Services	5,426,168	5,569,950	6,204,656
Public Aid	-	-	-
Equipment and Asset Purchases	-	-	-
Other Expenditures	175,978	120,627	141,129
Total Expenditures	\$42,131,851	\$42,605,276	\$43,568,611

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	344.0	349.5	346.0
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Hennepin County

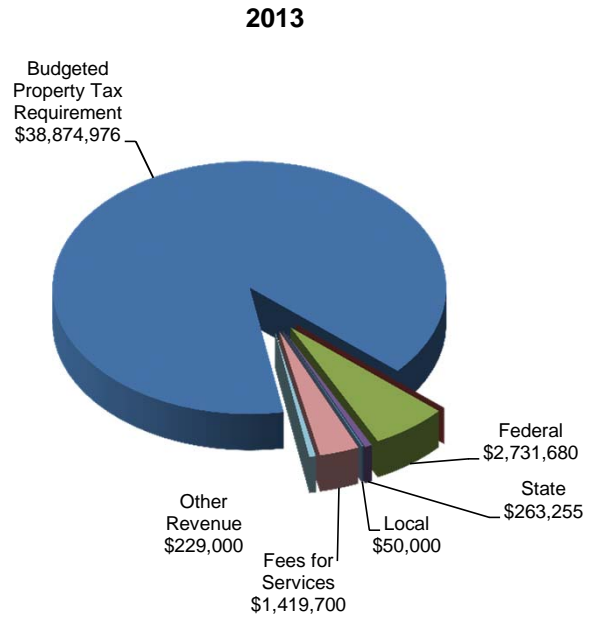
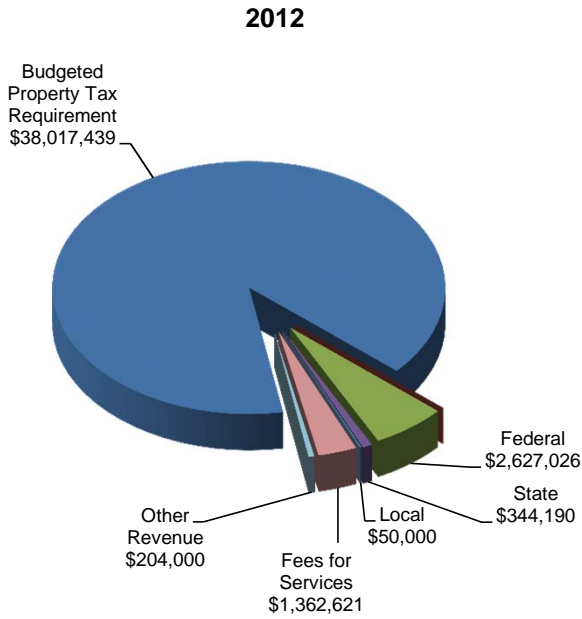
County Attorney's Office

2013 BUDGET

Public Safety

Adopted

Revenue Comparison:



Significant Budget Changes:

The Hennepin County Attorney's Office (HCAO) continues to manage ongoing budget challenges by pursuing innovative cost saving measures, growing community partnerships, and seeking outside funding sources for critical work in the office. While the HCAO continues to work hard to hold the line on property tax, the approved 2013 operating budget and property tax reflects an increase of 2.3 percent. The increase stems from Cost of Living Adjustment (COLA), health insurance, information technology infrastructure costs, and the addition of two culturally specific advocates to enhance domestic abuse and sexual assault victim services to underserved communities.

Division Budgets:

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Criminal	\$23,153,669	\$23,272,367	\$23,724,673
Civil and Administration	18,978,182	19,332,909	19,843,938
Total Expenditures	\$42,131,851	\$42,605,276	\$43,568,611

Hennepin County

County Attorney's Office

2013 BUDGET

Public Safety

Adopted

Budget Commentary

Despite difficult economic times and tight staffing levels, the Hennepin County Attorney's Office (HCAO) continues to develop and grow community partnerships to enhance the critical work of the office like finalizing our work with the Council on Crime and Justice to study racial disparities in the juvenile system. The partnership we have established with ECHO Minnesota to create education programs on domestic abuse in a variety of languages and the collaboration with the Minneapolis Police Department to enhance public safety and improve investigation and prosecution of crime within the Fourth Precinct.

The HCAO has also assisted the county by assuming responsibility for additional activities like Adult Restitution program, representation for the Hennepin Faculty Associates (FHA), and truancy prevention and intervention.

The Adult Restitution program was assumed from Department of Community Corrections and Rehabilitation for adults in 2012. HCAO has enhanced efforts to identify and report the cost of the crime to ensure the court can order the full amount at sentencing.

As of January 1, 2012, Hennepin Faculty Associates integrated into Hennepin County Medical Center and HCAO has assumed the legal activities for 300 doctors and 650 employees.

The be@school program, as part of the County Board initiative Accelerating Graduation by Reducing Achievement Disparities (A-GRAD), continues to improve school attendance and keep kids out of court for truancy violations. Since inception in 2010, the HCAO has had less than five percent of the referred cases require court intervention.

Key Results:

- Partnered with the Minnesota Bureau of Criminal Apprehension, the State Public Defender and the Innocence Project to review 14,000 Minnesota cases for the period of 1981 to 1999 to ensure justice was done with a result of no convictions reversed.
- Worked closely with the Interchange Office to create a design-build competitive process that resulted in a plan to build a light-rail, commuter rail and bus transit plaza with retail shops by Target Field.
- Worked with MHP to create an Accountable Care Organization, to develop ways to improve health outcomes while cutting costs.
- Obtained a record 30-year sentence for a ringleader of a Meth smuggling operation associated with a Mexican Drug Cartel.
- Successfully argued before the Minnesota Public Utilities Commission that Xcel Energy should bury its new transmission line along the Midtown Greenway and spread the additional \$17 million cost across all of its ratepayers in the five-state region, not just those in Minneapolis or Hennepin County.

Additional Resources:

Hennepin County Attorney's Office
C-2000 Government Center
300 South Sixth Street
Minneapolis, MN 55487
Phone: (612) 348-5550
Email: citizeninfo@co.hennepin.mn.us
Website: www.hennepinattorney.org

Hennepin County

Court Functions
Public Safety

2013 BUDGET
Adopted

Mission:

Provide administrative oversight and funding for certain District Court functions that remain with the county following the state takeover of the District Court on July 1, 2003.

Department Description:

The state takeover of the Fourth Judicial District occurred on July 1, 2003. In accordance with MN Statute 273.1398 Subd. 4b(b), certain functions that were overseen by the District Court remain with the county following the takeover. Court Functions include the following contract services: Mental Health Court representation and temporary hospital confinement, Family Court representation, Probate Court representation, along with Housing and Criminal Court representation.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,294,000	\$2,237,000	\$2,192,000
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$2,294,000	\$2,237,000	\$2,192,000
Personnel Costs	-	-	-
Supplies and Materials			
Purchased or Contract Services	1,872,562	2,237,000	2,192,000
Public Aid			
Equipment and Asset Purchases			
Other Expenditures			
Total Expenditures	\$1,872,562	\$2,237,000	\$2,192,000

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	0.0	0.0	0.0
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Budget Commentary

Due to legislative changes in 2004, the county saw a dramatic increase in the number of civil committed sex offenders who were either released or nearing release from state prison facilities. These changes created a back log of pre-commitment clients and increased the number of bed days to approximately 2,400. With Hennepin County responsible for 100 percent of the pre-commitment and 10 percent of the post-commitment, a collaboration between the County Attorney's Office, Department of Community Corrections and Rehabilitation, and Human Services and Public Health, the number of bed days decreased tremendously.

The 2013 budget is comprised of:

- \$1,155,000 for Mental Health Court legal representation
- \$145,000 for the Temporary hospital confinement of Mental Health Court clients
- \$337,000 for Family Court appointed legal representation
- \$425,000 for Probate Court appointed legal representation
- \$60,000 for Housing Court appointed legal representation
- \$70,000 for legal assistance for indigent clients

Hennepin County

Law Library
Public Safety

2013 BUDGET
Adopted

Mission:

To provide legal information service pursuant to Minnesota Statutes Chapter 134A to the judges, government officials, practicing attorneys, and citizens of Hennepin County.

Department Description:

The Law Library provides the legal information that citizens and practicing attorneys need in order to have meaningful access to the courts. The Law Library contains a print collection of legal materials, and it provides in-house access to online subscription databases that allow searching of case law and statutes. Reference assistance is provided by professional law librarians.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$397,995	\$382,195	\$374,551
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	1,322,804	1,255,000	1,245,000
Fines and Forfeitures	1,700	3,300	3,300
Licenses and Permits			
Other Revenue	4,849	3,800	3,800
Total Revenues	\$1,727,348	\$1,644,295	\$1,626,651
Personnel Costs	\$570,829	\$620,368	\$602,961
Supplies and Materials	6,162	12,100	10,600
Purchased or Contract Services	197,838	248,456	257,000
Public Aid			
Equipment and Asset Purchases	845,539	742,371	735,090
Other Expenditures	24,202	21,000	21,000
Total Expenditures	\$1,644,570	\$1,644,295	\$1,626,651

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	7.8	6.7	6.7
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Hennepin County

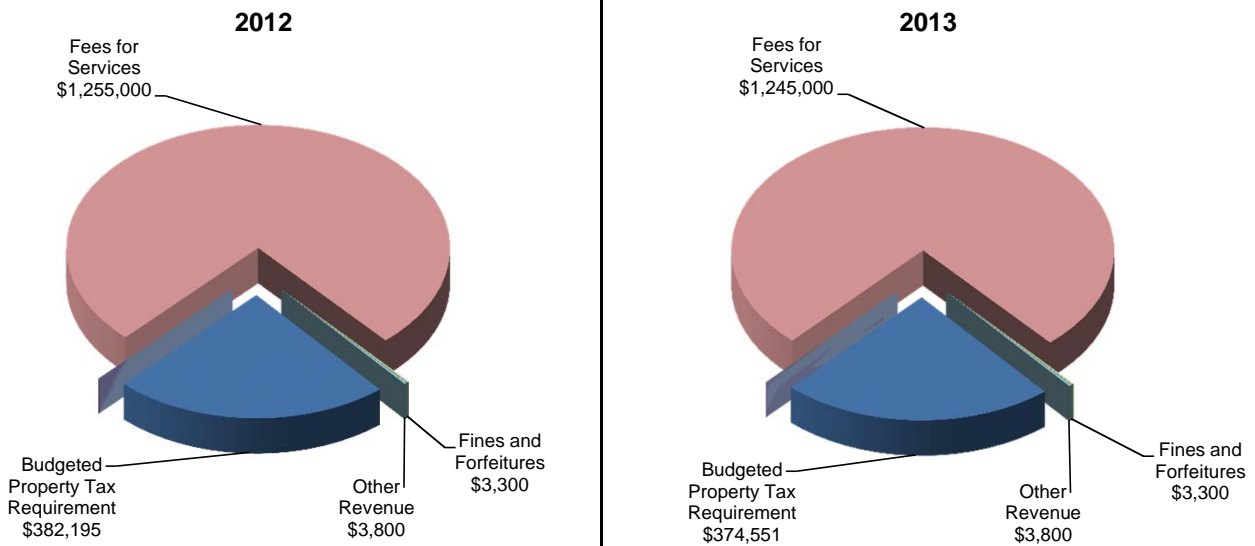
Law Library

2013 BUDGET

Public Safety

Adopted

Revenue Comparison:



Significant Budget Changes:

The Law Library's 2013 operating budget has decreased due to the salary adjustment of the vacant Public Services Librarian; a reduction in computer terminals with access to the Lexis database; Hennepin County Library to assume payment to Westlaw for access at the suburban libraries, and cuts in the book collection.

The reduction will be offset by \$26,644 due to the rise in Information Technology infrastructure rates and the participation in a replacement program for the Innovative Interfaces (Law Library's catalog) server.

The reduction of \$10,000 in Fees and Services stems from Court Revenue due to lower crime rates, fees for indigents being waived, and use of arbitration instead of litigation.

Budget Commentary

The 2013 operating budget for the Law Library has decreased 1.1 percent (\$17,644) over the 2012 adjusted budget of \$1.6 million. The operating expenditures will be offset by \$1.25 million in expected non-property tax revenues and \$374,551 in property tax.

Revenue is projected to decline in 2013 due to the implications of the 2009 change in Minnesota Statute 134A.09 and 134A.10 which states that a convicted defendant shall only be imposed the county law library fee once, not for each count. This alteration in the law combined with a lower crime rate, waived fees for indigents, and use of arbitration instead of litigation has revealed a decrease in Court Revenue by \$10,000.

The Law Library will continue to operate in 2013 with 6.7 authorized full-time equivalents.

Key Results:	2011	2012 Est.	2013 Goal
Number of people entering the Law Library	33,600	31,300	31,300
Number of email reference questions answered	2,100	2,400	2,500
Number of in-person and telephone reference and informational questions answered	9,700	10,100	10,100
Number of transactional searches performed on public Westlaw computers	24,100	22,700	22,700

Additional Resources:

Hennepin County Law Library
 C-2451 Government Center
 300 S. Sixth St.
 Minneapolis, MN 55487
 Phone: (612) 348-3022
 Website: www.hclaw.co.hennepin.mn.us

Hennepin County

**Public Defender
Public Safety**

**2013 BUDGET
Adopted**

Mission:

To provide the highest quality representation to indigent clients in the protection of their legal rights, thereby safeguarding those rights for each member of the community.

Department Description:

According to Gideon v. Wainwright (decided 50 years ago), the United States Supreme Court held an indigent defendant is entitled to assistance of counsel in a criminal trial. In subsequent cases, the Supreme Court has further established right to counsel in any case where the accused may be imprisoned if found guilty. Juveniles also are entitled to the same legal rights as adults. Over the course of the last three years the Supreme Court has also ruled that immigration consequences are no longer considered 'collateral' (Padilla v. Kentucky) and that the accused is entitled to effective assistance of counsel during plea negotiations. The Public Defender's Office is entrusted with these responsibilities for the majority of criminal cases in court, and also has assumed responsibilities for bringing child protection and a limited number of adult appeals.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$7,243,047	\$6,972,497	\$7,285,581
Other Taxes			
Federal			
State	8,024,825	8,395,728	8,366,931
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$15,267,872	\$15,368,225	\$15,652,512
Personnel Costs	\$12,237,348	\$12,137,018	\$11,532,974
Supplies and Materials	153,883	365,625	411,215
Purchased or Contract Services	2,761,590	2,790,382	3,652,323
Public Aid			
Equipment and Asset Purchases		35,000	5,000
Other Expenditures	56,736	40,200	51,000
Total Expenditures	\$15,209,557	\$15,368,225	\$15,652,512

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	94.8	89.1	82.9
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Hennepin County

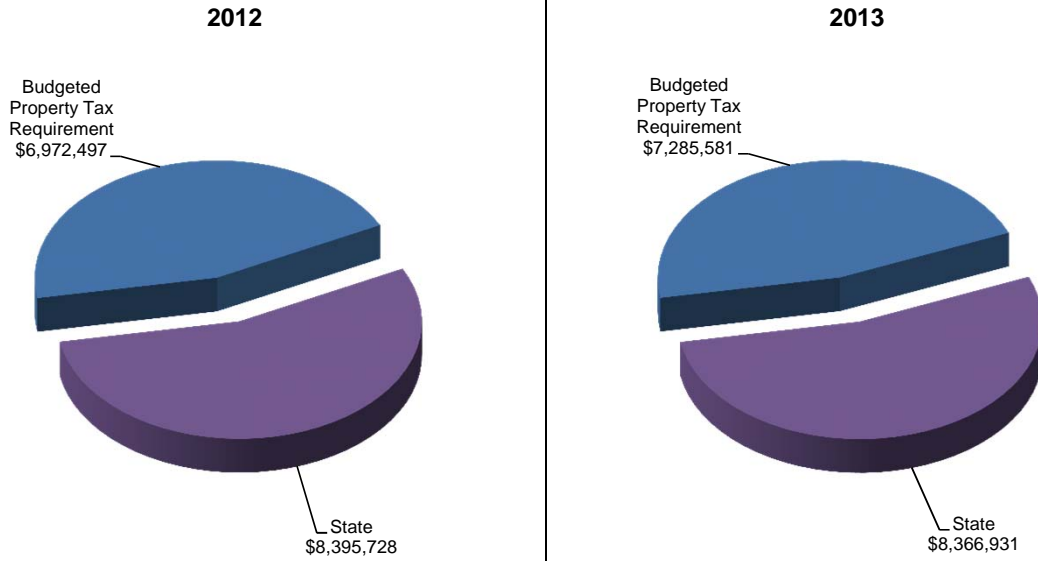
Public Defender

2013 BUDGET

Public Safety

Adopted

Revenue Comparison:



Significant Budget Changes:

In 2013, the Public Defender's Office has an appropriation of \$15.7 million, offset by expected non-property tax revenues of \$8.4 million and a property tax allocation of \$7.3 million. When compared to the 2012 adjusted budget, the operating budget will increase by 1.9 percent or \$284,300 with a 4.5 percent or \$313,100 increase in property tax allocation.

The main contributors to the increase are in attorney contracts, information technology (IT) infrastructure costs, and the inclusion of state Public Defender employees into the Hennepin County IT infrastructure. These increases have been offset by reductions in personnel costs of \$604,000 due to the loss of 6.2 county full-time equivalents (FTEs).

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Adult Criminal Court	\$10,498,785	\$10,608,310	\$10,804,450
Adult CHIPS and Appeals	2,507,346	2,533,503	2,580,505
Juvenile Delinquency & CHIPS Children	2,203,426	2,226,412	2,267,557
Total Expenditures	\$15,209,557	\$15,368,225	\$15,652,512

Budget Commentary

With the 6.2 FTE reduction in the Hennepin County share of total Public Defender personnel, it is doubtful that the state will be able to replace these positions during this economic environment. Therefore, the Public Defender's Office will continue to strive for efficiencies in technology, court reorganization, community agencies, volunteer utilization, and specialty courts.

Technology: Discovery is now received electronically from the City of Minneapolis for all domestic prosecution and the majority of property or drug cases. Although the receipt of information is quicker and utilization of paper files have been eliminated, the Public Defender's Office continues to deal with issues surrounding Wi-Fi connectivity, freezing of computers, and battery life.

Court Reorganization: During 2010, Hennepin County District Court rolled out a Court Blocking pilot that combines similar types of cases to a judge at either the first court appearance or the first pretrial conference. The goal of the Court Blocking pilot is to create continuity within the judicial process among all the judicial partners. This collaborative effort involves a partnership between District Court, the Public Defender's Office, the County Attorney's Office, the Minneapolis City Attorney's Office, and the Department of Community Corrections and Rehabilitation.

Hennepin County

Public Defender

2013 BUDGET

Public Safety

Adopted

Budget Commentary Continued:

Community Agencies: The Cross-over Youth initiative tries to identify children who are involved in both Human Services and the Correctional system; provide open communication and information sharing between all parties; and adapt specific policies, practices, and procedures to address the children who are in both systems. The primary role of the Public Defender's Office is to participate in the team meetings, clarify the court process, and serve the youths' best legal interests.

Volunteers: With limited resources, the Public Defender's Office continues to pursue and utilize volunteers from private law firms and other public defender districts. Recently, two attorneys were recruited from highly regarded law offices to provide "pro bono" litigation.

Specialty Courts: The Public Defender's Office has actively participated in the creation of as well as progress of various specialty courts which include Veterans Court and Mental Health Court. Additionally, the Public Defender's Office worked with the Hennepin County Attorney's Office in creating a much needed Pre-Charge Diversion Program to allow qualified first time adult offenders to resolve matters without charges being filed when specific terms are agreed upon.

The reduction of staff in the Public Defender's Office not only hampers the office's ability to meet the goals listed below, but also places a strain on the criminal justice system and increases costs to our partners in public safety. (e.g. Courts, County Attorney's Office, Sheriff's Office, and Corrections).

- 1) Each client will be fully informed as to legal rights and options and will receive fair and respectful treatment by the justice system;
- 2) Clients will have all legal services delivered in an integrated fashion;
- 3) Each client will be able to make meaningful decisions and choices and the office will be equipped to help effect those decisions and choices; and
- 4) Neither the process nor outcome will depend on the client's income, race or country of origin.

Key Results:	2011	2012 Est.	2013 Est.
Murder	37	44	49
Felony	4,803	4,951	4,951
Gross Misdemeanor	3,912	3,995	3,995
Misdemeanor	18,459	18,885	18,885
Juvenile Delinquency	3,576	3,485	3,485
Juvenile Welfare	1,873	1,995	1,995
Probation Violations	16,737	17,545	17,545
Extraditions	175	188	188
Other	536	541	541
Total	50,108	51,629	51,634

Additional Resources:

Public Defender's Office
 Minnesota 4th Judicial District
 701 Fourth Avenue South, Ste: 1400
 Minneapolis, MN 55415
 Phone: 612/ 348-7530
 Email: pd.info@co.hennepin.mn.us
 Website: www.pubdef.state.mn.us

Across the United States, numerous articles have been written to address the overall concerns that public defense agencies are faced with: constitutional mandates regarding staffing shortages, excessive workloads, ethical considerations, and additional burden of the U.S. Supreme Court's decision in Padilla v. Kentucky. Listed are several reference areas:

- American Bar Association, Eight Guidelines of Public Defense Related to Excessive Workloads, August 2009
- Quality Indicators for Public Defense from National Legal Aid & Defender Association, 2002
- Justice Denied - Report of the National Right to Counsel Committee from The Constitution Project, April 2009
- Public Defenders: A Weakened but Indispensable Link, Scott Russell, Bench and Bar, MN, Feb 2009
- Evaluation Report: Public Defender System from the Office of the Minnesota Legislative Auditor, (www.auditor.leg.state.mn.us/ped/pedrep/pubdef.pdf)
- MN Post Article Surveying the attorneys in the public defender's office, (www.minnpost.com/severnsguntzel/2010/12/13/24163/minnesotas_public_defenders_paint_bleak_picture_of_justice_for_the_poor)

Hennepin County

Sheriff's Office
Public Safety

2013 BUDGET
Adopted

Mission:

"Dedicated to increasing public safety through leadership, integrity and strong partnerships."

Department Description:

Minnesota State Statutes provide that the Sheriff is the Chief Law Enforcement Officer of the County, empowered to use all resources necessary "to keep and preserve the peace of the County." Minnesota State Statutes specifically confer upon the Sheriff the mandate to perform critical public safety functions:

- Safe and secure operation of the county jail,
- Operation of the public safety communications system,
- Enforcement on the county's waters (i.e., search, rescue and buoying),
- Execution of all civil processes brought to the Sheriff
(e.g., foreclosure, redemption, levy, garnishment, eviction and other executions of judgment),
- Security for the Fourth Judicial District Court,
- Transport for individuals under the court's jurisdiction, and
- Pursuit and apprehension of all felons.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$73,233,750	\$73,966,088	\$75,361,531
Other Taxes			
Federal	1,264,206	1,187,385	508,410
State	3,360,279	3,356,275	3,267,781
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	5,805,495	5,905,442	5,872,701
Fines and Forfeitures	305,787	75,000	75,000
Licenses and Permits	334,325	300,000	335,000
Other Revenue	1,505,968	1,441,248	1,474,218
Total Revenues	\$85,809,810	\$86,231,438	\$86,894,641
Personnel Costs	\$70,759,552	\$70,054,733	\$70,901,506
Supplies and Materials	4,003,366	3,938,854	4,135,209
Purchased or Contract Services	9,576,431	10,537,514	10,798,097
Public Aid			
Equipment and Asset Purchases	893,513	748,375	70,000
Other Expenditures	905,942	951,962	989,829
Total Expenditures	\$86,138,804	\$86,231,438	\$86,894,641

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

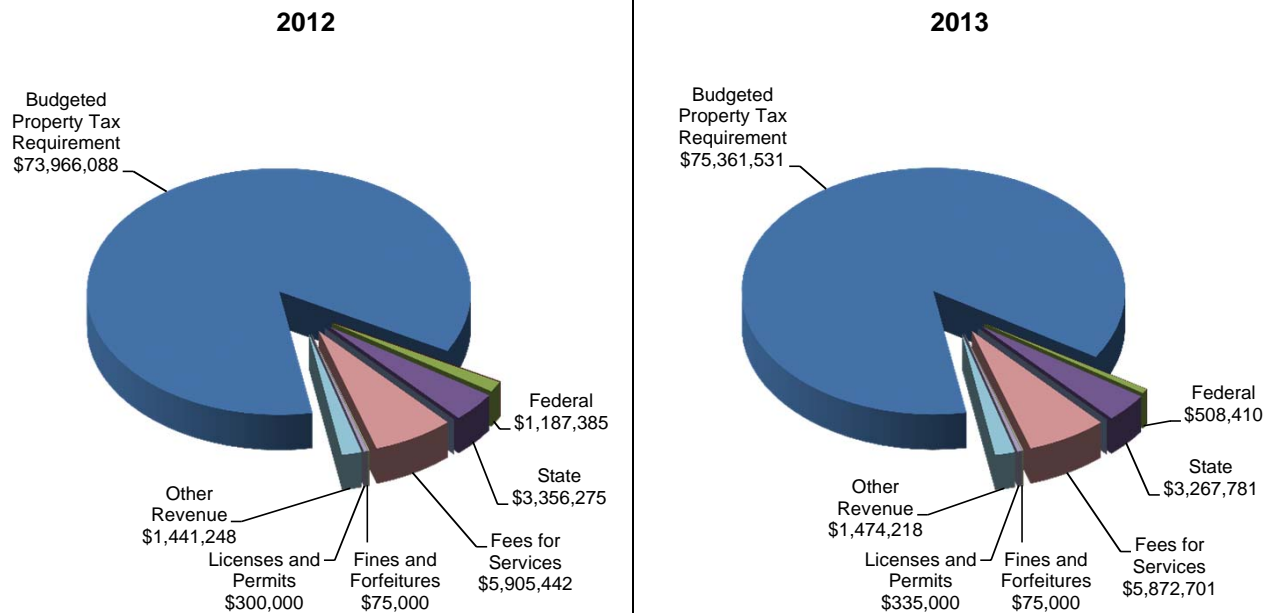
Budgeted Positions (Full-time Equivalents)	835.0	808.0	808.0
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Hennepin County

Sheriff's Office
Public Safety

2013 BUDGET
Adopted

Revenue Comparison:



Significant Budget Changes:

In 2013, the Sheriff's Office will have an appropriation of \$86.9 million which will be funded by expected property tax revenue of \$75.4 million and non-property tax revenue of \$11.5 million. When compared to the 2012 adjusted budget, the operating budget has increased by 0.8 percent or \$663,200; as property tax revenues have increased by 1.9 percent or \$1.4 million; and non-property tax revenues have decreased by 6.0 percent or \$732,200.

The majority of the \$732,200 decline in non-property tax revenues stems from a one-time grant in 2012 for the Lenco Bearcat vehicle (\$417,705), the sunseting of the federal American Reinvestment Recovery Act (ARRA) Crime Lab Grant (\$139,000), a one-time Auto Theft grant (\$96,200); and the decline in the number of mortgage foreclosure notices, sales, and redemptions.

Although the 2013 operating budget is relatively flat when compared to the 2012 adjusted budget, the 2013 approved budget contains several significant increases. An increase of \$1.4 million for cost of living adjustment (COLA); \$336,900 in Information Technology (IT) infrastructure and employee equipment provision rates; and \$98,600 in retiree health insurance. The majority of the increases will be absorbed by managing personnel attrition; gun range building rental at the Hennepin Technical College; and investigative activities that will now be funded through the Violent Offender Task Force forfeitures fund balance.

The 2013 vacancy factor has been lowered to provide an additional funding for 4.9 full-time equivalents (FTEs) over the 2012 adjusted budget of 739.0 FTEs for a new total of 743.9 FTEs.

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Communications	\$7,738,177	\$7,750,822	\$8,005,915
Enforcement Services	13,447,794	13,439,096	13,363,358
Forensic Sciences	3,511,848	3,885,994	3,748,466
Investigative	7,271,534	7,300,056	6,993,111
Administrative	6,579,794	6,666,373	6,697,990
Adult Detention	32,576,986	32,791,024	33,534,930
Court Services	6,856,902	6,712,597	7,156,699
Information Technology	5,893,487	6,346,127	6,779,953
Grants/Other	2,262,282	1,339,349	614,219
Total Expenditures	\$86,138,804	\$86,231,438	\$86,894,641

Hennepin County

Sheriff's Office

2013 BUDGET

Public Safety

Adopted

Budget Commentary

The Sheriff's Office (HCSO) experienced an increase in demand for services throughout the agency. Examples include: an increase of approximately 15 percent in patrol arrests; jail bookings were higher each month of 2012 compared to the same month of 2011; and the Crime Lab had approximately 20 percent more DNA cases.

In 2012, the HCSO consolidated its Civil, Warrant, Patrol, and Special Enforcement Response Team Units into one within the Enforcement Services Division and cross trained the licensed deputies to work in several of these units. The cross training will not only improve supervision, response time, and maximize productivity but also provide greater efficiency by having the flexibility to realign staff according to emergent events or work load.

The Sheriff's Office responded to emergent events throughout the county consisting of property crimes to violent crimes – including responding to the mass shooting in Minneapolis in which a gunman killed six people. HCSO conducted proactive enforcement in an effort to prevent crime. An example is the SafeZone patrol in downtown Minneapolis. The number of Sheriff's Office personnel was doubled and their hours and days of patrol were extended. There were 26,000 public contacts, 273 individuals booked into jail, and 38 individuals placed into detox.

In order to improve training for personnel and provide instruction in a cost-effective manner, in 2012 the Sheriff's Office entered into a five-year usage agreement with Hennepin Technical College to utilize their facilities for training. The facility will provide licensed personnel with access to state-of-the-art training facilities, including two firearm ranges. The partnership will save the Sheriff's Office approximately \$250,000 over the term of the agreement.

Key Results:	2011	2012 Est.	2013 Est.
Number of police/fire/medical calls dispatched	632,752	639,079	640,000
Number of jail bookings	34,503	35,857	36,000
Number of court security escorts	32,499	34,500	35,000
Number of crime lab cases received	3,295	3,250	3,300
Number of mortgage foreclosure sales	4,957	4,132	4,000

Additional Resources:

Hennepin County Sheriff's Office
350 South 5th Street, Room 6
Minneapolis, MN 55415
Phone: (612) 348-3744
Email: sheriff@co.hennepin.mn.us
Website: www.hennepinsheriff.org

Hennepin County

Department of Community Corrections & Rehabilitation
Public Safety

2013 BUDGET
Adopted

Mission:

*The Department of Community Corrections & Rehabilitation (DOCCR) mission statement is:
 Community Safety, Community Restoration, and Reducing Risk of Re-Offense.*

Contributing to the mission statement are DOCCR's three overarching goals:

*Enhance public safety through practices that are based on research, data and evaluation;
 Policies and practices support fair and respectful treatment of stakeholders, clients and staff; and
 In cooperation with the courts, community and criminal justice partners, reduce the risk of re-offense.*

Department Description:

DOCCR is the largest corrections system in Minnesota, annually supervising approximately 32,700 adult and juvenile offenders in institutions, on probation or parole, and in the Sentencing to Service programs. There are approximately 1,500 juveniles and 30,000 adults under supervision in adult and juvenile field services, at any given time.

The department operates three correctional facilities:

- Adult Corrections Facility provides custody and programming for approximately 5,600 adult offenders;
- Juvenile Detention Center provides custody and care for approximately 2,000 juveniles per year pending court disposition; and
- County Home School provides custody and treatment for approximately 250 juvenile offenders in a year.

Family Court Services performs custody evaluation and mediation services; 1,600 families received services last year.

Community Offender Management supervises low-risk offenders, through its Sentencing to Service and Electronic Home Monitoring programs.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$75,875,466	\$74,546,320	\$75,346,613
Other Taxes			
Federal	757,434	807,100	683,547
State	18,513,074	18,436,400	18,634,464
Local	(20,383)	13,900	51,400
Other Intergovernmental	1,600		
Investment Earnings			
Fees for Services	7,744,176	8,794,053	8,708,225
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	317,079	440,900	421,966
Total Revenues	\$103,188,446	\$103,038,673	\$103,846,215
Personnel Costs	\$78,401,442	\$79,748,286	\$80,076,160
Supplies and Materials	3,546,261	3,686,486	3,829,882
Purchased or Contract Services	18,212,389	19,196,132	19,501,958
Public Aid			
Equipment and Asset Purchases	26,465	35,100	92,500
Other Expenditures	272,913	372,669	345,715
Total Expenditures	\$100,459,470	\$103,038,673	\$103,846,215

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	933.9	900.0	899.0
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Hennepin County

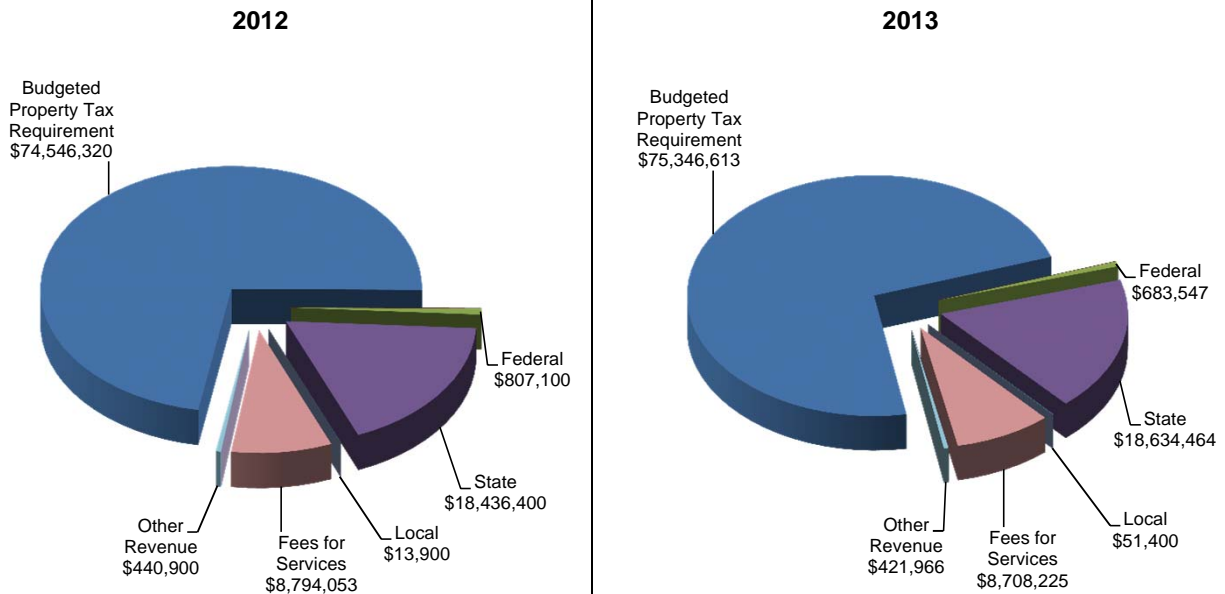
Department of Community Corrections & Rehabilitation

2013 BUDGET

Public Safety

Adopted

Revenue Comparison:



Significant Budget Changes:

In 2013, DOCCR will have an appropriation of \$103.8 million which will be funded by expected property tax revenue of \$75.3 million and non-property tax revenue of \$28.5 million. When compared to the 2012 adjusted budget, the operating budget has increased by .8 percent or \$807,500; as property tax revenues have increased by 1.1 percent or \$800,300; and non-property tax revenues have remained flat.

The 2013 budget includes a number of new as well as revised programming initiatives, such as:

Minnesota Counties Computer Cooperative (MCCC): DOCCR has expanded their partnership with the MCCC to enrich the Court Service Tracking System (CSTS) and the Domestic Relations System. In January 2013, the department will go live with CSTS, an adult probation case management software, which is utilized by all other Minnesota probation agencies. DOCCR is also utilizing MCCC to enhance the functionality of the Domestic Relations Systems, a Hennepin County case management software, for the Family Court Services Division.

Electronic Health Records: DOCCR is partnering with Hennepin County Medical Center (HCMC) to implement an electronic health records system to replace the existing paper medical records for residents at the department's three correctional facilities (Adult Corrections Facility, Juvenile Detention Center and County Home School). The electronic health records system will be provided by HCMC through a Service Level Agreement. The DOCCR facilities will be considered affiliate clinics under the agreement and be responsible for all costs related to system utilization and initial year start ups.

Juvenile Services: Continuing to build from the JDAI successes, the 2013 budget anticipates fewer state placements at the Minnesota Correctional Facility (Red Wing), thereby recognizing a savings of \$600,000. Consistent with actual program enrollment, the County Home School (CHS) will reduce the capacity for its Short-term Adolescent Male Treatment Program from 20 juveniles to 10 and overall capacity for this facility will be reduced from 74 to 64 residents. In addition, CHS has implemented a budget neutral initiative in 2013 to reduce its use of part-time (limited duration) staffing by employing permanent correctional staffing.

Family Court Services: In 2013, DOCCR, in conjunction with the Fourth Judicial District and County Administration, initiated a redesign of the Family Court Services division based on a 2011 review and evaluation. The redesign will address changes in the fee schedule and the expansion of the Ready Response Program.

Hennepin County

Department of Community Corrections & Rehabilitation

2013 BUDGET

Public Safety

Adopted

Significant Budget Changes Continued:

Fee Schedule redesign:

1. Cost realignment with evaluation and alternative dispute resolution services offered by other counties;
2. Use a progressive rate scale;
3. Be more equitable for lower incomes by assessing the fee based on each the individual's gross income (current fee schedule is based upon combined income); and
4. Provide financial incentives to encourage the use of less costly alternative dispute resolution services

The Ready Response Program has been expanded to meet the immediate needs of families and the Family Court bench; enabling judges and referees to refer urgent matters to Family Court Services for same-day assessment or mediation.

Community Offender Management (COM): Public Works Housing, Community Works and Transit and DOCCR's COM division will expand the available office and garage space at its leased facility located at 3000 North 2nd Street in Minneapolis. The division currently houses the Sentencing to Service and Electronic Home Monitoring (EHM) programs. The space expansion will provide adequate garage space for the unit's vehicle fleet, trailers and landscaping and snow removal equipment while the office space will facilitate the EHM at a convenient location for the clients.

Adult Field Services: The Minneapolis City Attorney and the Hennepin County Attorney's Offices have committed \$50,000 to fund a limited duration probation officer to supervise chronic livability offenders. This is a pilot, modeled on the success of the Downtown 100 initiative, with the objective of reducing recidivism rates for chronic livability offenders. In addition, the funding for contract transitional residential housing services is being increased by \$175,000, based on current programming trends and needs.

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Administration	\$807,460	\$978,625	\$1,003,548
Organizational Change Management	6,525,995	6,898,278	7,726,420
Family Court Services	2,591,160	2,618,229	2,239,720
Community Offender Management	4,920,982	5,183,558	5,511,502
Adult Corrections Facility	20,653,879	20,880,074	21,087,642
Adult Field Services	31,108,136	30,436,383	31,029,422
County Home School	11,095,198	11,598,160	11,610,037
Juvenile Detention Center	8,617,819	9,231,434	9,071,614
Juvenile Probation	12,578,537	13,010,733	12,958,649
State Juvenile Placements (Red Wing)	1,560,305	2,203,201	1,607,661
Total Expenditures	\$100,459,471	\$103,038,675	\$103,846,215

Budget Commentary

Since 2008, DOCCR's annual budget and staffing were reduced by \$5.2 million and 126.2 positions. During this time period, DOCCR has implemented several significant programming changes which include:

Juvenile Detention Alternative Initiatives (JDAI): JDAI supports the vision that all youth involved in the juvenile justice system have opportunities to develop into healthy, productive adults. JDAI has been instrumental in the redesign of correctional out-of-home placements and the development of community-based services as more effective and cost-efficient alternatives to correctional placements. JDAI has led to programming changes at the department's two juvenile facilities (the County Home School and Juvenile Detention Center) and has generated operational savings by reducing the overall staffing at these two facilities by 67 full-time equivalents (FTEs). The JDAI initiative has resulted in fewer correctional placements at the two DOCCR juvenile facilities and at the Minnesota Department of Corrections juvenile facility.

Managed Healthcare: The department's correctional facilities are entering the third year of a contract which uses a managed care model for medical services. Data reflects a stable financial picture and efficient operations at all three facilities which includes positive performance in the areas of medical personnel services, pharmacy, off-site clinic appointments, and in-patient billings.

Work Release & Electronic Home Monitoring (EHM): In 2010, the Adult Corrections Facility (ACF) closed its Work Release facility by expanding electronic home monitoring as an alternative to in-custody housing. Other Work Release residents not deemed eligible for EHM, are reassigned to the ACF housing units. Closing this facility resulted in operational savings of \$500,000 a year. During 2011, EHM technology was updated to improve public safety, service contracts were centralized, and a savings of approximately \$25,000 per month was realized.

Hennepin County

Department of Community Corrections & Rehabilitation

2013 BUDGET

Public Safety

Adopted

Budget Commentary Continued:

DOCCR will continue with the multi-year transformation in becoming a results-oriented and data-driven organization which emphasizes judicious stewardship of their allocated tax dollars. Over the last six years, the department has focused on achieving results through Evidence-based Practices (EBP), has reallocated resources to the highest risk clients and limited resources for lower risk clients, and has implemented cost-effective solutions aimed at enhancing public safety.

The department's innovation and revised service delivery models are guided by the following principles:

1. Maintaining a focus on the mission of the county and the department to ensure that resources are used on what is known to be effective in providing public safety and assuring due process;
2. Providing a commitment to effective and sustainable services, by using research and evaluation to monitor outcomes and reduce the risk for re-offense;
3. Engaging DOCCR staff and partners from other justice and social service agencies in order to better coordinate and align changes throughout the system; and
4. Leveraging innovation, resources and service delivery models developed by the state or other government partners to reduce operating costs and increase efficiencies.

In 2012, the department established an EBP team and an EBP implementation plan. During 2012, the EBP team, comprised of five coordinators, instituted more effective practices for client assessments, motivational interviewing, and cognitive behavioral therapy. In 2013, the focus will be expanded to quality assurance and coaching to refine practices. These activities will provide solid foundations for future case planning, graduated sanctions and incentives, and increasing support in communities. National data shows that corrections departments that fully implement these practices see significant results, including reductions in recidivism between ten to sixty percent.

During 2012, the Adult Corrections Facility was awarded a National Institute of Corrections (NIC) technical assistance grant, identifying the facility as one of six national sites to implement the Transition from Jail to Community model. The NIC model uses EBP and applies them in an institutional setting. This collaborative effort involves a partnership between DOCCR, the Hennepin County Sheriff's Office, Human Services and Public Health Department, and community agencies. The goal is to improve public safety and community re-integration by reducing recidivism, substance abuse, homelessness, while improving health, employment opportunities and family connections. The transition from Jail to Community is the most recent initiative, adding to the existing EBP initiatives like Mental Health Court, Veterans Court and the Crossover Youth project.

Key Results:	2011	2012 Est.	2013 Goal
1st year Recidivism Rate - all clients referred in last month of year (delayed by 24 months)	23.4%	22.8%	22.2%
Juveniles in Correctional Out-of-Home Placements (at year-end)	226	220	223
Percent of Juvenile Youth Level of Service/Case Management Inventory completed in 1st quarter	65.0%	59.0%	65.0%
Percent of Adult risk re-assessments completed in 1st quarter of each year	46.0%	26.0%	46.0%
Total Sentencing-to-Service and Community Work Service hours completed	294,414	312,200	332,700
Revocations to prison as a percentage of all closed cases in 1st quarter of each year	11.0%	8.2%	7.5%

Additional Resources:

Department of Community Corrections and Rehabilitation
 C-2353 Government Center
 300 S. 6th Street
 Minneapolis, MN 55487-0040
 Phone: (612)348-6180
 Email: community.corrections@co.hennepin.mn.us
 Website: www.hennepin.us/doccr

Hennepin County

Sheriff's Radio Communications
Public Safety

2013 BUDGET
Adopted

Mission:

Purchase and maintenance of radio and mobile data computer equipment associated with the 800 Mhz Radio Program, including related infrastructure expenditures.

Department Description:

The Sheriff's Radio Communications operates as an enterprise fund, with the revenues received by the program covering the maintenance and depreciation costs of the 800 MHz digital radios, mobile data computers and use of the Statewide ARMER Communications System. Users include county departments; municipal police, fire and public works throughout the county; emergency medical services; public schools; SW Metro Transit; Metropolitan Airports Commission; metropolitan area hospitals; and the Veterans Affairs Police.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	-	-	-
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services	2,286,946	2,161,543	2,847,316
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	(8,207)	361,574	310,000
Total Revenues	\$2,278,739	\$2,523,117	\$3,157,316
Personnel Costs	-	-	-
Supplies and Materials	815,572	115,000	125,000
Purchased or Contract Services	1,409,601	1,420,092	1,325,316
Public Aid			
Equipment and Asset Purchases		400,000	350,000
Other Expenditures	710,876	588,025	1,357,000
Total Expenditures	\$2,936,049	\$2,523,117	\$3,157,316

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	0.0	0.0	0.0
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Hennepin County

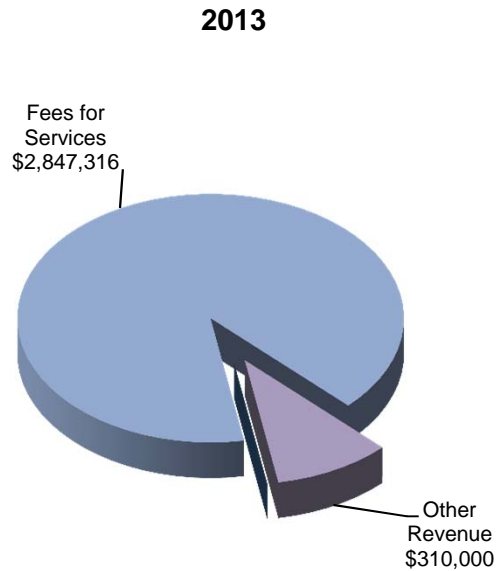
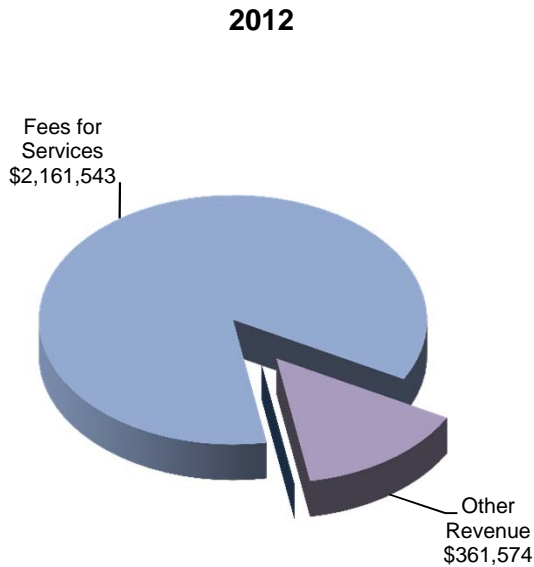
Sheriff's Radio Communications

2013 BUDGET

Public Safety

Adopted

Revenue Comparison:



Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
Radio Leases	\$1,301,632	\$1,669,982	\$2,377,211
MDC Leases	538,082	453,135	480,105
Infrastructure	1,096,335	400,000	300,000
Total Expenditures	\$2,936,049	\$2,523,117	\$3,157,316

Additional Resources:

Hennepin County Sheriff's Office
 350 South 5th Street, Room 6
 Minneapolis, MN 55415
 Phone: (612) 348-3744
 Email: sheriff@co.hennepin.mn.us
 Website: www.hennepinsheriff.org

Hennepin County

2013 BUDGET

Adopted

Major Program: Health

NorthPoint Health and Wellness Center

Metropolitan Health Plan

Medical Examiner

Hennepin Health

Uncompensated Care

HCMC Intergovernmental Transfers



NorthPoint Health and Wellness Center



Hennepin County Medical Center

Program Description:

The Health program encompasses the county's health care activities. This major program consists of the following departments: NorthPoint Health and Wellness Center, Metropolitan Health Plan (MHP), the Medical Examiner, and Hennepin Health. In addition, health related costs are included in the Uncompensated Care and Hennepin County Medical Center (HCMC) Intergovernmental Transfers cost centers discussed in the Program Highlights section.

Program Highlights:

The Health program's budget for 2013 is \$346.3 million which is 5.4 percent higher than the 2012 budget. The program will operate with 325.6 authorized FTE positions in 2013 which is 8.7 positions more than authorized for 2012. All of the departments, except for MHP and Hennepin Health, are included in the County Revenue Fund. Both MHP and Hennepin Health operate as a separate enterprise funds of the county.

NorthPoint Health and Wellness Center

NorthPoint Health and Wellness Center is a freestanding comprehensive ambulatory health care clinic. Its services include family practice, internal medicine, pediatrics, obstetrics and gynecology, orthopedics, radiology, laboratory, optometry, and pharmacy. In addition, NorthPoint offers a full range of dental care, nutrition services, and social services including individual and family care. In 2013, over 85,000 medical, behavioral health, and dental visits are expected. NorthPoint's budgeted expenditures for 2013 are \$27.7 million, 1.9 percent more than the adjusted 2012 budget. Most of the change is related to a slight increase in FTEs and increases in salary and benefit costs. The increase in personnel expenditures is expected to be funded by an increase in patient service revenue.

Program Highlights Continued:

Metropolitan Health Plan

MHP, Hennepin County's health maintenance organization (HMO), will continue to offer Minnesota Senior Care Plus, Minnesota Senior Health Options, and Special Needs Basic Care plans to its members. MHP's budget of \$129.2 million is 10.5 percent more than its 2012 budget due to projected increases in enrollment. MHP also provides administrative and claims management services for Hennepin Health which is discussed below. Total 2013 FTEs of 105.5 are unchanged from 2012.

Medical Examiner

The office of the Medical Examiner is responsible for investigation of all known or suspected homicides, suicides, accidental deaths, drug related deaths, medically unattended deaths, and deaths which might constitute a threat to the public health and safety. Effective January 1, 2013, the office will be providing Medical Examiner services to Dakota County and Scott County in addition to Hennepin County. The other counties will fully reimburse Hennepin County for the cost of providing those services. Because of those additional services, the 2013 budget is \$5.3 million which is 39.9 percent higher than the 2012 budget. In addition, total FTEs increased from 26.7 in 2012 to 34.0 in 2013. Property tax support is \$3.3 million in 2013 which is 2% less than in 2012.

Hennepin Health

Hennepin Health is continuing for a second year the new integrated health delivery network demonstration project which provides services to Medicaid participants under a contract with the Minnesota Department of Human Services. NorthPoint, MHP, the county Human Services and Public Health Department, Hennepin County Medical Center (HCMC), and other local healthcare providers have integrated medical, behavioral health, and human services in a patient-centered model of care.

Uncompensated Care

The Uncompensated Care cost center is used to track county payments to HCMC for the cost of health care provided by HCMC to Hennepin County residents who do not have health insurance. A total of \$24 million in expenditures is budgeted for 2013, which is 20 percent more than the 2012 budget. The increase is due to an increase in the volume of uncompensated care provided by HCMC resulting from restricted state of Minnesota funding for Emergency Medical Assistance.

HCMC Intergovernmental Transfers

The HCMC Intergovernmental Transfers cost center is used to budget and account for intergovernmental transfers between the county, HCMC, and the Minnesota Department of Human Services (DHS). A smaller portion of this budget is for county payments to HCMC for forensic examinations conducted by the Sexual Assault Resource Services (SARS) staff at HCMC. The county is mandated by Minnesota law to pay the reasonable costs of forensic examinations for victims of sexual assaults which occur in the county. Slightly less than \$40 million is budgeted for 2013 which is essentially the same as the 2012 amount. Most of the budget is funded by payments from HCMC and DHS, and the total property tax support of \$759,500 is 2% less than in 2012.

Revenue Highlights:

Budgeted 2013 revenues total \$346.3 million, a 5.4 percent increase from the 2012 adjusted budget. The next page contains a summary comparing major revenue categories for the years 2011 - 2013.

Property Tax Revenues

In 2013, property taxes comprise 10.0 percent of the Health program's total estimated revenues compared to 9.3 percent in 2012. Total property taxes are increasing by \$3.8 million, or 12.5 percent. The increase is due to an increase in the Uncompensated Care budget for 2013 by \$4.0 million, as the expenditures in that cost center are funded entirely with property taxes. Compared to 2012, property tax support is 1.2 percent less for NorthPoint Health and Wellness Center due to budget cuts made in response to state funding reductions. Property tax support for the Medical Examiner is 2.0 percent less also due to budget cuts made in response to state funding reductions. As in past years, the budgets for Metropolitan Health Plan (MHP) and Hennepin Health do not include any property tax revenue.

Non-Property Tax Revenues

The Health program relies to a large extent on non-property tax revenues to finance its budget. For 2013, revenues from fees and services represent 77.7 percent of total revenues. Some of the major sources of non-property tax revenues and their relative impact on the county's 2013 budget are:

Federal

Federal sources consist of \$1.3 million in federal grants for health care programs at NorthPoint Health and Wellness Center. Although the federal grants are only 0.4 percent of the total 2013 Health program revenues, a large portion of the fees and services revenue, discussed below, is from federal sources.

State / Other Intergovernmental

Revenues from the State of Minnesota are estimated at \$19.4 million and make up 5.6 percent of total Health program revenue for 2013. Revenues in this category are approximately the same as in 2012, and are for inpatient upper payment level revenue from the Minnesota Department of Human Services (DHS). Other intergovernmental revenue is 6.4 percent of total Health program revenue and is primarily reimbursements from HCMC for intergovernmental transfers made by the county to DHS.

Fees and Services

Revenues from fees charged for services are over \$269 million for 2013 and will comprise 77.7 percent of the Health program's total revenues. Nearly all of the fees and services revenue comes through payments for healthcare services provided by NorthPoint, MHP and Hennepin Health. Total 2013 fees and services revenue is budgeted to be 5.0 percent more than budgeted for 2012 because of projected increases in MHP enrollment. The revenue amounts are departmental estimates based on historical data, current reimbursement rates, and expected changes in patient volume.

Other Revenues

Other revenues of a negative \$0.5 million for 2013 are the result of budgeted MHP net income of \$0.6 million, which is an offset to revenue, offsetting \$0.1 million of miscellaneous income.

Hennepin County

2013 BUDGET

Adopted

Department Summary:	2011 Actual	2012 Budget	2013 Budget
NorthPoint Health and Wellness Center	\$27,679,964	\$27,209,957	\$27,712,060
Metropolitan Health Plan	164,397,572	116,999,789	129,227,679
Medical Examiner	3,848,895	3,765,887	5,268,235
Hennepin Health	-	120,480,000	120,124,886
Uncompensated Care	30,000,000	20,000,000	24,000,000
HCMC Intergovernmental Transfers	38,764,301	40,000,000	39,984,500
Total Revenues	\$264,690,732	\$328,455,633	\$346,317,360

NorthPoint Health and Wellness Center	\$24,694,091	\$27,209,957	\$27,712,060
Metropolitan Health Plan	155,794,678	116,999,789	129,227,679
Medical Examiner	3,731,594	3,765,887	5,268,235
Hennepin Health	-	120,480,000	120,124,886
Uncompensated Care	20,000,000	20,000,000	24,000,000
HCMC Intergovernmental Transfers	38,976,251	40,000,000	39,984,500
Total Expenditures	\$243,196,614	\$328,455,633	\$346,317,360

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$41,056,310	\$30,640,227	\$34,477,422
Other Taxes	-	-	-
Federal	1,155,317	1,236,816	1,315,336
State	17,052,917	19,714,628	19,474,125
Local	11,500	-	-
Other Intergovernmental	21,651,187	20,000,000	22,103,320
Investment Earnings	611,201	287,701	165,085
Fees and Services	182,819,948	256,082,350	269,086,700
Fines and Forfeitures	-	-	-
Licenses and Permits	171,011	175,000	231,000
Other Revenue	161,341	318,911	(535,628)
Total Revenues	\$264,690,732	\$328,455,633	\$346,317,360

**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

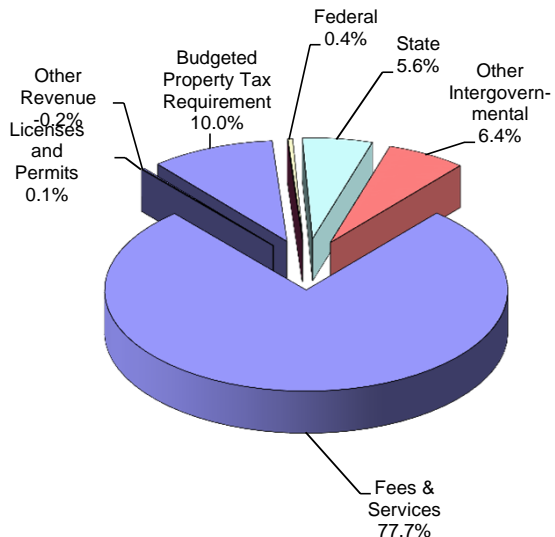
Personal Services	\$31,732,908	\$32,141,153	\$33,859,755
Commodities	2,726,212	3,293,491	2,906,235
Services	200,997,231	284,182,555	302,565,299
Equipment and Asset Purchases	137,514	130,000	145,000
Other Charges	7,602,749	8,708,434	6,841,071
Total Expenditures	\$243,196,614	\$328,455,633	\$346,317,360

Hennepin County

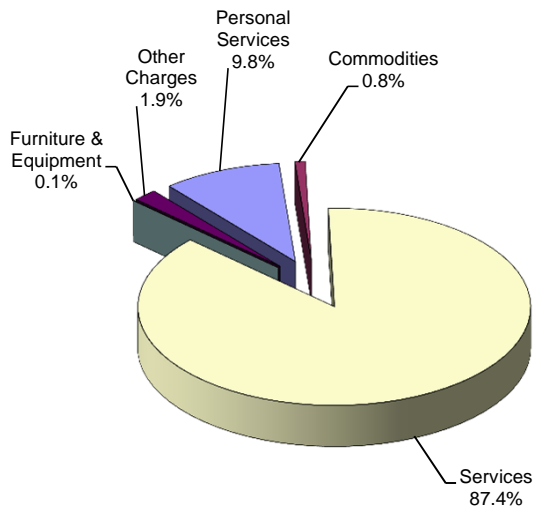
2013 BUDGET
Adopted

Revenue and Expenditure Comparison:

2013 Revenues



2013 Expenditures



Budgeted Positions:

	2011 Budget	2012 Budget	2013 Budget
NorthPoint Health and Wellness Center	161.3	179.7	181.1
Metropolitan Health Plan	151.5	105.5	105.5
Medical Examiner	26.7	26.7	34.0
Hennepin Health	0.0	5.0	5.0
Uncompensated Care	0.0	0.0	0.0
HCMC Intergovernmental Transfers	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	339.5	316.9	325.6

Hennepin County

NorthPoint Health and Wellness Center

2013 BUDGET

Health

Adopted

Mission:

NorthPoint Health and Wellness Center sets a standard of excellence in providing culturally responsive, integrated, holistic primary health and social services that strengthens our community and the lives of the people we serve. We are leaders and partners in a shared vision of a healthy, environmentally safe, and economically stable self-reliant community. NorthPoint's mission is "Actively Partnering to Create a Healthier Community."

Department Description:

NorthPoint Health and Wellness Center is a comprehensive health and human services agency located in the heart of North Minneapolis. Established in 1968, NorthPoint was formerly known as "Pilot City Health Center" and was operated by Hennepin County's Division of Primary Care. As of January 1, 2006, NorthPoint was approved for funding as a public entity community health center. Through a unique co-applicant agreement, the Hennepin County Board of Commissioners began sharing governance of NorthPoint Health and Wellness Center with NorthPoint, Inc. (formerly Pilot City Neighborhood Services) while maintaining fiscal responsibility for the health care operations. NorthPoint, Inc. is an independent nonprofit social/human services agency co-located with the NorthPoint Health and Wellness Center. The close working relationship between the two entities was designed to improve patient/client care through the integration of health and human services on the NorthPoint campus.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$6,799,095	\$6,459,140	\$6,379,957
Other Taxes			
Federal	1,155,317	1,126,816	1,315,336
State	714,803	489,628	899,125
Local	11,500	110,000	
Other Intergovernmental			
Investment Earnings			
Fees for Services	18,944,117	18,323,500	19,117,642
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	55,132	700,873	
Total Revenues	\$27,679,964	\$27,209,957	\$27,712,060
Personnel Costs	\$16,872,815	\$18,297,739	\$19,136,571
Supplies and Materials	2,091,866	2,227,508	2,198,455
Purchased or Contract Services	5,130,732	5,996,010	5,677,209
Public Aid			
Equipment and Asset Purchases	76,160	130,000	145,000
Other Expenditures	522,518	558,700	554,825
Total Expenditures	\$24,694,091	\$27,209,957	\$27,712,060

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	161.3	179.7	181.1
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Hennepin County

NorthPoint Health and Wellness Center

2013 BUDGET

Health

Adopted

Significant Budget Changes:

The 2013 budget reflects increased revenues and expenses due to a 2% increase in medical and behavioral health visits and a 5% increase in dental visits. This increase reflects a growing demand for health care services in north Minneapolis evident in an almost 10% growth in total visits in 2012. Minnesota's adoption of national healthcare reform continues to provide strong 2013 program revenue including additional payments for meaningful use of electronic health records. Federal and state federally qualified health center (FQHC) grant revenues are anticipated to remain strong in 2013. The center's electronic health record was fully implemented in 2012 and no additional funds will be needed in 2013 for implementation, resulting in the elimination of "other revenues" in the 2013 budget.

A small number of additional staff were added to the pharmacy and laboratory services in 2013. This reflects the growing volume of services provided by those departments. Personnel costs increased due to those additions and more services performed by employed staff. Internalizing these services caused an overall decrease in the budgeted amount of purchased services despite higher technology costs in 2013. Supplies, equipment, and other expenses remained essentially the same in 2013.

Budget Commentary

NorthPoint experienced strong revenue growth in 2012 and more stable payments from the State of Minnesota for services provided to Medical Assistance patients. Also, NorthPoint received an unbudgeted FQHC grant from the Minnesota Department of Health. On the expense side, many professional FTE positions were difficult to fill and remained open during 2012 causing personal services expense to be under budget. Other expenses were close to or under budget as well.

Key Results:	2011	2012 Est.	2013 Goal
Medical visits	44,826	47,947	48,261
Behavioral health visits	15,008	16,917	15,887
Dental visits	17,192	19,548	21,252
Prescriptions filled	132,142	135,000	137,700
Radiology procedures	5,336	5,500	5,610

Additional Resources:

Additional information about NorthPoint Health and Wellness Center and its services is available at the following website: www.northpointhealth.org.

Hennepin County

Metropolitan Health Plan
Health

2013 BUDGET
Adopted

Mission:

Integrating health care and service to enhance the health and well being of our members and the community.

Vision:

Be a leader in partnering with our members and communities to improve health.

Department Description:

Metropolitan Health Plan (MHP) is a not-for-profit, state certified health maintenance organization. MHP serves Minnesota Senior Care Plus and Medicare/Medicaid (Minnesota Senior Health Options, Special Needs Basic Care) participants residing in Hennepin County. Funding for these services is provided through contracts with the Minnesota Department of Human Services (DHS).

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$ -	\$ -	\$ -
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings	611,201	100,501	100,501
Fees for Services	163,786,371	117,154,850	129,577,308
Fines and Forfeitures			
Licenses and Permits			
Other Revenue		(255,562)	(450,130)
Total Revenues	\$164,397,572	\$116,999,789	\$129,227,679
Personnel Costs	\$11,901,871	\$10,276,211	\$10,360,823
Supplies and Materials	625,358	1,014,733	565,824
Purchased or Contract Services	136,247,710	100,642,801	114,865,316
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	7,019,739	5,066,044	3,435,716
Total Expenditures	\$155,794,678	\$116,999,789	\$129,227,679

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalent)	151.5	105.5	105.5
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Hennepin County

Metropolitan Health Plan

2013 BUDGET

Health

Adopted

Significant Budget Changes:

Effective January 1, 2012, as a result of DHS's competitive bidding process for HMOs in the State of Minnesota, MHP is no longer offering Medical Assistance or Minnesota Care. MHP will continue to offer Minnesota Senior Care Plus and Minnesota Senior Health Options, at about the same membership as year-end 2011, through the year 2013. MHP will also continue with its Special Needs Basic Care (SNBC) product with a DHS agreement to expand this population from just over 500 members at year-end 2011 up to just over 4,100 members by year-end 2013. The expansion is a result of adding members that are dual eligible but non-integrated (eligible for both Medicare and Medicaid, but Medicaid only on MHP's plan). In addition, the contract with DHS includes a risk sharing arrangement which mitigates any losses or gains for this new line of SNBC membership.

Budget Commentary

Beginning January 1, 2012 and continuing in 2013, MHP is responsible for the administration and operation of the Hennepin Health program which is a separate department for county budget purposes. However, for statutory reporting to the State of Minnesota, Hennepin Health is reported as a product offered by MHP.

In late 2012 the county board approved MHP transitioning from its current claims management system to an outsourced claims management system effective January 1, 2014.

Key Results:	2011	2012 Est.	2013 Goal
Enrollment	19,009	3,981	5,350
Administrative Cost Ratio	13.6%	15.4%	15.0%
Medical Loss Ratio	95.3%	84.3%	90.6%
Net Income	\$8,602,894	\$5,000,000	\$450,130
Risk Based Capital Ratio	240.2%	375.0%	385.0%

Additional Resources:

MHP provides additional information related to the health plan under its internet site. The website includes information to assist its members and providers with resources that easily connect them to all that MHP has to offer as a health plan. The information is available at the following site: www.hennepin.us/mhp

Hennepin County

Medical Examiner
Health

2013 BUDGET
Adopted

Mission:

To examine and certify cause and manner of death in all cases within the jurisdiction of the Hennepin County Medical Examiner; to review and approve all cremations; to improve the health, safety, and quality of life in Hennepin County and all partnering counties served under a regional model of service in 2013 and beyond; to provide accurate, fair, and unbiased testimony to the legal system to ensure justice.

Department Description:

The Medical Examiner is responsible for investigation of all known or suspected homicides, suicides, accidental deaths, drug related deaths, medically unattended deaths, and deaths which might constitute a threat to public health and safety that occur under the Hennepin County Medical Examiner's jurisdiction. The office is also required to investigate the deaths of all persons dying in counties under the jurisdiction of the Medical Examiner who are to be cremated. The goal of the Medical Examiner is to assist families, law enforcement agencies, and the legal system by determining a scientifically unbiased and logical cause and manner of death.

The Medical Examiner has entered into a cooperative services agreement to provide Medical Examiner services, beginning January 1, 2013, to Dakota and Scott counties.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$3,482,215	\$3,406,087	\$3,337,965
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			1,453,320
Investment Earnings			
Fees for Services	89,460	124,000	134,950
Fines and Forfeitures			
Licenses and Permits	171,011	175,000	231,000
Other Revenue	106,209	60,800	111,000
Total Revenues	\$3,848,895	\$3,765,887	\$5,268,235
Personnel Costs	\$2,958,222	\$3,067,203	\$4,179,410
Supplies and Materials	8,988	51,250	84,356
Purchased or Contract Services	642,538	627,744	966,804
Public Aid			
Equipment and Asset Purchases	61,354		
Other Expenditures	60,492	19,690	37,665
Total Expenditures	\$3,731,594	\$3,765,887	\$5,268,235

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	26.7	26.7	34.0
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Hennepin County

Medical Examiner

2013 BUDGET

Health

Adopted

Significant Budget Changes:

The 2013 budget is significantly higher than in past years because of the cooperative services agreement, effective January 1, 2013, to provide medical examiner services to both Dakota and Scott counties. However, total 2013 property tax support for the Medical Examiner office is slightly lower than for 2012 because the two other counties will be paying Hennepin County a total of \$1,453,320 for 2013 services.

Budget Commentary

2011 ended with an all-time record high 4,059 reported cases (compared to 3,971 the previous year) with the upward trend continuing through 2012. While reported cases requiring an initial investigation increased, the number of autopsies remained approximately the same as the previous year, ending the year with 709. In 2011 a total of 5,210 cremation approval requests were submitted to the office, compared to 5,653 in 2010. The number of cremation approval requests is expected to continue to climb each subsequent year as cremations become a more popular form of final disposition. To reflect actual cremations that take place in Hennepin County and to better align office statistics with the new cremation approval fee instituted in 2011, cremation statistics will be extracted from the State of Minnesota birth and death records system. These statistics represent "deaths in Hennepin County with the final disposition of cremation" as opposed to "cremation approval requests submitted to the Hennepin County Medical Examiner." This change in statistics tracking will result in the number of cremation approvals appearing lower than they have in previous years, but directly reflect the revenue generated from the cremation approval fee that began in January 2011.

The office continues to successfully meet and/or exceed all requirements pertaining to its core mission of death investigation, as well as continued collaborative interjurisdictional work in disaster planning. The office provides all administrative support to the Minnesota Coroners' and Medical Examiners' Association, including facilitation of a highly regarded annual 2-day educational conference attended by coroners, medical examiners, physicians, attorneys, nurses, and law enforcement personnel throughout the region. The office continues to focus its efforts and design process improvements to ensure future reaccreditation by national organizations such as the National Association of Medical Examiners (NAME) and the Accreditation Council for Graduate Medical Education (ACGME). The office educates medical students, residents, and forensic pathology fellows through its long-standing relationship with Hennepin County Medical Center (HCMC) and the University of Minnesota, as well as various other schools from time to time. In addition, the office will begin providing medical examiner services to Dakota and Scott counties on January 1, 2013, greatly expanding its geographic reach in the metropolitan area and creating new opportunities to partner with other agencies and communities. A new electronic case management system was put in place on January 1, 2012, allowing the office to conduct its day-to-day work in a paperless and real-time fashion. Work process efficiencies, customer service enhancements, and cost savings are expected as a result of this system.

Key Results:	2011	2012 Est.	2013 Goal
Number of cases reported	4,059	4,200	5,700
Number of autopsies performed	709	725	975
Organ, tissue, and eye donations	263	275	350
Toxicology expense per accepted case	\$114	\$120	\$125
Number of student weeks of forensic training provided	120	120	140

Additional Resources:

Useful and educational information about the Medical Examiner's Office and the services it provides is available by visiting the department's internet web page at www.hennepin.us/me. The information includes the Minnesota statutes that govern the office's work and data practices, a downloadable department fact sheet, a downloadable brochure offering information for families, and links to various affiliated organizations and forms.

Hennepin County

Hennepin Health
Health

2013 BUDGET
Adopted

Mission:

Mission: To develop a new healthcare model which coordinates across systems in a patient- and family-centered manner, where systems work collaboratively to drive positive health outcomes and reduce costs.

Vision: Healthcare services meet individual needs, improve population health, and reduce disparities in our community.

Department Description:

Hennepin Health is a new integrated health delivery network demonstration project which began January 1, 2012 and is funded by a contract with DHS. NorthPoint Health and Wellness Center, Metropolitan Health Plan, Hennepin County Medical Center, the county Human Services and Public Health Department, and other local healthcare providers are integrating medical, behavioral health, and human services in a patient-centered model of care. The program is limited to Hennepin County residents who are eligible for medical assistance. The project seeks to improve health outcomes and lower the total cost of providing care and services to this population.

Although Hennepin Health is a separate enterprise fund of the county, Metropolitan Health Plan, the county's health maintenance organization, reports Hennepin Health as a line of business in its statutory financial statements.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$ -	\$ -	\$ -
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings		187,200	64,584
Fees for Services		120,480,000	120,256,800
Fines and Forfeitures			
Licenses and Permits			
Other Revenue		(187,200)	(196,498)
Total Revenues	\$ -	\$120,480,000	\$120,124,886
Personnel Costs	\$ -	\$500,000	\$182,951
Supplies and Materials			57,600
Purchased or Contract Services		116,916,000	117,071,470
Public Aid			
Equipment and Asset Purchases			
Other Expenditures		3,064,000	2,812,865
Total Expenditures	\$ -	\$120,480,000	\$120,124,886

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	-	5.0	5.0
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Hennepin County

Uncompensated Care

Health

2013 BUDGET

Adopted

Mission:

This cost center is used to track county payments to Hennepin County Medical Center (HCMC) for uncompensated care provided by HCMC to Hennepin County residents who have no health insurance or are underinsured.

Department Description:

The payments to HCMC for uncompensated care are based on an agreement between the county and Hennepin Healthcare System, Inc. (HHS), a public subsidiary corporation of the county which operates HCMC.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
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Budgeted Property Tax Requirement*	\$30,000,000	\$20,000,000	\$24,000,000
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			

Total Revenues	\$30,000,000	\$20,000,000	\$24,000,000
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Personnel Costs			
Supplies and Materials			
Purchased or Contract Services	20,000,000	20,000,000	24,000,000
Public Aid			
Equipment and Asset Purchases			
Other Expenditures			

Total Expenditures	\$20,000,000	\$20,000,000	\$24,000,000
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**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	-	-	-
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Hennepin County

HCMC Intergovernmental Transfers

Health

2013 BUDGET

Adopted

Mission:

This cost center is used to account for intergovernmental transfers between the county and Hennepin County Medical Center (HCMC) and the Minnesota Department of Human Services (DHS).

Department Description:

This cost center is used primarily to account for voluntary intergovernmental transfers made between the county and HCMC and DHS pursuant to Minnesota Statutes sections 256B.196 and 256B.197. In addition, county payments to HCMC for examinations made by the Sexual Assault Resource Service (SARS) program at HCMC are accounted for and budgeted in this center. The county in which the sexual assault occurred is required by Minnesota Statutes section 609.35 to pay for forensic examinations of sexual assault victims.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$775,000	\$775,000	\$759,500
Other Taxes			
Federal			
State	16,338,114	19,225,000	18,575,000
Local			
Other Intergovernmental	21,651,187	20,000,000	20,650,000
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$38,764,301	\$40,000,000	\$39,984,500
Personnel Costs	\$ -	\$ -	\$ -
Supplies and Materials			
Purchased or Contract Services	38,976,251	40,000,000	39,984,500
Public Aid			
Equipment and Asset Purchases			
Other Expenditures			
Total Expenditures	\$38,976,251	\$40,000,000	\$39,984,500

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	-	-	-
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Major Program: Libraries

Mission:

Hennepin County Library's mission is to nourish minds, transform lives and build community together.



New Excelsior Library (opens 2014)



Renovated Roosevelt Library (reopens 2013)



New Walker Library (opens 2014)



New Best Buy Teen Tech Center



Updated Penn Lake Library

Program Description:

Hennepin County Library provides responsive and innovative library services to its patrons. Services are provided in 41 library buildings, online and in the community. Hennepin County Library facilities are open for business nearly 1,900 hours each week and the website (www.hclib.org) is available to patrons 24/7. The Library's collection contains five million items in more than 40 languages including print and downloadable books, movies and music, digital resources and other materials. In 2012, over 200,000 adults, teens and children attended events and classes at libraries, and over 21.5 million visits were made to the Library's website.

Program Highlights:

The Library's 2013 budgeted expenditures are \$70.1 million; a \$0.2 million increase (0.3 percent) over the 2012 adjusted budget of \$69.9 million. Significant changes in the Library's estimated revenue include: an increase of \$1.5 million in the use of fund balance and reductions of \$874,000 in City of Minneapolis transition aid and \$400,000 in property tax collections.

With respect to expenditures, the 2013 budget reflects a reduction in Library staffing of 7.0 full-time equivalents from 611.0 full-time equivalents in the 2012 budget. Hours of library operations and the collection budget are consistent with 2012, however, a Library Services Strategy, currently in the planning stages, will restructure Library hours, services and staffing across the system in the future. Since the merger of Minneapolis Public Library with Hennepin County Library in 2008, the Library has been maintaining two collection classification systems — Library of Congress and Dewey Decimal. In 2012, the decision was made to organize and label all materials using the Library of Congress classification system. \$800,000 is budgeted for the reclassification in 2013.

Program Highlights - continued:

Patrons continue to use Hennepin County Library services at significantly higher rates as compared to peer libraries that serve populations over one million in the United States. Seven out of ten Hennepin County residents are active library card holders, while the Library's peer group averages five out of ten residents.

Hennepin County Library was the fifth most-searched library in the United States in 2012, according to Google's annual Zeitgeist report. Projected year-end numbers for 2012 include an estimated 5.9 million visits to the Library's 41 buildings, about 18 million items checked out, over 21.5 million visits to the Library's website and an estimated 750,000 downloads of books, music and movies — a 64 percent increase over the previous year. The Library broke its previous record for single-day eBook lending on December 26, 2012 with 3,488 downloads.

In 2012, Hennepin County Library provided Outreach Services at 26 sites in various Hennepin County corrections and treatment facilities, and served an estimated 10,000 seniors through on-site deposit collections at assisted living residences, nursing homes and other group homes within the county.

Volunteers extended library services to the community by providing computer assistance, tutoring students and delivering library materials to residents who could not come to a library due to disability, illness or lack of transportation. In 2012, an estimated 2,400 volunteers contributed 100,000 hours of service. Over 200,000 adults, teens and children attended events and classes at libraries. These events and classes supported lifelong learning and addressed myriad topics, from how to write a resume, to how to plant a garden. New eBooks classes taught eBook and eReader basics, as well as how to find, check out and download eBooks from the Library.

As part of the County Board initiative Accelerating Graduation by Reducing Achievement Disparities (A-GRAD), the Library partnered with the Research, Planning and Development Department to begin a re-design of the Library's Homework Hub, its homework assistance program. The Library also worked with partners in 2012 to open a new Play and Learn Spot for families at North Regional Library and the cutting-edge Best Buy Teen Tech Center at Minneapolis Central Library.

Construction began for the new Walker Library and for the renovation of Roosevelt Library. Penn Lake Library received modifications and updates to refresh the building and allow better service to patrons. Planning for the new Excelsior and Brooklyn Park libraries also continued.

Hennepin County Library began a radio frequency identification device (RFID) tagging project, which will ultimately allow patrons to access Library materials more quickly. This 2012 project and others laid additional groundwork for continued superior library service in 2013.

Revenue Highlights:

Budgeted 2013 revenues for the Library total 70.1 million; a \$0.2 million increase (0.3 percent) over the 2012 adjusted budget of \$69.9 million. The 2013 operating budget is funded with \$55.9 million (79.8 percent) property taxes, \$4.1 million (5.9 percent) with funding from the City of Minneapolis, \$3.9 million (5.5 percent) through the use of fund balance, and \$6.2 million (8.8 percent) with other revenues.

Property Tax Revenues

The budgeted property tax amount of \$55.9 million for 2013 is 0.7 percent less than the adjusted 2012 budget amount of \$56.3 million.

State Revenues

Budgeted 2013 revenues from the State of Minnesota are estimated at \$1.3 million, an increase of \$250,000, from \$1.0 million budgeted in 2012. The \$250,000 increase is due to a recategorization of Legacy funding which was shown as a Contribution in the 2012 budget. The remaining \$1.0 million in state revenue represents the monies received from the Metropolitan Library Service Agency (MELSA) for programs including: E-Rate, Regional Library Telecommunications Aid (RLTA), and state formula allocation.

Minneapolis Revenues

As part of the library merger agreement, the City of Minneapolis agreed to provide transition funding to provide support for operating expenses and to open the previously shuttered Roosevelt, Webber Park and Southeast libraries. The transition and "shuttered" funding support will gradually phase out ending in 2017 and 2015, respectively. For 2013, the city will contribute approximately \$4.1 million per the agreement, a \$874,000 reduction from the 2012 contribution. The county has assumed operational responsibility and debt financing for the Central Library parking ramp, however the city will retire the outstanding debt for the library component.

As a part of its capital improvement program, the city had approved referendum and capital bond funding for a variety of Library projects. The city will transfer a total of \$18,065,000 in capital improvement funds to the county for those projects based on a multi-year schedule included in the financing agreement. Revenue for these capital improvements is reflected in the capital budget.

Fines and Forfeitures

Revenue from fines is estimated at \$1.6 million in 2013; down slightly from the 2012 budget of \$1.7 million but consistent with 2011 actual receipts. Overdue book fines make up most of the revenue in this category.

Contributions and Donations

Budgeted 2013 revenues from contributions and donations are estimated at \$670,000; down \$250,000 from 2012 due to the Minnesota Legacy grant funding of \$250,000 being moved to the State Revenues category. The majority of contributions and donations are received from the Friends of the Hennepin County Library.

Ballpark Sales Tax Transfer

Budgeted 2013 transfers from the Ballpark Sales Tax collections are estimated at \$2.0 million, up \$100,000 from \$1.9 million budgeted in 2012. This revenue supplements library hours across the library system.

Budgeted Use of Fund Balance

Budgeted use of fund balance is \$3.9 million in 2013; a \$1.5 million increase over the 2012 budget amount of \$2.4 million. In 2011, use of fund balance was budgeted at \$2.0 million; however, actual use was \$0.

Investment Income, Fees & Services and Other Revenues

A variety of other sources totaling \$740,000 (1.1 percent) comprise the remainder of 2013 revenues. These revenues include: book sales, concessions sales, investment income and other miscellaneous revenues.

Hennepin County

2013 BUDGET

Adopted

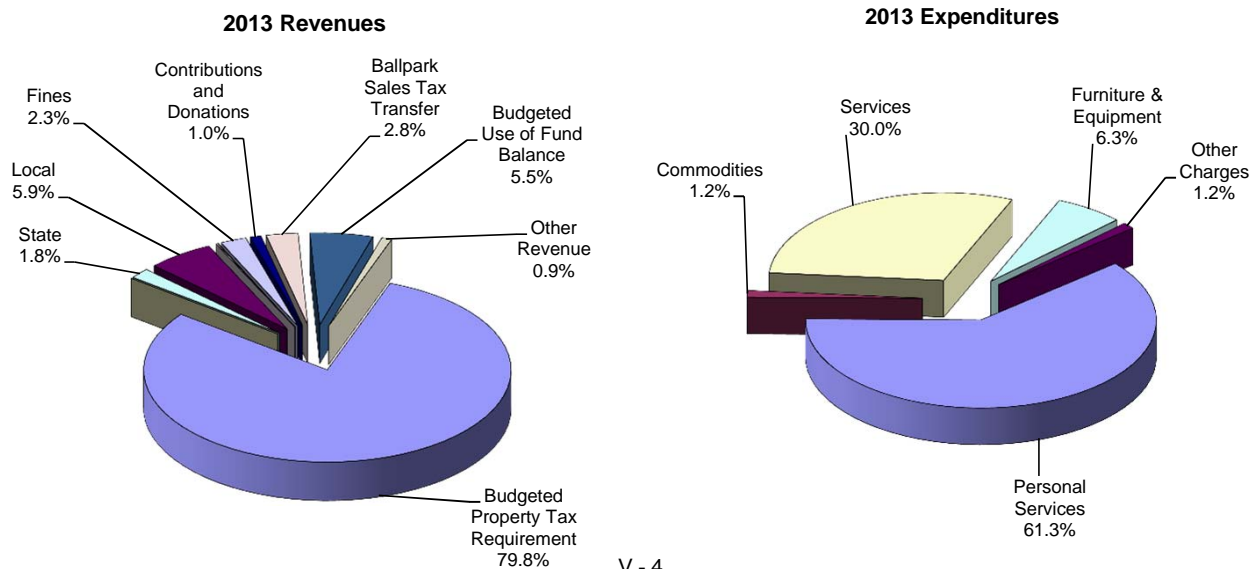
Department Summary:	2011 Actual	2012 Budget	2013 Budget
Director's Office	\$2,507,054	\$2,921,166	\$2,512,231
Operations	3,432,746	3,878,717	4,569,705
Communications & Community Engagement	691,644	844,037	787,784
Information and Collection Services	17,828,679	19,881,384	20,385,212
Community and Patron Services	41,475,577	42,374,764	41,884,769
Total Expenditures	\$65,935,700	\$69,900,068	\$70,139,701

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$55,003,295	\$56,336,145	\$55,937,649
Other Taxes	44,466		
Federal	72,649		
State	1,423,027	1,006,600	1,250,600
Local	5,871,568	4,979,312	4,105,736
Investment Income	108,617	80,474	90,000
Fees and Services	27,011	30,000	30,000
Fines	1,624,561	1,650,000	1,600,000
Contributions and Donations	980,783	920,937	670,000
Ballpark Sales Tax Transfer	1,754,837	1,860,000	1,960,000
Budgeted Use of Fund Balance		2,390,000	3,876,640
Other Revenue	611,642	646,600	619,076
Total Revenues	\$67,522,456	\$69,900,068	\$70,139,701

**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Personal Services	\$41,235,782	\$42,769,833	\$42,996,005
Commodities	815,802	784,375	845,875
Services	17,166,511	20,986,472	21,040,441
Furniture & Equipment	6,345,750	4,608,337	4,442,400
Other Charges	371,855	751,051	814,980
Total Expenditures	\$65,935,700	\$69,900,068	\$70,139,701

Revenue and Expenditure Comparison:



Hennepin County

2013 BUDGET Adopted

Budgeted Positions:	2010 Budget	2012 Budget	2013 Budget
Total Full Time Equivalent (FTE)	622.0	611.0	604.0

Key Results:	2011	2012 Est.	2013 Goal
Number of circulated items	18,357,619	18,000,000	18,000,000
Visits to Library	5,856,792	6,000,000	6,000,000
Visits to Library website	21,463,991	21,500,000	22,000,000
Downloaded books, movies and music	456,885	750,000	1,000,000
Percent of circulation using express checkout	84%	85%	85%
Volunteer hours supplementing service	99,862	100,000	100,000

Additional Resources:

The Library's website (www.hclib.org) provides additional information about the Library, including the Library Board and the Friends of the Hennepin County Library. The Friends of HCL website is www.supporthclib.org. Through the Library's website, the community can browse the catalog, reserve books, pay fines, reserve meeting rooms, and view and register for events and classes.

Major Program: Human Services

Mission:

Human Services and Public Health Department's mission is to "strengthen individuals, families and communities by increasing safety and stability, promoting self-reliance and livable income, and improving the health of our communities."



HSPHD Supports Healthy Families



HSPHD works to assure basic needs are met

Program Description:

The Human Services and Public Health Department (HSPHD) consists of a number of focused but flexible service areas, common internal support systems and cross-department integrated initiatives all working together to build better lives and stronger communities for the individuals, families and communities of Hennepin County.

To meet the mission, the department's focus is on four goals:

1. Protect children and vulnerable adults,
2. Support communities and families in raising children who develop to their fullest potential,
3. Assure that all people's basic needs are met, and
4. Build self-reliant communities and individuals.

Program Highlights:

The Human Services and Public Health 2013 budget is \$450.4 million, an increase of 1.1 percent or \$4.7 million when compared to the adjusted 2012 budget of \$445.8 million.

The Human Services and Public Health department's caseloads still reflect the economic impact of the great recession. Over the last four years:

Food support cases have increased by 69 percent.

Monthly calls to Child Protection Services are up 28 percent.

Cash assistance payments have grown by 10 percent.

More families are seeking emergency shelter. Compared to 2009, the number of families applying for homeless shelters has doubled.

The department has been challenged by reduced funding during times of increased demand for services in the past few years. In response, HSPHD focused on increasing productivity and system efficiencies versus increasing its staff complement. In 2013, while continuing to redesign and find greater efficiencies in the way work is done, the department will add additional staff to focus on the increased workload demands.

The program will operate with 2,776.8 FTEs, an increase of 54.3 FTEs when compared with the 2012 adjusted budget of 2,722.5 FTEs.

Program Highlights - continued:

The Human Services and Public Health Department is beginning to move direct social services into community based sites throughout the county. This regional approach to service delivery will allow HSPHD to more consistently connect clients with a continuum of services provided by non-profit organizations in their neighborhood. The first regional hub at the Northwest Family Service Center in Brooklyn Center opened on October 1, 2012, marking a major milestone in HSPHD's efforts to make services more convenient and accessible for clients. In 2013, full regional sites are expected to open in East Bloomington, the western suburbs and a smaller hub site at the Sabathani Community Center in south Minneapolis. The regional services plan will be fully implemented by the end of 2014.

In conjunction with the opening of the regional sites, HSPHD has developed a new Client Service Delivery Model (CSDM). The model features a holistic approach for clients from initial assessment toward the goals of stability, safety and independence, whenever possible. Clients provide background information only once. The clients get access to information and services at one location, and they are connected to resources through coordinated case management.

A component of the new client centered delivery service is to better leverage community partnerships.

In 2012, HSPHD convened a Community Health Improvement Partnership with the Minneapolis Department of Health and Family Support, and the Bloomington Division of Public Health for the Boards of Health of Bloomington, Edina, and Richfield. The partnership authored a Community Health Improvement Plan (CHIP) which provides action steps to address four overarching community health priorities, which were set via community forums and a community health assessment.

HSPHD is partnering with other metro counties to eliminate barriers to service. Simply moving a few miles and into a different county should not create a barrier to getting a needed service. So, the metro counties are taking a "Service without Boundaries" approach that takes a regional perspective.

With several partners HSPHD launched a pilot project to work with 90 adolescent parents in Minneapolis. In this program, a trained public health nurse becomes a mentor to the new mom to help her complete high school; develop a plan for MFIP compliance, benefits coordination and family stability; and proactively connect the family with prenatal care and child development services.

An estimated one in five children have a diagnosable mental health disorder yet an estimated 75 percent receive no or inadequate levels of treatment. In partnership with school systems, private agencies, health plans, and the State of Minnesota, HSPHD has helped establish on-site mental health programs at 81 schools in 14 districts.

The Veterans' Service unit established their third regional services site at Hennepin's Ridgedale Service Center. When National Guard members return from Iraq or Afghanistan, they are met by staff from Hennepin County Veterans' Service unit to discuss Veterans Affairs (VA) benefits.

Revenue Highlights:

Budgeted 2013 revenues for the Human Services program total \$450,442,937, an increase of \$4.7 million or 1.1 percent from the 2012 adjusted budget of \$445,778,302. The following summary compares revenue by major category in 2012 and 2013.

Property Tax Revenues

County property tax support totals \$207.8 million for 2013, an increase of \$5.6 million from the 2012 adjusted budget of \$202.2 million. The increase is primarily driven by an increase in the departments share of county wide indirect costs. In 2013, system costs for APEX, the county's PeopleSoft Enterprise Resource Planning (ERP) system were added to the county wide indirect cost allocation plan.

Property tax support accounts for 46.1 percent of the Human Services program's estimated revenues up from 45.3 percent in 2012.

Federal Revenues

Federal revenues consist primarily of reimbursements for the administrative costs of human services programs including financial, medical, and training and employment programs. The reimbursements are based upon the county's costs as well as federal rates. The federal portion of the 2013 revenue budget accounts for approximately 29.0 percent of the Human Services program revenue, compared to 28.8 percent in 2012.

Federal revenue sources are estimated at \$130.6 million, a slight increase of 1.6 percent or \$2.1 million when compared to the 2012 adjusted budget of \$128.5 million. The Human Services program's cost pool for federal claiming is projected to increase in 2013 budget, resulting in higher federal administrative reimbursements.

While Federal Financial Participation is projected to increase, funding for the Homeless Prevention and Rapid Re-Housing Program (HPRP), the Supported Work Grant and the Innovations and Disparities Program ended in 2012; revenue in 2013 has been adjusted to correspond with the sunset of these programs.

In 2013, the Human Services program will receive approximately \$29.3 million in federal reimbursement for the administrative costs of the Temporary Assistance for Needy Families (TANF), food stamp and medical assistance programs. The TANF program is administered within Minnesota as the Minnesota Family Investment Program, or MFIP.

State Revenues

State monies are used to fund human services programs, training and employment programs, and financial and medical assistance programs. In 2013, revenues from the state make up 11.8 percent of total Human Services program revenue.

Revenues from the State of Minnesota to Hennepin County are estimated at \$53 million, a decrease of \$4.2 million when compared to the 2012 adjusted budget of \$57.2 million. In 2013, the budgeted state funded portion of the Long Term Homeless Support grant allocation was decreased by \$1.8 million and the Adult Mental Health Integrated Fund award was reduced by \$1.3 million.

Local Grants

Local grant revenue comes from private parties, nonprofit institutions, local governments, and private foundations. In 2013, local grants are budgeted at \$.6 million.

Fees and Services

A major portion of fee revenue is payments from third party payors and state and federal reimbursements for patient fees and services. Revenues from fees charged for services are estimated at \$49.4 million for 2013, up from \$47.5 million in 2012.

Other Revenues

Other revenues account for less than 1.0 percent of total revenue. Licenses, permits and interdepartmental payments account for the majority of revenues in this category.

Fund Balance

To reduce the tax levy for 2013, the budget includes a planned use of fund balance.

Hennepin County

2013 BUDGET

Adopted

Department Summary:	2011 Actual	2012 Budget	2013 Budget
Human Services and Public Health Hennepin Health	-	-	\$521,663
Teen Pregnancy and Prevention Program	-	-	4,894,125
Protection and Assessment	114,252,100	111,545,485	115,164,720
Eligibility and Child Support	109,972,796	120,139,668	122,117,394
Public Health and Case Management	142,025,957	146,530,745	146,123,838
Workforce Resources and Regional Development	16,985,792	12,389,191	11,495,721
Internal Supports	59,186,739	54,385,136	49,171,317
Veterans' Services	710,887	788,077	954,159
Total Expenditures	\$443,134,271	\$445,778,302	\$450,442,937

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$208,480,160	\$202,158,752	\$207,750,345
Other Taxes	168,529	-	-
Federal	129,429,451	128,522,379	130,575,994
State	57,087,945	57,157,064	52,979,000
Local	1,339,358	1,193,000	611,000
Fees and Services	46,380,488	47,528,107	49,402,598
Licenses and Permits	1,223,611	1,278,000	1,500,000
Budgeted Use of Fund Balance	-	6,000,000	6,000,000
Other Revenue	(10,841,980)	1,941,000	1,624,000
Total Revenues	\$433,267,562	\$445,778,302	\$450,442,937

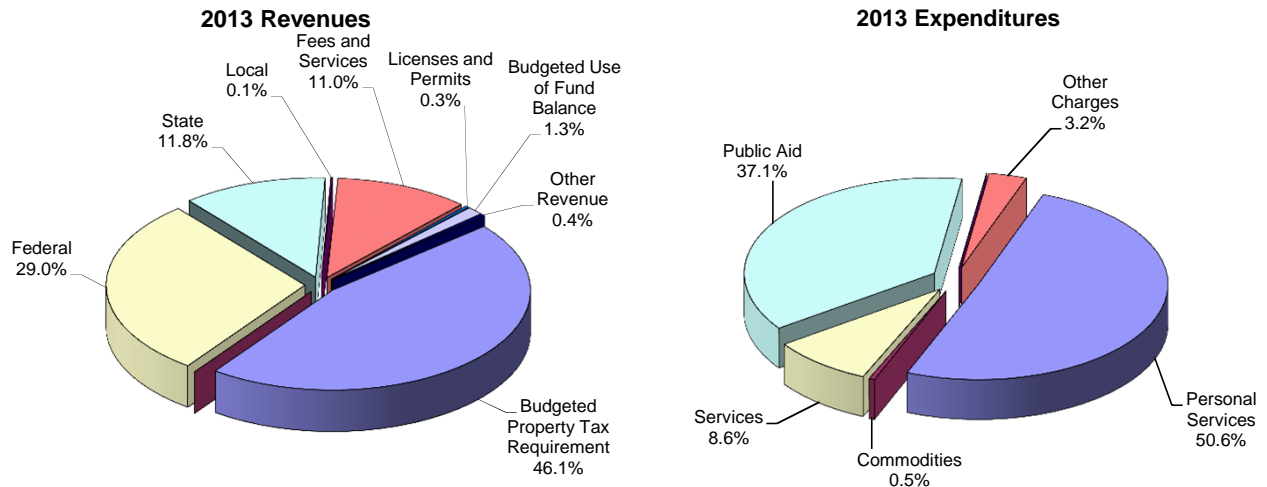
**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Personal Services	\$227,322,471	\$223,797,501	\$227,760,899
Commodities	2,476,255	2,724,410	2,165,000
Services	34,250,989	35,308,326	38,837,338
Public Aid	169,792,670	174,881,527	167,115,700
Furniture and Equipment	50,206	51,000	10,000
Other Charges	9,241,680	9,015,538	14,554,000
Total Expenditures	\$443,134,271	\$445,778,302	\$450,442,937

Hennepin County

2013 BUDGET
Adopted

Revenue and Expenditure Comparison:



Budgeted Positions:	2011 Budget	2012	2013
Full Time Equivalents	2,751.2	2,722.5	2,776.8

Key Results:	2011	2012 Est.	2013 Goal
Percent of children in open IV-D cases, born out of wedlock, with paternity established	99.3%	99.7%	100.0%
Number of cases of children in open IV-D cases, born out of wedlock, with paternity established	42,764	42,826	43,150
Percent of health care program applications processed in less than 60 days	79.0%	78.0%	78.0%
Number of health care program applications processed in less than 60 days	160,520	151,704	151,704
Percent of cash applications processed in less than 45 days	87%	82%	82%
Number of cash applications processed in less than 45 days	52,230	51,696	51,696
Number of cash reinstatements	27,838	29,503	29,503
Number of households served by Family Homelessness Prevention and Assistance Program	1,376	2,300	1,336
Annualized work participation rate for MFIP clients	37.5%	38.3%	39.8%

Additional Resources:

Additional information about the Human Services and Public Health Department and its services is available at the Human Services and Public Health website: www.hennepin.us/hsphd.

Major Program: General Government

- Commissioners
- County Administration
- County Assessor
- Budget and Finance
- Research, Planning and Development
- Information Technology
- Property Services
- Taxpayer Services
- Human Resources
- Public Affairs
- Internal Audit
- Examiner of Titles
- Computer Forensics Unit
- General County Purposes
- Debt Retirement
- Ballpark Sales Tax Revenue Programs
- Employee Health Plan Self Insurance
- Self Insurance Fund



Hennepin County voting equipment



Several e-gov initiatives are planned for 2013.

Program Description:

The General Government program encompasses the policy making, administrative support and staff services necessary for the efficient and effective management of county programs. The Board of Commissioners, as the elected governing body of the county, establishes policies and programs, approves the annual budget, and appoints key officials. The County Administrator is responsible for advising the County Board and implementing approved policies and programs. The General Government departments include activities in the County Revenue Fund, the Debt Retirement Fund and Internal Services Funds.

Program Highlights:

The General Government program's 2013 budget (excluding Debt Retirement and Ballpark Sales Tax Revenue Programs) is \$164.6 million, a decrease of approximately \$252,000 (0.15 percent) from the 2012 adjusted budget of \$164.8 million. In 2013, the General Government program will operate with 1,125.9 full-time equivalent (FTE) positions, a net increase of 6.5 FTEs from the 2012 adjusted budget.

Highlights from the 2013 General Government budget are outlined below. Note that narrative discussions regarding Debt Retirement and Ballpark Sales Tax Revenue activity are provided in separate sections of this document.

Property Services

The 2013 Property Services budget totals approximately \$45.3 million, with an authorized staffing complement of 218.5 FTEs. The 2013 budget is (\$0.9) million or (1.9) percent less than the 2012 adjusted budget and includes a reduction of 1.0 FTE. Operational efficiencies continue to be implemented in the Security and Facilities Management divisions, as well as, other divisions within Property Services. In 2013 Property Services will develop a department Energy Plan. The Energy Plan will bring together all of the department's current and future energy conservation efforts into one guiding document. Initiatives for 2013 include construction of the Emergency Communications Facility; completion of the Human Services South Suburban Hub, construction start of the Human Services' South Minneapolis and the Central/Northeast Minneapolis Regional Hubs and continued planning for the West Suburban and North Minneapolis Regional Hubs, and Brookdale and Eden Prairie satellite offices. The Roosevelt Library is scheduled to reopen and construction will start for the new Excelsior Library and planning will continue for the new Brooklyn Park Library.

Information Technology (IT)

The county's IT Department includes activities in the County Revenue Fund and two internal service funds. The County Revenue Fund consists of three divisions, General Government, approximately \$5.3 million, Hennepin Justice Integration, approximately \$3.0 million and Graphic Information Services (GIS) of approximately \$1.1 million and a total of 38.8 FTEs. The internal service funds include the IT Operations Fund with a budget of \$60.2 million and 254.7 FTEs, and the Central Services Internal Services Fund with a budget of \$7.4 million and 22.0 FTEs. In total, the 2013 authorized staffing complement for IT is 315.5 FTEs, an increase of 12.5 FTEs from the 2012 adjusted budget. This is due to several initiatives prioritized for 2013.

Initiatives in 2013 consist of several e-Gov initiatives: consolidating and upgrading enterprise applications, developing partnerships with public agencies for Community Connectivity of fiber optics, a countywide strategy for use of smartphones, and a variety of other projects aligning with countywide IT direction.

Taxpayer Services

The budget for the Taxpayer Services Department includes an additional \$5 million for the purchase of new voting equipment in 2013 which is partially offset by the use of \$4 million from the County Recorder's Equipment Fund.

General County Purposes

Unallocated Appropriations (contingency) is reduced by \$3.7 million from the adjusted 2012 budget and the budget for General County Purposes is \$1.7 million less in 2013 than in the 2012 adjusted budget. The Commercial Paper Program was added to the General County Purposes Budget in 2013. The Commercial Paper Program reflects interest and fees expenses for the issuance of commercial paper which are offset by revenue from investment income.

Revenue Highlights:

General Government's budgeted 2013 revenues are \$350.4 million, a \$34.7 million (11.0%) increase from the 2012 adjusted budget of \$315.7 million. Below are descriptions of the different revenues in the General Government program.

Current Property Taxes

General Government is largely comprised of policy, administrative and support services departments funded primarily through property tax assessments. There is limited availability for outside resources to fund the activities and functions of these departments other than property tax, debt or use of fund balance. Property taxes finance 51.6 percent of the 2013 General Government program.

Federal

2013 Federal revenue of \$5.2 million has decreased \$1.5 million from the 2012 budget. The change is mostly due to the \$1.4 million reduction in federal grants for Emergency Management.

Local

Nearly all local revenue is budgeted in the Debt Retirement program. This primarily represents revenue that will be received from the Counties Transit Improvement Board (CTIB) for bonds issued by the county on behalf of CTIB (\$8.3 million) to fund transit capital grants, as well as from other entities for the purpose of paying debt service on county bonds for various purposes.

Fees, Services, Licenses and Permits

There is \$15.9 million of revenue budgeted in 2013 from fees charged for services. Fees and Services account for 4.5 percent of General Government's total revenues. Taxpayer Services and the Assessor's Office budget the majority of fees and services revenue for 2013.

Taxpayer Services estimates \$13.0 million will be generated in 2013 from service center activities, public records and its other divisions. These fees account for 82.0 percent of all General Government fee and service revenues. Specific 2013 Taxpayer Services revenues include:

- \$4.9 million in fees for recording Torrens and Abstract certificates that are reserved by state statute for specific document recording process improvements and technologies meant to improve customer service and decrease the time needed to record real estate documents. The Public Records Division anticipates an additional \$3.2 million for recording Torrens and Abstract certificates.
- \$1.2 million in revenues for the RecordEASE web product, which charges subscribers for online searches and images of real estate records.
- \$4.5 million from the county's seven service centers for motor vehicle, driver's, and business licenses.
- An additional \$1.1 million from the service centers from the sale of passports, passport photographs, and postage for special handling.

The County Assessor generates most of its revenues by charging jurisdictions for assessment services to recover costs. The 2013 County Assessor's budget includes approximately \$1.9 million in revenues for assessments provided to 24 jurisdictions within the county.

Revenue Highlights - continued:

Other Revenues

Other Revenues, totaling \$76.3 million, make up 21.8 percent of General Government's 2013 revenue. This is a budget increase of approximately \$9.5 million from the 2012 adjusted budget of \$66.7 million.

In Taxpayer Services, Other Revenues are up \$3.2 million. The increase results from using a larger amount of Reserved funds from the Recorder's Equipment funds in 2013 due to the replacement of the county's property tax and assessment system and the purchase of new voting equipment.

The majority of Property Services' \$25.2 million budgeted as Other Revenues is from building charges, which include billings to non-county Revenue Fund departments (e.g. Human Services, enterprise departments) and non-county agencies (e.g. State of Minnesota) for the space their programs occupy in county facilities. Additional revenue comes from employee contract and public parking, vending machine operations, security services, including those provided to the Municipal Building Commission and engineering services to the Hennepin County Energy Center.

The 2013 Debt Retirement budget includes \$32.2 million in Other Revenues comprised of \$30.0 million for ballpark debt service, \$2.0 million for the Energy Center improvements and \$0.2 million in revenues from Glen Lake Golf Course for debt service on bonds that finance improvements to the facility.

For Ballpark Sales Tax Revenue Programs, Other Taxes includes \$31.0 million in budgeted sales tax collections for 2013, a \$1.1 million increase over the 2012 budget. The sales tax is collected to provide for transfers of principal and interest payments on the sales tax revenue bonds issued to fund the county's contribution to the Twins baseball stadium and to fund other authorized uses.

Additional Other Revenues in General Government are generated by Public Affairs for broadcasting public meetings and providing services to other departments, Budget and Finance for investment services fees, Intergovernmental Relations for contract lobbying activities and for the Municipal Building Commission from sales of steam/energy, rent charges, and services that are provided to non-city and non-county customers.

Hennepin County

2013 BUDGET

Department Summary*:	2011 Actual	2012 Budget	Adopted 2013 Budget
Commissioners	\$2,711,829	\$2,725,829	\$2,725,829
County Administration	2,646,459	2,881,491	2,838,854
County Assessor	3,963,746	4,037,682	4,093,501
Budget and Finance	11,844,665	13,250,630	14,003,748
Research, Planning and Development	3,042,669	2,684,121	2,601,539
Information Technology (excludes Internal Service Funds)	8,972,352	8,407,340	9,246,652
Property Services	20,345,540	46,198,273	45,325,900
Taxpayer Services	24,708,315	29,448,171	34,038,051
Human Resources	6,851,203	7,104,783	7,003,227
Public Affairs	2,306,274	2,230,911	2,195,885
Internal Audit	2,006,146	2,026,229	2,059,930
Examiner of Titles	899,282	913,877	963,433
Computer Forensics Unit	690,685	779,798	816,222
General County Purposes	35,272,931	42,127,473	36,651,053
Debt Retirement	120,823,695	119,307,254	149,688,997
Ballpark Sales Tax Revenue Programs	<u>30,095,357</u>	<u>31,597,186</u>	<u>36,177,960</u>
Total Revenues	\$277,181,148	\$315,721,048	\$350,430,781
Commissioners	\$2,387,272	\$2,725,829	\$2,725,829
County Administration	2,537,205	2,881,491	2,838,854
County Assessor	3,649,248	4,037,682	4,093,501
Budget and Finance	14,705,651	13,250,630	14,003,748
Research, Planning and Development	2,674,581	2,684,121	2,601,539
Information Technology (excludes Internal Service Funds)	7,337,947	8,407,340	9,246,652
Property Services	42,581,267	46,198,273	45,325,900
Taxpayer Services	24,557,110	29,448,171	34,038,051
Human Resources	6,555,674	7,104,783	7,003,227
Public Affairs	2,262,915	2,230,911	2,195,885
Internal Audit	1,852,416	2,026,229	2,059,930
Examiner of Titles	846,895	913,877	963,433
Computer Forensics Unit	428,114	779,798	816,222
General County Purposes	17,689,397	42,127,473	36,651,053
Debt Retirement	118,453,932	119,307,254	149,688,997
Ballpark Sales Tax Revenue Programs	<u>36,185,171</u>	<u>31,597,186</u>	<u>36,177,960</u>
Total Expenses	\$284,704,795	\$315,721,048	\$350,430,781

*Totals do not include internal service funds.

Hennepin County

2013 BUDGET

Adopted

Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$167,487,726	\$181,345,271	\$180,808,257
Other Taxes	31,693,934	30,191,556	32,400,000
Federal	4,206,214	6,727,823	5,205,055
State	435,346	132,500	88,000
Local	7,862,947	11,965,813	11,908,733
Other Intergovernmental	7,754	23,000	10,000
Investment Earnings	121,958	-	200,000
Fees and Services	15,661,168	14,194,181	15,924,803
Fines and Forfeitures	-	-	-
Licenses and Permits	4,359,439	4,371,150	4,487,662
Bond Proceeds	4,715,000	-	23,130,000
Other Revenue	<u>40,629,662</u>	<u>66,769,754</u>	<u>76,268,271</u>
Total Revenues	\$277,181,148	\$315,721,048	\$350,430,781
Personnel Costs	\$68,859,445	\$73,645,514	\$74,156,230
Commodities	2,203,383	2,820,795	1,855,009
Services	55,731,039	65,285,505	64,493,128
Furniture & Equipment	265,150	182,306	5,022,961
Other Charges	<u>157,645,778</u>	<u>173,786,928</u>	<u>204,903,453</u>
Total Expenditures	\$284,704,795	\$315,721,048	\$350,430,781

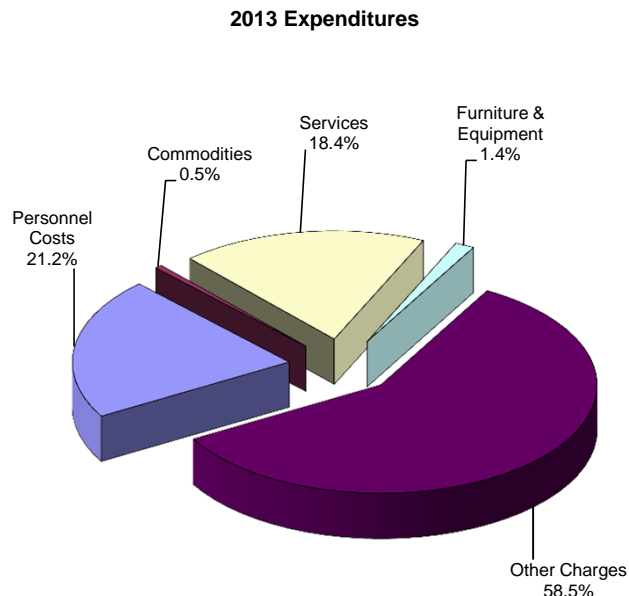
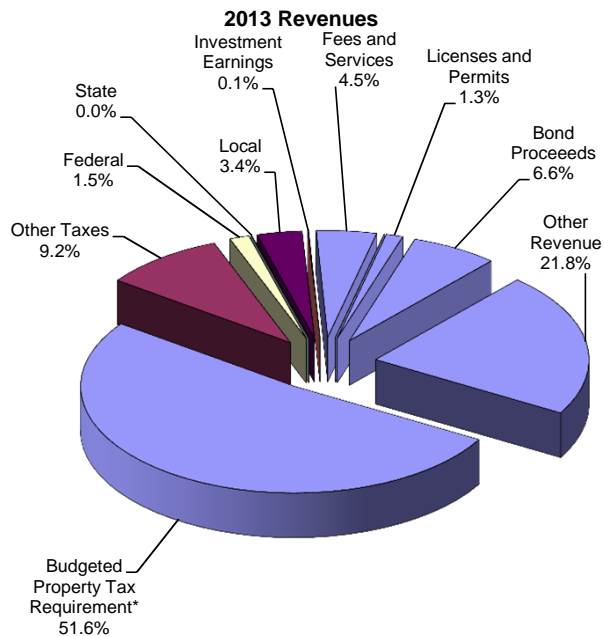
*Reflects the adjusted property tax requirement budget, not actual property tax collections.

Hennepin County

2013 BUDGET

Adopted

Revenue and Expenditure Comparison:



Budgeted Positions*:

	2011 Budget	2012 Budget	2013 Budget
Commissioners	25.0	25.0	25.0
County Administration	17.4	17.4	17.4
County Assessor	39.5	39.0	39.0
Budget and Finance	92.3	92.3	90.8
Research, Planning and Development	19.0	19.0	19.0
Information Technology (includes Internal Service Funds)	276.0	303.0	315.5
Property Services	226.5	219.5	218.5
Taxpayer Services	300.3	278.1	274.6
Human Resources	64.1	64.1	64.1
Public Affairs	17.5	17.5	17.5
Internal Audit	13.0	13.0	13.0
Examiner of Titles	8.0	8.0	8.0
Computer Forensics Unit	5.0	5.0	5.0
General County Purposes	8.0	7.0	7.0
Debt Retirement	0.0	0.0	0.0
Ballpark Sales Tax Revenue Programs	0.0	0.0	0.0
Employee Health Plan Self Insurance (Internal Service Fund)	6.0	6.0	6.0
Self Insurance (Internal Service Fund)	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>
Total Full Time Equivalent (FTE)	1,123.1	1,119.4	1,125.9

*FTE totals include internal service funds.

Hennepin County

**Commissioners
General Government**

**2013 BUDGET
Adopted**

Mission:

*The mission of Hennepin County is to enhance the health, safety and quality of life of our residents and communities in a respectful, efficient and fiscally responsible way.
(Resolution 01-5-294A adopted May 7, 2002.)*

Department Description:

The county operates under the board of commissioners-administrator form of government. Policy making and legislative authority are vested in the Board of Commissioners which consists of seven members. Their legislative powers are conferred on them by general state statutes which apply to county governments and special statutes applying to Hennepin County (M.S. 383B). The board is elected to four-year overlapping terms on a non-partisan basis.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,711,829	\$2,725,829	\$2,725,829
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$2,711,829	\$2,725,829	\$2,725,829
Personnel Costs	\$2,214,818	\$2,420,245	\$2,484,678
Supplies and Materials	23,031	36,110	26,137
Purchased or Contract Services	85,965	134,238	97,359
Public Aid			
Equipment and Asset Purchases		3,386	2,661
Other Expenditures	63,458	131,850	114,994
Total Expenditures	\$2,387,272	\$2,725,829	\$2,725,829

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	25.0	25.0	25.0
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Additional Resources:

- Mike Opat, Chair, District 1 - www.hennepin.us/mikeopat
- Linda Higgins, District 2 - www.hennepin.us/lindahiggins
- Gail Dorfman, District 3 - www.hennepin.us/gaildorfman
- Peter McLaughlin, District 4 - www.hennepin.us/petermclaughlin
- Randy Johnson, District 5 - www.hennepin.us/randyjohnson
- Jan Callison, District 6 - www.hennepin.us/ljancallison
- Jeff Johnson, District 7 - www.hennepin.us/jeffjohnson

Hennepin County

County Administration
General Government

2013 BUDGET
Adopted

Mission:

The mission of Hennepin County Administration is to implement County Board policies and state statutes, to promote county interests with other governmental agencies, and to provide direction to departments to achieve the county's overarching goals.

Department Description:

The County Board of Commissioners determines county policy. Administrative responsibility is delegated to the County Administrator. The other General Government departments result from statutory requirements or provide necessary management service functions. The departments further the county's vision statement as well as the accompanying overarching goals by directing, administering, planning, facilitating, assisting and coordinating the services and activities provided by all county departments. General Government departments include activities in the County Revenue Fund, the Debt Retirement Fund and Internal Services Funds.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,494,422	\$2,544,211	\$2,498,927
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	152,037	295,000	295,000
Fines and Forfeitures			
Licenses and Permits			
Other Revenue		42,280	44,927
Total Revenues	\$2,646,459	\$2,881,491	\$2,838,854
Personnel Costs	\$1,851,944	\$2,076,198	\$2,148,830
Supplies and Materials	28,239	19,500	12,550
Purchased or Contract Services	639,948	741,243	631,014
Public Aid			
Equipment and Asset Purchases		3,000	3,000
Other Expenditures	17,074	41,550	43,460
Total Expenditures	\$2,537,205	\$2,881,491	\$2,838,854

**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Budgeted Positions (Full-time Equivalents)	17.4	17.4	17.4
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Hennepin County

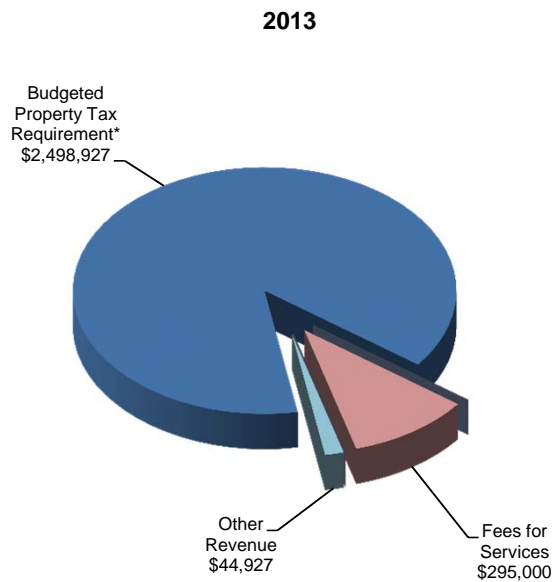
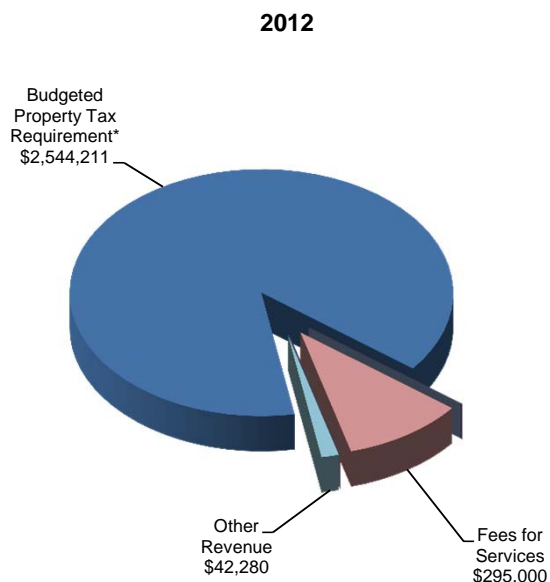
County Administration

2013 BUDGET

General Government

Adopted

Revenue Comparison:



Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
County Administration	\$1,293,991	\$1,429,311	\$1,410,457
Labor Relations	629,133	724,461	712,730
Intergovernmental Relations	472,536	584,663	572,797
CJCC Administration	116,591	120,556	121,870
Domestic Fatality	24,954	22,500	21,000
Total Expenditures	\$2,537,205	\$2,881,491	\$2,838,854

Additional Resources:

www.hennepin.us, select "Departments" and select "Administration."

Hennepin County

County Assessor
General Government

2013 BUDGET
Adopted

Mission:

The mission of the Hennepin County Assessor's Office is to serve the taxpayers of Hennepin County by uniformly valuing and classifying real property in an accurate and equitable manner as prescribed by the statutes of the State of Minnesota.

Department Description:

The County Assessor's Office is responsible, both directly and indirectly, for estimating the market value and determining the correct classification for every real estate parcel in suburban Hennepin County. This office provides education and training countywide, along with reviewing all assessments to ensure equality across all jurisdictions in the county. For the 24 jurisdictions that contract with the county for assessment services, this office serves as their City Assessor and is involved in the entire assessment process. For cities with populations under 30,000, the county has significant statutory involvement in the assessment process, including mailing value notices and defending tax court petitions. For the nine largest cities in Hennepin excluding Minneapolis, the county has mainly valuation oversight authority. The City of Minneapolis is considered a city of the first class and the duties of the county assessor are performed by the appointed Minneapolis Assessor.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,258,057	\$2,279,057	\$2,233,476
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	1,705,689	1,758,625	1,860,025
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$3,963,746	\$4,037,682	\$4,093,501
Personnel Costs	\$3,232,817	\$3,570,572	\$3,604,625
Supplies and Materials	15,605	21,900	21,900
Purchased or Contract Services	375,520	411,610	429,376
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	25,306	33,600	37,600
Total Expenditures	\$3,649,248	\$4,037,682	\$4,093,501

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	39.5	39.0	39.0
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Hennepin County

County Assessor

2013 BUDGET

General Government

Adopted

Significant Budget Changes:

The addition of City of Robbinsdale as a contract city is projected to add \$82,000 to annual revenue and the agreement with the City of Brooklyn Center for processing Chapter 278 Tax petitions will add an additional \$20,000 to annual revenue.

Budget Commentary

In the Revenue Section, 24 municipalities contract with Hennepin County for local assessment services, where staff is currently preparing the 2013 assessment for taxes payable in 2014. The revenues collected from the 24 municipalities cover 100% of the counties costs in serving as their City Assessor. For expenses, the 2013 budget reflects the impacts of change in personal service, which accounts for 88% of the departments budget. While budgeted at 39.0 FTE's only 38.0 FTE's are funded. The vacancy factor of \$84,585 accounts for a vacant Assistant County Assessor position. Of the \$488,876 of non-personal service costs, 77% are in the categories of IT - Data Center and Network, milage/parking, and postage.

Key Results:	2011	2012 Est.	2013 Goal
Suburban Residential Median Sales Ratio	95.3	95.4	95
Number of Cities Under Contract	24	24	24
Cost per Parcel Under Contract	19.92	19.85	20
Tax Court Petitions	2097	1828	1800

Additional Resources:

2012 Assessment Report - <http://www.hennepin.us/propertytaxassessment> ** Property Tax Administrators Manual - taxes.state.mn/property_tax_administrators ** Minnesota Statutes 270 through 289 - www.revisors.mn.gov

Hennepin County

Office of Budget and Finance
General Government

2013 BUDGET
Adopted

Mission:

To ensure that the financial health, working capital, and financial and credit conditions of Hennepin County are sound. To support countywide and business line strategic objectives through effective financial and human resource systems, consultation, analysis and reporting. To join with vendors and county departments in purchasing needed goods and services, and ensuring Hennepin County's commitment to Equal Opportunity and Affirmative Action.

Department Description:

The Office of Budget and Finance is organized into several divisions. The Budget and Treasury division performs budget preparation and analysis, revenue and expenditure forecasting, legislative analysis, and treasury services. The Risk Management division works in cooperation with the County Attorney's Office to monitor and control the financial and operational risk for Hennepin County. General Accounting and Payroll Services performs all general countywide accounting activities and payroll functions. Purchasing and Contracting Services is responsible for most county purchasing tasks abiding by Minnesota State Statutes and Hennepin County's policies and procedures. The APEX Service Center provides production and user support for Hennepin County's PeopleSoft Enterprise Resource Planning (ERP) system.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$9,001,911	\$12,743,630	\$13,296,748
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings	39,657		
Fees for Services	508,592	470,000	670,000
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	2,294,505	37,000	37,000
Total Revenues	\$11,844,665	\$13,250,630	\$14,003,748
Personnel Costs	\$7,675,802	\$8,844,185	\$9,163,963
Supplies and Materials	348,638	42,360	26,400
Purchased or Contract Services	6,297,498	3,820,885	4,340,147
Public Aid			
Equipment and Asset Purchases		2,000	2,000
Other Expenditures	383,713	541,200	471,238
Total Expenditures	\$14,705,651	\$13,250,630	\$14,003,748

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	92.3	92.3	90.8
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Hennepin County

Office of Budget and Finance

2013 BUDGET

General Government

Adopted

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Admin and Budget Analysis	\$1,770,535	\$1,995,679	\$1,954,192
Risk Management	131,600	139,878	138,097
Accounting and Payroll	1,111,005	985,825	922,686
APEX Project	10,150,440	8,499,378	9,285,764
Purchasing and Contract Services	1,542,071	1,629,870	1,703,009
Total Expenditures	\$14,705,651	\$13,250,630	\$14,003,748

Additional Resources:

www.hennepin.us/budgetfinance

Budget documents - [www. Hennepin.us/hcbudget](http://www.Hennepin.us/hcbudget)

Financial reports - www.hennepin.us/cafr

Hennepin County

Research, Planning and Development
General Government

2013 BUDGET
Adopted

Mission:

Our vision is that the organization will have stronger decision making capacity and better outcomes through the services Research Planning and Development provides.

Our mission is to support and inform the county's public policy and practice through research, strategic management and initiative development.

Department Description:

Research Planning and Development's (RPD) research and evaluation services include consultation on identifying opportunities and assessing the value of potential research projects and evaluation projects. The department provides technical assistance, design and manage the implementation of research and evaluation strategies and analyze data and interpret results. It also conducts policy analysis and conduct research for policy frameworks, provide census data report and other demographic analysis.

RPD's performance management services include coaching and educating the organization on performance measurement methods and tools to translate operational strategies into the balanced scorecard system. RPD also supports the organization in continuous improvement efforts through coaching, educating and training staff in continuous improvement methods.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$3,017,669	\$2,629,121	\$2,576,539
Other Taxes			
Federal			
State			
Local		55,000	
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	25,000		25,000
Total Revenues	\$3,042,669	\$2,684,121	\$2,601,539
Personnel Costs	\$1,827,600	\$2,059,430	\$1,997,668
Supplies and Materials	18,961	19,000	16,000
Purchased or Contract Services	805,115	541,691	544,371
Public Aid			
Equipment and Asset Purchases	96		
Other Expenditures	22,809	64,000	43,500
Total Expenditures	\$2,674,581	\$2,684,121	\$2,601,539

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	19.0	19.0	19.0
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Hennepin County

Research, Planning and Development

2013 BUDGET

General Government

Adopted

Significant Budget Changes:

Begun in 2012, the staffing philosophy continues to be reducing the number of managers without impacting employee direction and utilizing temporary staff for short-term projects.

Budget Commentary

Research, Planning and Development (RPD) provides county departments and initiatives with resources, support and products on research, evaluation, and performance management. In 2013 staff resources will be focused on the following work that has a significant impact on the organization:

- RPD is completing a study on educational attainment for children that are served by the county. The study includes a review of services that have been delivered and the educational achievement and attendance to support the organization's efforts to impact graduation rates.
- RPD delivered research to assist the organization on how the changing age demographics will affect the county as a service provider, as a geographic and economic region and as a local government. In 2013, RPD will continue to provide research to the organization to meet specific planning needs for changes in programming and practices.
- RPD will continue to lead and support the rollout of rapid improvement processes using LEAN methods. RPD's goal is to continue to bring a discipline and practice to the organization's already active continuous improvement efforts.

Additional Resources:

www.hennepin.us/rpd or visit the Aging Initiative research findings at www.hennepin.us

Hennepin County

Information Technology
General Government

2013 BUDGET
Adopted

Mission:

The Hennepin County Information Technology Community will deliver innovative, effective, and timely business-driven information technology solutions in a secure, reliable, accessible, and fiscally responsible manner.

Department Description:

The Information Technology Department (IT) provides the computing and communications (voice and e-mail) infrastructure used for delivery of business applications throughout Hennepin County. It is also responsible for implementing and overseeing policy, procedures, and tools for ensuring information security. The department is organized into three major units: Office of the Chief Information Officer, Service Management and Compliance Division, and the Technology Management Services Division, all managed out of Fund 62, an internal service fund. Also under the umbrella of the Information Technology Department are the following areas managed in County Revenue Fund 10: General Government Development and Support, Hennepin Justice Integration, Mainframe Decommissioning, and Geographic Information Systems; and Central Services, Internal Service Fund 60. The Budget Summary section below represents information only for Technology Fund 10. The Budgeted Positions include all IT Funds.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$8,972,352	\$8,407,340	\$8,246,652
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			1,000,000
Total Revenues	\$8,972,352	\$8,407,340	\$9,246,652
Personnel Costs	\$4,509,630	\$4,714,253	\$4,401,040
Supplies and Materials	57,098	96,100	134,632
Purchased or Contract Services	2,757,137	3,522,557	4,685,730
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	14,082	74,430	25,250
Total Expenditures	\$7,337,947	\$8,407,340	\$9,246,652

**Reflects the adjusted property tax required budget, not actual Property Tax collections.*

Budgeted Positions (Full-time Equivalents)	276.0	303.0	315.5
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Hennepin County

Information Technology

2013 BUDGET

General Government

Adopted

Significant Budget Changes:

Information Technology (IT) has embarked upon several initiatives in 2012 that will continue to impact 2013. Although the IT Federated project to centralize enterprise technology services within IT has been officially closed, service improvements related to this plan continue to occur.

Other initiatives include:

- **Data center re-engineering:** Although the initial part of this project of moving data center operations to Eden Prairie is complete, thereby improving business continuity and disaster recovery through redundancy and virtualization, additional phases are ongoing. These include expansion of the power/cooling capacity at the Washington Avenue data center and positioning ourselves to take advantage of cloud computing as this technology evolves.
- **Print strategy:** IT initiated a new print strategy which involved the introduction of multi-function print devices in replacement of stand alone network printers, copiers, and fax machines. Use of the multi-function print devices supports county business directives of providing green solutions through reduced print production, electrical and physical space requirements, and reduced need for multiple devices containing redundant parts and components. Although the placement of these devices throughout most county locations will be mostly complete by the end of 2012, the staff education and print monitoring part of this project will begin in 2013, along with a new chargeback method that should simplify department review of its print expense.
- **E-gov:** The county will continue to work with county lines of business on the use of e-government technology to meet citizen expectations for speed, convenience, and transparency in their everyday interaction with the county. To enable this work, significant resources are being allocated to identity management, a core piece of infrastructure needed for many e-government services. In addition, in 2012, a call for project proposals resulted in the selection of demonstration projects that will deliver a variety of e-transaction systems aligning technology standards, infrastructure and security measures. These initiatives include the Hennepin.us redesign, an interactive property tax statement, the Hennepin Health Housing system, purchasing and hazardous waste vendor portals, on-line scheduling for Sentence to Service, and an integrated election night reporting system. In addition, an initiative is underway to address Payment Card Industry (PCI) standards through a standard enterprise delivery system. E-government initiatives are anticipated to reduce expenses, minimize risk, and eliminate inefficiency and redundancy in handling information for citizens and business partners in multiple systems.
- **Microsoft productivity tools program:** With the phase out of support for many current end user tools, funding was included in 2012 and in 2013 for replacement of email, intranet, desktop tools, and other user applications. The impact of this program is enterprise wide and is expected to:
 - provide a single, unified technology stack of productivity tools;
 - enhance collaboration and knowledge sharing;
 - replace Office 2003, Windows XP, Lotus Notes and intranet products with newer Microsoft products that better meet the county's needs; and,
 - provide better support because of higher availability of skilled resources in these recent technologies.
- **Community Connectivity:** IT will continue the Community Connectivity initiative into 2013, which involves exploring and developing partnerships with public agencies utilizing fiber optics to reduce the cost of doing business and to prepare alternatives to probable future cost increases if the county continues to rely almost solely on "digital streets" owned and operated by major corporations.
- **Succession planning:** IT has also made succession planning a higher priority as estimates show that as many as seventy IT professionals in the county are eligible for retirement within the next twelve months. Providing technical services with the complexity of the county business requirements and infrastructure requires a significant investment in human resources. As the technology industry changes, a greater demand is realized for higher level technical architecture skills. These skills are in high demand in the work force and are often difficult staff to retain. The 2013 budget addresses both concerns with skill gap and succession planning.
- **Other efforts funded in 2013** include the smart phone pilot, infrastructure replacement, video conferencing support, and expansion of geographic information system uses. Other various service enhancements, including expansion of desktop services and movement towards anytime, anywhere, any device capabilities for county staff. IT strives to continually improve its services to the citizens and county staff, while strategically positioning itself for the future of the county and the IT industry.

Hennepin County

Information Technology

2013 BUDGET

General Government

Adopted

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
General Government	\$3,640,185	\$4,430,065	\$5,251,737
HJIP	2,671,103	2,910,513	2,851,962
GIS	1,026,659	1,066,762	1,142,953
Total Expenditures	\$7,337,947	\$8,407,340	\$9,246,652

Budget Commentary

During 2012, the Information Technology Department (IT) has made significant changes in the delivery of IT services. In order to ensure the county's technology investments are aligned in support of the Hennepin County strategic and business line objectives, an IT governance process was established. The first call for strategic initiatives was held in the spring of 2012, resulting in prioritized projects aligned with dedicated resources and approved funding. Establishing this formal process moved the county towards long term planning and coordination of strategic initiatives, resource allocation and results. Having strategic initiatives tied to annual budgets ensures funding to the county's top priorities. Projects not approved through this process were not funded in the 2013 IT budget. To fund continuing services and costs for approved projects and initiatives, the 2013 budget anticipates an increase of 10% from the 2012 approved budget. Maintaining a level IT budget is difficult with the increasing proliferation of technology; and user expectations drive increased services, capacity, and availability. It is estimated that approximately \$8 million of the county's central IT costs relate to the costs of redundancy, high connectivity availability, and general infrastructure expectations.

Application requirements continue to increase as do related storage needs. The following are examples IT budget cost drivers:

- (1) The move of the Government Center data center was related to disaster recovery and insufficient cooling/power; however, it is not cheaper to have a managed services data center. Costs in 2010 of \$2.4 million increased to \$3.3 million in 2013's budget.
- (2) During the two year implementation period for the Microsoft Productivity Tools Program, IT must continue to fund the current systems until implementation is complete. Other costs include the training of not only user staff, but the staff who must be trained to support the new applications.
- (3) Although the move of our systems to a server environment is complete, we continue to fund approximately \$2 million per year to maintain the mainframe for the Taxpayer Services Property Tax System and the Assessor's Office CAMA system. As the county continues to take on strategic initiatives dependent upon technology, IT must also continue to support previous initiatives, systems and programs. Financial support for new initiatives is in addition to the continuing costs of previous initiatives that have increased hardware, software, and IT support staff costs. IT is taking a proactive role in informing county staff of technology costs and the impact of line of business activity on the IT spend of the county as a whole. IT plans continued work with the county lines of business to identify and implement ways in which IT costs can be controlled.

Additional Resources:

www.hennepin.us, select "Departments" and select "Information Technology".

Hennepin County

Property Services
General Government

2013 BUDGET
Adopted

Mission:

The Hennepin County Property Services Department provides a full range of facility services to support County programs and services. The department:

- *Identifies capital needs, responds and supports capital projects identified by line departments, develops and manages projects to construct new buildings, modify existing buildings and maintain its infrastructure;*
- *Operates and maintains buildings*
- *Protects employees, clients and property*
- *Addresses workplace safety and environmental need*

Department Description:

The Property Services Department is comprised of six divisions:

- **Planning:** plans facilities to meet current and future county program needs and coordinates the capital budget process and maintains the countywide space management system.
- **Design & Construction:** designs new buildings and makes changes to existing buildings to meet program needs.
- **Facilities Management:** operates and maintains buildings occupied by county staff and serving county clients.
- **Security:** protects employees and users of county services and facilities and safeguards county property.
- **Workplace Safety:** provides support and guidance to county departments to ensure the county is providing a safe, healthy, and compliant work environment for their employees.
- **Business Services and Management Support:** Provides financial, administrative and information technology support.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$18,935,593	\$19,445,593	\$20,132,481
Other Taxes			
Federal	10,366		
State			
Local			
Fees for Services	3,062	8,191	5,771
Fines and Forfeitures			
Licenses and Permits	6,744		
Other Revenue**	1,389,775	26,744,489	25,187,648
Total Revenues	\$20,345,540	\$46,198,273	\$45,325,900
Personnel Costs	\$15,987,204	\$17,034,274	\$17,618,087
Supplies and Materials	1,203,419	1,275,835	1,207,316
Purchased or Contract Services	24,712,886	26,897,480	25,779,653
Public Aid			
Equipment and Asset Purchases	188,798	130,520	6,900
Other Expenditures	488,960	860,164	713,944
Total Expenditures	\$42,581,267	\$46,198,273	\$45,325,900

**Reflects adjusted property tax requirement budget, not actual property tax collection.*

***2011 Actual Revenues include an interfund transfer for the 701 Building acquisition.*

Budgeted Positions (Full-time Equivalents)	226.5	219.5	218.5
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Hennepin County

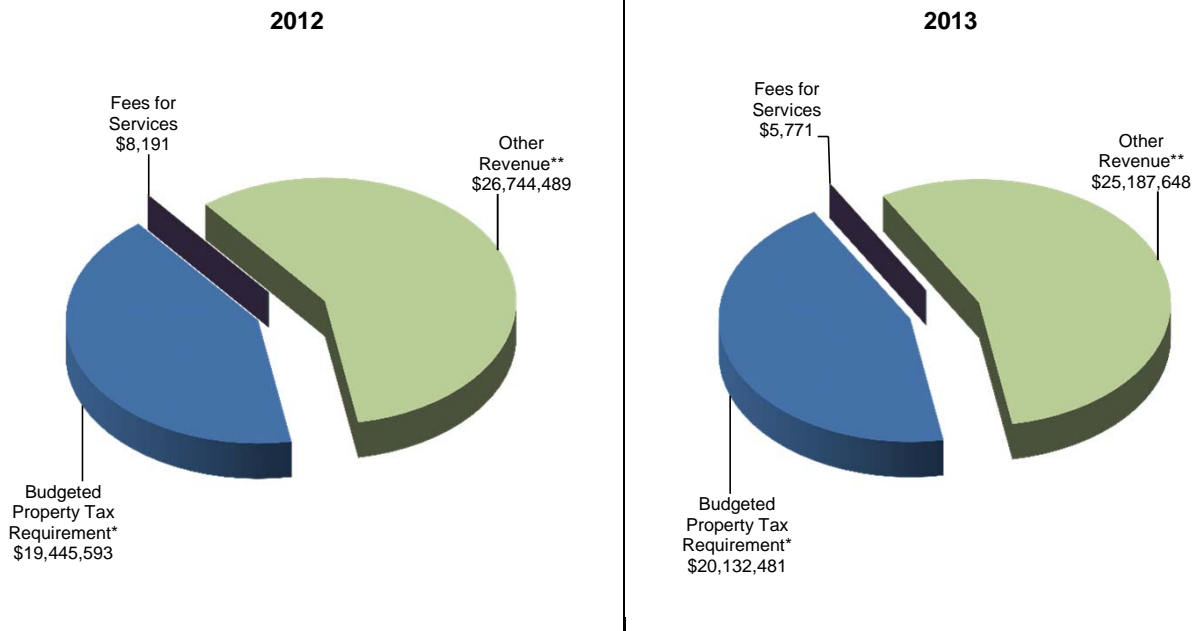
Property Services

2013 BUDGET

General Government

Adopted

Revenue Comparison:



Significant Budget Changes:

Property Services manages 5,529,555 square feet of county-owned property (62 buildings) and 66,192 square feet of county-leased facilities (41 buildings). The Environmental Services Building has been demolished and the McGee Building and the old Maple Grove Library were recently sold. New to the County's collection of buildings will be the Human Services and Public Health Department regional service delivery model — the Northwest Family Service Center (opened in October 2012), the South Hub, the South Suburban Hub, the West Hub and eventually the North Hub. Depending on the arrangements established for each of these facilities, Property Services will have more or less responsibilities for these new facilities. Due to programmatic changes, NorthPoint Health & Wellness Center will be open for additional hours and expanded services.

In the past few years staff has noted that the overall complexity of work in the early stages of a typical major capital project has grown significantly. As compared to work done in the 1990's and early 2000's today's projects require considerably more complicated analyses, both in programmatic/functional and technical development as well as in the political aspects of planning and project development. Furthermore, many more alternate scenarios and options are being required to be produced prior to final decisions being made by the Board to proceed with schematic design and beyond. In addition, staff and consultants are increasingly involved in comprehensive community engagement, intergovernmental coordination and joint planning and development with non-profit agencies that the county wishes to partner with in order to enhance service delivery to its clients.

Division Budgets:

	2011 Actual	2012 Budget	2013 Budget
Admin. & Business Services	\$3,037,907	\$3,219,546	\$3,401,489
Design & Construction	1,801,827	1,856,837	2,068,914
Planning & Project Development	819,771	861,178	903,988
Workplace Safety & Environmental	697,281	765,892	815,946
Security Management	7,318,364	7,863,194	7,602,212
Facilities Management	28,906,117	31,631,626	30,533,351
Total Expenditures	\$42,581,267	\$46,198,273	\$45,325,900

Hennepin County

Property Services

2013 BUDGET

General Government

Adopted

Budget Commentary

As a matter of routine, the department continues to pay close attention to operating budgets, discretionary spending and limited project work. Repairs have been and will continue to be prioritized and any deferred maintenance will be tracked. Impacts to our facilities are more visible, and responses to our customers will continue to be prioritized and may be slower as a direct result. The janitorial day cleaning program has proven successful. Additional changes included:

- (1) installation of large roll paper dispensers;
- (2) hand dryers in public restrooms;
- (3) implementation of a mini-bin test pilot project; and,
- (4) implementation of an organics recycling program.

Energy conservation continues to be a major initiative for the department not only because energy and utilities greatly influence our operating budget but also because we are involved in a variety of efforts to reduce usage. Property Services is in the process of developing a department Energy Plan. The Plan will bring together all of the department's current and future energy conservation efforts into one guiding document. In the upcoming year, the Security Division will continue to provide services at existing staff levels. Fluctuations which could occur depend on decisions made about suburban court security. However, within that structure, changes in coverage will be made or are being considered. In addition, security services will be provided for the Northwest Family Center Hub in Brooklyn Park. This will be done through a combination of Hennepin County and contract staff and will ultimately be accomplished by reassigning staff now at Century Plaza. However, until Century Plaza is closed, there will be additional staff. Lastly, one of the most significant impacts that Workplace Safety staff have on Hennepin County's workforce is through injury prevention initiatives. The initiatives take on many shapes and a strong driver behind this is an aging workforce.

Key Results:	2011	2012 Est.	2013 Goal
Building Operation Cost Per Square Foot	\$5.94	\$5.37	\$5.54
Energy Cost Per Square Foot	\$1.92	\$1.64	\$1.70
Janitorial Cost Per Square Foot	\$1.41	\$1.44	\$1.46
OSHA Incidence Rate (per 100 employees)	2.5	less than 3	less than 3
Construction Small Business(SBE) Utilization	30.5%	33.8%	25.0%
Weapons Screened (expanded to include suburban court locations in April 2012)	5,400	10,700	10,500

Additional Resources:

www.hennepin.mn.us select "Departments" and select "Property Services."

Hennepin County

Taxpayer Services
General Government

2013 BUDGET
Adopted

Mission:

Valued services; satisfied customers.

Department Description:

The Taxpayer Services Department performs the County Auditor, Treasurer and Recorder functions for Hennepin County. The department consists of eight divisions: County Surveyor, Office of Public Records, Service Centers, Elections, Property Tax, Administration, IT Services and Business Technology Services (DART portfolio).

Specific duties, often mandated by MN Statutes, include: determine legal boundaries of land parcels; record and index legal documents and land title certificates; calculate, collect and distribute property taxes; administer elections, absentee voting, and voter registration; administer tax increment financing districts; coordinate County Board of Equalization; provide motor vehicle registrations, driver licenses, passport services and vital statistics records; provide IT and administrative support; and administers the DART initiative for enhancing property-related information systems and business operations.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$3,588,897	\$5,261,045	\$4,989,824
Other Taxes	1,371,630	1,278,000	1,400,000
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings	81,642		
Fees for Services	13,196,788	11,662,365	12,996,632
Fines and Forfeitures			
Licenses and Permits	4,352,695	4,371,150	4,487,662
Other Revenue	2,116,663	6,875,611	10,163,933
Total Revenues	\$24,708,315	\$29,448,171	\$34,038,051
Personnel Costs	\$20,043,524	\$20,396,948	\$20,407,535
Supplies and Materials	277,702	448,400	211,950
Purchased or Contract Services	3,875,333	8,496,473	8,308,461
Public Aid			
Equipment and Asset Purchases	7,989	7,000	5,007,000
Other Expenditures	352,562	99,350	103,105
Total Expenditures	\$24,557,110	\$29,448,171	\$34,038,051

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	300.3	278.1	274.6
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Hennepin County

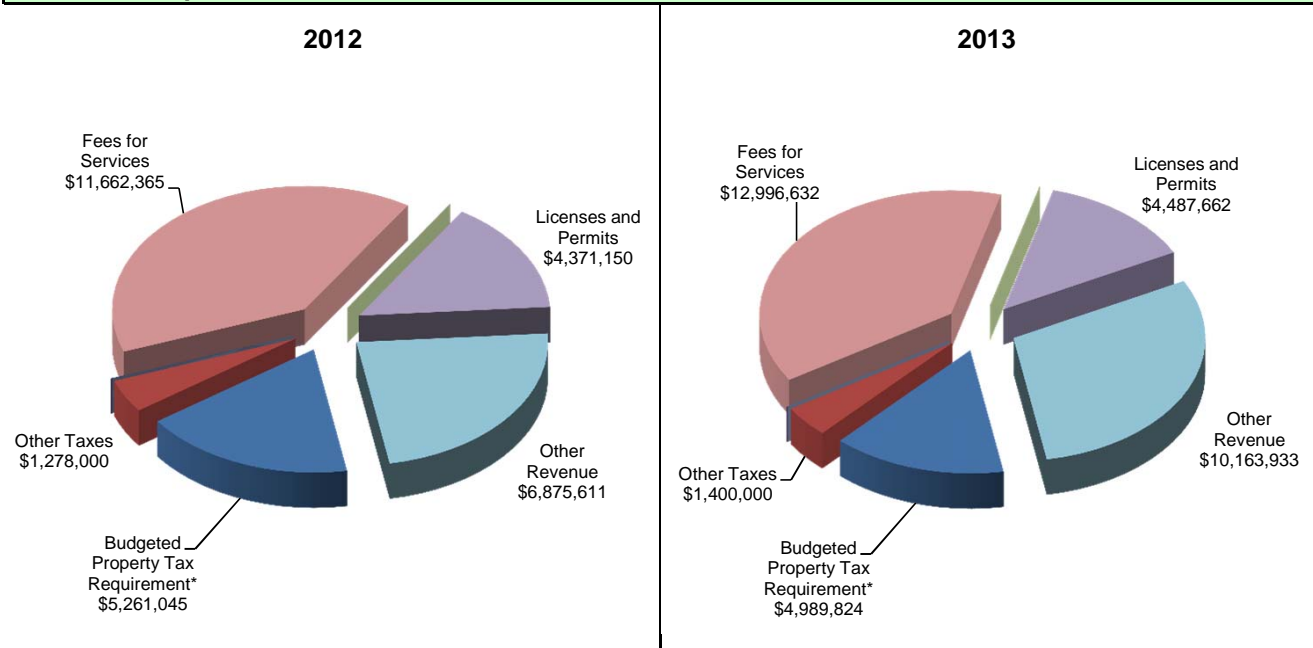
Taxpayer Services

2013 BUDGET

General Government

Adopted

Revenue Comparison:



Significant Budget Changes:

The adopted 2013 budget for the Taxpayer Services Department (TSD) includes an additional \$1.5 million of property tax support as a means to reduce reliance on the County Recorders Equipment Fund as a source of funds for ongoing operating expenses. Expenses are lower because there are no costs for a general election (\$1.2 million) or redistricting (\$525,000) in 2013. The adopted budget includes an addback of \$5 million (\$4.083 million use of fund balance) to purchase new voting systems election equipment in 2013 to leverage \$917,000 of state grant funds accepted by the County Board on April 29, 2011. Those funds must be expended by 2014. Finally, implementation of the new property tax and assessment system is underway, with the bulk of the expenditures anticipated in 2013 (\$3.5 million) and 2014. This project is being funded exclusively with dedicated recorder fees and Recorder Fund balance.

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Surveyor	\$1,974,667	\$1,861,110	\$1,889,966
Public Records	\$4,462,098	\$4,373,375	\$4,568,444
Service Centers	8,308,524	7,069,431	7,086,371
Elections	1,005,492	2,379,088	5,710,564
Property Tax	3,398,431	3,747,477	3,958,196
Administrative Services	855,872	415,874	942,239
Business Tech Solutions	\$4,484,974	\$7,968,238	\$8,115,961
CIT	67,052	1,633,578	1,766,310
Total Expenditures	\$24,557,110	\$29,448,171	\$34,038,051

Hennepin County

Human Resources
General Government

2013 BUDGET
Adopted

Mission:

To provide human resources services for county departments to enhance performance, engage employees and excel in delivering results.

Department Description:

The Human Resources Department (HR) provides direction and leadership in the planning, development, coordination and implementation of human resources related policies, procedures, goals and objectives as directed by County Administration and the County Board. HR consults with department supervisors and managers to leverage human resources to meet strategic objectives and apply HR best practices to address business needs. The department develops, implements and administers cost-effective benefits programs to meet the needs of county employees and their families.

Human Resources administers the county's pay programs and also provides production support for the APEX HR/Payroll system in the areas of HR, position management, ePerformance, benefits, absence management, COBRA and time & labor. HR delivers leadership development programs and training classes that develop county competencies and improve organizational performance. Organization development and change management consulting are offered to improve organizational effectiveness and enhance organizational results. The recruitment process focuses on marketing the county as an employer who values diversity, cultivating positive relationships in the community and utilizing innovative recruitment strategies to attract and retain the best candidates to meet the county's hiring needs.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$6,818,782	\$7,037,783	\$6,971,027
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental	7,754	23,000	10,000
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	24,667	44,000	22,200
Total Revenues	\$6,851,203	\$7,104,783	\$7,003,227
Personnel Costs	\$5,457,262	\$5,963,788	\$5,798,924
Supplies and Materials	86,696	81,349	78,349
Purchased or Contract Services	992,971	968,007	974,315
Public Aid			
Equipment and Asset Purchases		400	400
Other Expenditures	18,745	91,239	151,239
Total Expenditures	\$6,555,674	\$7,104,783	\$7,003,227

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	64.1	64.1	64.1
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Hennepin County

Human Resources

2013 BUDGET

General Government

Adopted

Significant Budget Changes:

HR's Learning and Development team has leveraged resources by partnering with the Human Services and Public Health Department in the creation and deployment of e-learning modules. This collaboration will continue through 2013.

The Human Resources Department has increased efficiencies and staff responsibilities, reducing and redeploying FTEs. Personnel costs have decreased due to department restructuring and maximizing internal staff development. Staff development promotes retention and engagement and demonstrates management's commitment to advancement opportunities.

Budget Commentary

Human Resources (HR) programs have a direct impact on employee productivity and retention, have broad organizational impact and have the potential to generate long-term benefit. Our programs are also instrumental in realizing the County's stated organizational value: "Continuous development and engagement of our workforce to reflect innovation, creativity, and diversity in planning for the future."

In conjunction with County Administration, HR continued to promote the use of the voluntary special leave without pay program. As of 12/31/2012, this program has resulted in more than \$10 million in savings since its inception in 2009.

HR continued to partner with county departments on Workforce Planning, Knowledge Transfer, Leadership Development and Emerging Leaders to ensure that the county and our workforce are prepared to execute future strategic priorities.

HR continues developing a work environment plan to better align with the priorities and needs of the Gen X and Gen Y population so that Hennepin County can continue to attract and retain a high quality workforce and ensure knowledge transfer as the Traditionalists and Baby Boomers retire. HR is partnering with the Generations Committee on developing an Emerging Leadership Program to identify and cultivate high potential Gen X and Gen Y employees.

The county's move to a self-funded health insurance program continues to allow for better cost management.

The Flexible Workplace Policy and Guidelines were developed with the proviso that quality services continue to be delivered at an equal or improved level of timeliness and efficiency. Communications include an emphasis on developing performance standards and measures with a focus on results. Flexibility in the workplace can provide a way to improve coverage/extend service hours; enhance recruitment and morale; and manage people, time, space and workload more effectively.

Key Results:	2011	2012 Est.	2013 Goal
Customer satisfaction with HR services	98%	98%	100%
Actual to funded self-insurance costs*	79%	89%	89%
County performance reviews completed**	-	90%	100%
HR workforce diversity***	22%	24%	24%

* Premiums are set annually based on actuarial estimate of expected claims. Results of less than 100% would indicate effective fiscal management and success in the promotion of health initiatives and disease management.

** 2011 not applicable due to training for transition to on-line performance reviews - 2010/2011 overlap.

*** Persons of color in metropolitan area: 16.8% (U.S. Census, 2010).

Additional Resources:

For more information regarding Hennepin County Human Resources and county job opportunities, visit:

www.hennepin.us/hr
www.hennepin.jobs

Hennepin County

Public Affairs
General Government

2013 BUDGET
Adopted

Mission:

The Public Affairs Department mission is to help the county organization achieve Hennepin's mission, vision and major goals through effective communication.

Department Description:

Hennepin County Public Affairs staff members assist the county government in communicating with the public it serves. Public Affairs acts as a resource to county leadership, to the county organization, and to the media.

Public Affairs honors the public's right to know by providing honest, complete and open communication with the public and with representatives of the media, responds promptly and cooperatively to requests for information, and works to increase public awareness and county workforce awareness about Hennepin's services, programs and activities.

Hennepin County Public Affairs provides print and web-based news and publications, media relations services, meeting broadcasts and video services, public relations services, event and special project management, internal communication, design services for visual communication, and photographs.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,024,135	\$1,963,411	\$1,918,385
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	95,000		97,375
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	187,139	267,500	180,125
Total Revenues	\$2,306,274	\$2,230,911	\$2,195,885
Personnel Costs	\$1,712,410	\$1,728,385	\$1,680,897
Supplies and Materials	52,151	50,453	46,000
Purchased or Contract Services	404,286	365,324	383,989
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	94,068	86,749	84,999
Total Expenditures	\$2,262,915	\$2,230,911	\$2,195,885

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalent)	17.5	17.5	17.5
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Hennepin County

Internal Audit
General Government

2013 BUDGET
Adopted

Mission:

To provide an independent appraisal function within Hennepin County and to develop and execute a comprehensive audit plan to review and evaluate the adequacy and effectiveness of Hennepin County's system of internal controls as a service to the management team, the Audit Committee, and the County Board.

Department Description:

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve county operations. The department helps the county accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit conducts and supports a number of projects including compliance activities, special reviews, information technology audits, and risk-based assurance and consulting engagements. Projects are identified from a variety of sources including customers, the County Board and the Audit Committee, and by monitoring trends within the county and across the professional audit environment.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$2,000,856	\$2,026,229	\$2,059,930
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	5,290		
Total Revenues	\$2,006,146	\$2,026,229	\$2,059,930
Personnel Costs	\$1,245,212	\$1,362,533	\$1,423,622
Supplies and Materials	9,660	5,000	5,300
Purchased or Contract Services	572,060	635,446	607,258
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	25,484	23,250	23,750
Total Expenditures	\$1,852,416	\$2,026,229	\$2,059,930

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	13.0	13.0	13.0
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Hennepin County

Internal Audit

2013 BUDGET

General Government

Adopted

Budget Commentary

Internal Audit's budget primarily consists of costs in three areas - staffing, external audit fees and information technology (IT).

External audit fees have been stable over the past few years in part by allocating Internal Audit time to support the external auditor's procedures related to Single Audit of Federal Awards, IT controls and the Metropolitan Health Plan (MHP) financial audit. Using Internal Audit staff to complete detailed testing helps keep external audit fees down and provides audit staff with valuable experience.

Internal Audit staff continue to develop enhanced capabilities to use and leverage technology to increase audit coverage and decrease the staff time required to complete an audit. Data analysis tools have been used to audit the controls of key business systems by reviewing 100% of the data instead of testing a sample of transactions. The department has implemented an audit software system that is being used to integrate and streamline core business processes. This software will allow the department to gain efficiencies by eliminating tasks that are manual and/or redundant, providing more time to work on projects that add value to the organization.

Key Results:

2011

2012 Est.

2013 Goal

Internal Audit tracks and reports quarterly to the Audit Committee audit findings and the progress of corrective action plans prepared by management of the audited areas.

Additional Resources:

www.hennepin.us, select "Departments" and select "Internal Audit"

Hennepin County

**Examiner of Titles
General Government**

**2013 BUDGET
Adopted**

Mission:

To competently, timely and efficiently perform the judicial administrative and legal advisor duties imposed on the Examiner of Titles by the Minnesota land registration acts in order that the registered land system will be the system of choice for owners of real property in Hennepin County.

Department Description:

The Examiner of Titles assists the district court by examining titles, issuing reports and conducting hearings in court cases involving the registration of land titles and in court cases involving problems or disputes with land which has been previously registered. A Certificate of Title issued under the Torrens (land registration) Act provides a simple, clear and certain method to show ownership of land and interests affecting the land. This information is useful to land owners and other citizens of Hennepin County and to lenders, cities, the county and the state. An important function of the Examiner of Titles is to act as legal adviser to the Registrar of Titles, who is responsible for filing title documents such as deeds, mortgages, and liens submitted to the Registrar and for issuing Certificates of Title. The Examiner of Titles is also authorized by state statute to issue certain directives and certifications to the Registrar of Titles regarding Torrens title matters.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$898,877	\$913,877	\$963,433
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	405		
Total Revenues	\$899,282	\$913,877	\$963,433
Personnel Costs	\$801,163	\$856,948	\$901,993
Supplies and Materials	1,809	2,500	1,500
Purchased or Contract Services	36,712	42,929	48,440
Public Aid			
Equipment and Asset Purchases		1,000	1,000
Other Expenditures	7,211	10,500	10,500
Total Expenditures	\$846,895	\$913,877	\$963,433

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	8.0	8.0	8.0
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Key Results:

	2011	2012 Est.	2013 Est.
Proceeding Subsequent Petitions	2,080	1,679	1,750
Original Registration Applications	17	19	25
Certificate of Possessory Title Applications	12	7	8

Additional Resources:

www.hennepin.us/examineroftitles
Phone: 612-348-3191

Hennepin County

Computer Forensics Unit
General Government

2013 BUDGET
Adopted

Mission:

To provide a coordinated approach to conducting employee investigations in order to mitigate risk to the county. Computer Forensics consists of a team of trained digital forensic investigators who conduct investigations of digital evidence as it relates to violations of county policy, legal statute, and misuse of county equipment and systems.

Department Description:

Computer Forensics conducts county employee investigations, providing digital evidence to support or dismiss the allegation of a violation. It does this by:

- Providing a coordinated approach to enterprise risk management that includes identification, avoidance, mitigation, and event response;
- Providing investigations resulting in forensically sound evidence, in a legal, impartial and confidential manner;
- Providing efficient and cost-effective digital forensic services;
- Maintaining a knowledgeable, experienced and engaged team of investigators;
- Maximizing technology to improve and streamline digital forensic services;
- Providing clear and complete information needed to make decisions related to policy violations; and
- Providing education and communication on appropriate use of county resources.

The department works in collaboration with the other internal services including Human Resources, Labor Relations, Internal Audit, and the County Attorney's Office.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$690,685	\$779,798	\$816,222
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees and Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$690,685	\$779,798	\$816,222
Personnel Costs	\$483,026	\$574,950	\$585,510
Supplies and Materials	21,220	40,175	35,800
Purchased or Contract Services	(82,266)	89,695	171,612
Public Aid			
Equipment and Asset Purchases	2,439	35,000	
Other Expenditures	3,695	39,978	23,300
Total Expenditures	\$428,114	\$779,798	\$816,222

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	5.0	5.0	5.0
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Hennepin County

General County Purposes

General Government

2013 BUDGET

Adopted

Mission:

To encourage and assist public programs and activities dedicated to cultural enrichment and to educational and technical assistance; to provide dues and contributions to organizations benefiting the county; and to reserve available funding for contingent activities further defined during the budget year. The General County Purposes' activities, programs and services support and further the vision and overarching goals of the county.

Department Description:

General County Purposes includes:

- Cultural and technical assistance activities and programs (Hennepin History Museum, County Fair, Extension Services, National Association of Counties, Association of Minnesota Counties, etc.) that the county supports through funding as required or permitted by state law;
- Nonfederal Medical Assistance Reimbursements;
- Minneapolis Employee Retirement Fund (MERF) Payments for former city entities (Mpls Workhouse, Center Hospital)
- Justice Integration Grants;
- Municipal Building Commission;
- Emergency Management;
- Ballpark Office expenses and the Hennepin Youth Sports Program reimbursed through sales tax;
- Commercial Paper Program; and
- Undesignated Appropriations (Contingency).

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$32,926,493	\$34,930,926	\$31,208,956
Other Taxes	171,469		
Federal	1,626,017	4,449,465	2,926,697
State		132,500	88,000
Local	8,627		
Other Intergovernmental			
Investment Earnings	60		200,000
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	540,265	2,614,582	2,227,400
Total Revenues	\$35,272,931	\$42,127,473	\$36,651,053
Personnel Costs	\$1,817,033	\$2,042,805	\$1,938,858
Supplies and Materials	59,154	682,113	31,175
Purchased or Contract Services	12,236,728	14,292,927	13,066,403
Public Aid			
Equipment and Asset Purchases	65,828		
Other Expenditures	3,510,654	25,109,628	21,614,617
Total Expenditures	\$17,689,397	\$42,127,473	\$36,651,053

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	8.0	7.0	7.0
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Hennepin County

General County Purposes

2013 BUDGET

General Government

Adopted

Division Budgets:	2011 Actual	2012 Budget	2013 Budget
Hennepin County Fair	\$54,887	\$54,887	\$54,887
Hennepin History Museum	169,041	194,041	169,041
Minnesota Extension Services	483,536	535,303	535,303
Dues and Contributions	402,850	368,500	420,925
Municipal Building Commission	3,256,978	3,496,724	3,401,030
Non Federal Medical Assistance	6,004,128	6,792,000	6,792,000
Emergency Management	1,502,530	3,374,779	1,915,212
Justice Integration Grants	2,069,274	1,940,239	1,492,691
Hennepin Youth Sports	2,926,536	2,065,000	2,065,000
MERF Payment	-	860,000	860,000
Contingency	-	22,446,000	18,744,964
Retiree Health Care	819,637	-	-
Commercial Paper Program			200,000
Total Expenditures	\$17,689,397	\$42,127,473	\$36,651,053

Budget Commentary

The Budgeted Property Tax Requirement for 2013 includes \$18,744,964 for Contingency. Expenditures do not typically appear in contingency; rather a County Board resolution will authorize and direct a budget transfer from contingency to the appropriate fund/department receiving and expending the funds. Emergency Management UASI grants are approximately \$1.5 million less in 2013. Justice Integration Grants are decreasing by approximately \$292,000. The Commercial Paper Program reflects interest and fees expenses for the issuance of commercial paper which are offset by revenue from investment income.

Dues and Contributions Detail:	2011 Actual	2012 Budget	2013 Budget
National Association of Counties (NACO)	\$23,014	\$23,000	\$23,000
Association of Minnesota Counties (AMC)	72,950	73,000	74,425
St. Anthony Falls Heritage Board	31,000	31,000	31,000
North Metro Crossing (Hwy 610)	10,000	10,000	10,000
Southwest Crossing	7,083	4,000	
National Institute of Health Policy			
North Metro Mayors Association	10,000	10,000	10,000
Mn Inter-County Association	500		
Youth Coordinating Board		65,000	65,000
Minnesota River Board	2,500	2,500	2,500
Brooklyn Bridge Alliance			50,000
Greater MSP	150,000	150,000	150,000
US 169 Corridor Coalition			5,000
Total Expenditures	\$307,047	\$368,500	\$420,925

Additional Resources:

Hennepin County Fair - www.hennepincountyfair.com
Hennepin History Museum - www.hennepinhistory.org
Minnesota Extension Services - www.extension.umn.edu/county/hennepin
Municipal Building Commission - www.municipalbuildingcommission.org
Hennepin Youth Sports - www.hennepin.us/youthsports
www.mnsports.org/grant_program.htm

Hennepin County

**Debt Retirement
General Government**

**2013 BUDGET
Adopted**

Mission:

To provide for principal and interest payments on general obligation bonds issued for building projects and equipment acquisition; to provide for principal and interest payments on sales tax revenue bonds; and to provide for lease payments on certificates of participation.

Department Description:

Moneys budgeted in this program pay the annual principal and interest on the county's general obligation bonds, sales tax revenue bonds, and any lease/purchase agreements that may exist. Payment schedules are established by board resolution at the time of the bond sale or upon approval of the lease/purchase agreement. This program is accounted for in the Debt Retirement (70) and the Ballpark Debt Retirement (79) Funds.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$71,147,168	\$77,657,421	\$80,169,828
Other Taxes	55,987		
Federal	2,569,831	2,278,358	2,278,358
State	435,346		
Local	7,854,320	11,910,813	11,908,733
Other Intergovernmental			
Investment Earnings	90		
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds	4,715,000		23,130,000
Other Revenue	34,045,953	27,460,662	32,202,078
Total Revenues	\$120,823,695	\$119,307,254	\$149,688,997
Personnel Costs	\$ -	\$ -	\$ -
Supplies and Materials			
Purchased or Contract Services	266,309	400,000	400,000
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	118,187,623	118,907,254	149,288,997
Total Expenditures	\$118,453,932	\$119,307,254	\$149,688,997

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

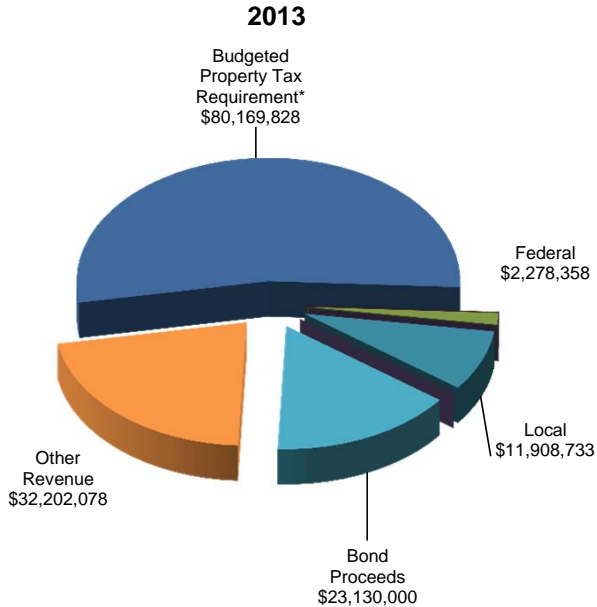
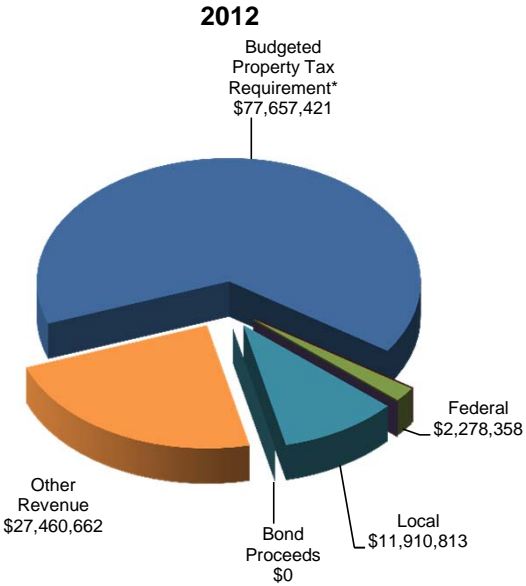
Budgeted Positions (Full-time Equivalent)	-	-	-
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Hennepin County

Debt Retirement
General Government

2013 BUDGET
Adopted

Revenue Comparison:



DEBT RETIREMENT BUDGET HIGHLIGHTS

The debt management strategy of Hennepin County for the 2013 – 2017 period takes into account the need to borrow funds for completion of the Capital Improvement Plan as adopted by the County Board.

At the end of 2012, Hennepin County had \$777.2 million in general obligation (GO) outstanding debt. Of this amount, there was \$676.9 million of general obligation property tax levy-supported debt outstanding. Additionally, there was \$100.3 million of general obligation revenue-supported bonds outstanding. This GO revenue supported debt category includes \$99.3 million of debt issued for the Counties Transit Investment Board (CTIB) in exchange for a note receivable from CTIB. The debt service on these bonds is being paid with a statutory 0.25 percent transit sales tax collected in the five metro counties that are members of CTIB. Also in this category of GO revenue bonds are \$1.01 million for the Augsburg Ice Arena. Finally, there are \$8.7 million of Lease Revenue Certificates of Participation (COP) outstanding that are the result of refinancing the previously issued COPs which provided financing for the acquisition of the former Metropolitan Medical Center, now part of the Hennepin County Medical Center.

The county is authorized by the state to issue debt for general capital projects as well as libraries, solid waste facilities and equipment acquisitions.

The total amount of debt that the county could potentially issue under its general bonding authority (Minnesota Statutes 373.40 as described below) is approximately \$1.436 billion. This amount of bonding authority grows with increases in the taxable property values within the county. This general bonding authority does not include the county's solid waste system or the Library system. The county has \$588.4 million in bonds currently outstanding under its general bonding authority. The current capital plan includes \$87.5 million of new debt issuance for 2012, of which \$10.3 million is for library bonds and \$77.2 million is under the general bonding authority.

As discussed in greater detail in Section VIII and in its financial and debt management policies, the county makes use of bonded indebtedness in accordance with these principles:

- 1) debt is normally issued only for major projects with a county expense in excess of \$150,000;
- 2) debt is not to be used for operating projects or those projects whose life expectancy does not exceed the maturity of the bonds;
- 3) the county balances debt issuance and current property taxes for capital projects to maintain consistent levels of tax burden; and
- 4) the county maintains its strong financial framework and Aaa/AAA/AAA bond rating.

The summary of outstanding debt and the future requirements tables at the bottom of this section summarizes the county's outstanding debt at the end of 2011 and 2012, and future debt levy requirements.

Summary of County's Major Debt Issuance Authorities

Overall Debt Limitation Calculation

The overall limitation on county general obligation debt is 3.0 percent of the taxable market value within the county. This calculates to a limit of \$3.5 billion as contrasted with total outstanding debt of \$777.2 million. This limitation is very large in contrast to outstanding debt and anticipated debt.

The overall debt limitation is calculated as follows: taxable property market value times .03 = debt limitation. $\$116,657,000,000 \times .03 = \$3,499,720,000$.

Capital Improvement Bonds and Notes - M.S. Chapter 373

M.S. 373.40 in this chapter authorizes the county to issue bonds without referendum (unless petitioned by 5.0 percent of voters). This authority limits debt issuance to bonds for which the principal and interest of the bonds will not exceed 0.12 percent of the taxable market value of the county. Depending on interest rates and maturity structures, this would limit the county to issuing approximately \$1.436 billion of bonds. Currently, there are approximately \$588.4 million of bonds outstanding under this authority.

M.S. 373.40 Debt Limitation Calculation

Taxable property market value times .0012 = maximum annual principal and interest. For 2013, this results in: $\$116,657,000,000 \times .0012 = \$139,988,000$. The maximum principal and interest divided by \$97,500 (estimated debt service costs for \$1 million of debt assuming 5.5 percent for 15 years) produces an estimate of the amount of debt that can be issued under this authority. For 2012, this amount is: $\$139,988,000 \text{ divided by } \$97,500 \text{ per million} = \$1,435,774,000$ of estimated debt authorization per M.S. 373.40.

Capital Notes under M.S. 373.01 subdivision 3 authorizes the county to issue capital notes for equipment pursuant to M.S. 373.01, Subdivision 3. Capital notes issued pursuant to M.S. 373.01 are in addition to those issued pursuant to M.S. 383B.117, as discussed below. There are currently \$18.4 million of notes outstanding under this authority.

Library Bonds - M.S. Section 383B.245

This statute authorizes the county to issue bonds for libraries without referendum. Prior to 2008, the county operated a library system outside of the City of Minneapolis. Effective January 1, 2008, the Minneapolis Public Library merged with the county library system and the applicable valuation pertaining to the debt limit is now countywide. This authority limits debt issuance to bonds for which the principal and interest of the bonds will not exceed .01612 percent of the market value of taxable property of the county. Assuming a 5.5 percent interest rate and 15-year maturity structure, it is estimated that the county could issue \$192.9 million of debt under this authority. Currently, there are \$72.6 million of bonds outstanding under this authority.

M.S. 383B.245 Debt Limitation Calculation

Taxable property market value times .0001612 = maximum annual principal and interest. For 2012, this results in: $\$116,657,000,000 \times .0001612 = \$18,805,000$. The maximum principal and interest divided by \$97,500 per million (estimated debt service costs for \$1 million of debt assuming 5.5 percent for 15 years) produces an estimate of the amount of debt that can be issued under this authority. For 2012, this amount is: $\$18,805,000 \text{ divided by } \$97,500 \text{ per million} = \$192,872,000$ of estimated Library debt authorization per M.S. 383B.245.

Under M.S. 473.811, the county may, by resolution, issue general obligation bonds or revenue bonds to provide funds for various solid waste facilities or improvements. The county currently has no solid waste bonds outstanding. There is no limit as to the amount of these bonds. The only

limits are the purpose for which the bond proceeds are spent and the overall debt limit. The 2013-2017 capital plan does not include any additional solid waste debt.

Under M.S. 473.757 and 475, the county received one-time authority in 2006 to issue no more than \$350 million of sales tax revenue bonds to fund a contribution towards the construction and acquisition of a publicly-owned baseball stadium. Of the total \$350 million issued in 2007 and 2008, there is currently \$291.5 million outstanding.

Capital Notes under M.S. 383B.117, subdivision 2, the county may issue general obligation capital notes to finance equipment acquisition. The principal amounts of the notes issued for any year cannot exceed 1.0 percent of that year's annual budget and these notes must mature within ten years. Pursuant to statute, the annual budget for Hennepin Healthcare System is added to the annual budget of the county in calculating this limitation. The debt limit under this authority would be approximately \$25.5 million per year of capital notes. However, the county does not have current plans to issue debt under it.

Watershed Management Capital Improvements Bonds under M.S 103B.251 subdivision 7

Through December 31, 2012, the county has issued a total of \$7.905 million in bonds for the benefit of the Minnehaha Creek Watershed District, a separate taxing jurisdiction. The District must levy a tax sufficient to pay the debt service, but if it fails to do so, the county is obligated to pay the debt service. These bonds have maturities as long as 20 years.

The county has a variety of other bonding authorities but the above represents the most commonly used authorities. A full listing of all debt authorities is available in county bond official statements that are available by request from the Office of Budget and Finance.

The tables on the following page shows the outstanding debt of the county, the 2012 debt service levy and the future levy requirements needed to support the both the countywide and library outstanding debt.

OUTSTANDING DEBT

	OUTSTANDING as of 12/31/2011	OUTSTANDING as of 12/31/2012	2013 DEBT SERVICE LEVY
Property Tax-Supported General Obligation Bonds	\$729,430,000	\$676,885,000	\$80,169,828
General Obligation Revenue Bonds			
Augsburg Ice Arena Bonds	1,150,000	1,010,000	(1)
Solid Waste Bonds	4,100,000	0	(1)
Counties Transit Sales Tax Bonds	102,810,000	99,265,000	(2)
Ballpark Sales Tax Revenue Bonds	307,780,000	291,480,000	(3)
TOTAL	<u>\$1,145,270,000</u>	<u>\$1,068,640,000</u>	<u>\$80,169,828</u>

(1) Nontax revenues such as solid waste fees and lease payments pay the debt service on these bonds.

(2) 0.25% 5-county sales tax revenues pay the debt service on these bonds

(3) 0.15% Hennepin County sales tax revenues pay the debt service on these bonds

**FUTURE DEBT SERVICE PROPERTY TAX
REQUIREMENTS ON OUTSTANDING DEBT**

YEAR	COUNTYWIDE LEVY	SUBURBAN ONLY LEVY	TOTAL LEVY
2013	75,728,911	4,440,917	80,169,828
2014	73,309,413	4,176,556	77,485,969
2015	73,082,364	2,311,428	75,393,792
2016	72,837,530	1,266,192	74,103,723
2017	72,334,751	816,320	73,151,071
2018	69,124,377	816,102	69,940,479
2019	62,998,919	814,312	63,813,230
2020	58,036,506	801,473	58,837,979
2021	54,475,689	390,926	54,866,615
2022	47,644,853	387,959	48,032,812
2023	44,810,007	389,616	45,199,623
2024	40,521,752	390,393	40,912,145
2025	40,188,614	385,195	40,573,809
2026	37,005,935	384,589	37,390,524
2027	32,972,592	0	32,972,592
2028	28,011,137	0	28,011,137
2029	17,877,960	0	17,877,960
2030	12,098,739	0	12,098,739
2031-5	<u>42,437,719</u>	<u>0</u>	<u>42,437,719</u>
Total	955,497,768	17,771,977	973,269,745

Hennepin County

Ballpark Sales Tax Revenue Programs General Government

2013 BUDGET
Adopted

Mission:

To receive sales tax revenues authorized by Minnesota State Statute to provide for transfers of principal and interest payments on the sales tax revenue bonds issued to fund the county's contribution to the downtown baseball stadium, and to fund other authorized uses.

Department Description:

The funds budgeted in this activity pay the annual principal and interest on the county's sales tax revenue bonds for the downtown Twins stadium. After payment of debt service, other authorized uses are contributions to a ballpark capital improvements account, Minnesota Ballpark Authority administrative costs, and youth sports and library programs. The sales tax revenue is collected on all taxable goods and services in the county at the rate of 0.15 percent, and distributed by the Minnesota Department of Revenue to the bond trustee to make all scheduled debt service payments.

First lien bonds were issued in 2007 in the amount of \$150 million. Second and third lien bonds were issued in the second quarter of 2008 in the total amount of \$200 million.

Budget Summary:	2011 Actual	2012 Budget	2013 Budget
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Budgeted Property Tax Requirement*	\$	-	\$	-	\$	-
Other Taxes		30,094,848		28,913,556		31,000,000
Federal						
State						
Local						
Other Intergovernmental						
Investment Earnings		509				
Fees for Services						
Fines and Forfeitures						
Licenses and Permits						
Other Revenue				2,683,630		5,177,960
Total Revenues		\$30,095,357		\$31,597,186		\$36,177,960
Personnel Costs	\$	-	\$	-	\$	-
Supplies and Materials						
Purchased or Contract Services		1,754,837		3,925,000		4,025,000
Public Aid						
Equipment and Asset Purchases						
Other Expenditures		34,430,334		27,672,186		32,152,960
Total Expenditures		\$36,185,171		\$31,597,186		\$36,177,960

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	0.0	0.0	0.0
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Division Budgets:	2011 Actual	2012 Budget	2013 Budget
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Transfer for Debt Service	\$23,147,272	\$20,346,320	\$20,035,960
Transfer for Optional debt prepayment	8,000,000	5,000,000	10,000,000
Transfer for Library additional hours	1,754,837	1,860,000	1,960,000
Transfer for Youth Sports Program	-	2,065,000	2,065,000
Fees for Collections & Bond Administration	776,574	-	-
Grant to MN Ballpark Authority	1,400,000	1,180,000	950,000
Grant to Ballpark Capital Improvements	1,106,488	1,145,866	1,167,000
Total Expenditures	\$36,185,171	\$31,597,186	\$36,177,960

Hennepin County

Employee Health Plan Self Insurance Fund
General Government

2013 BUDGET
Adopted

Mission:

The Employee Health Plan Self Insurance Fund accounts for the county's employee health plan. The fund's budget includes the cost of operating the county HealthWorks unit. HealthWorks connects employees, their dependents, and retirees with wellness programs and services to help them maintain or improve their health.

Department Description:

This department is an internal service fund which was created effective January 1, 2011 when the county began self-insuring its employee health plan. In addition to accounting for premium revenue and claims expense, the fund also accounts for the expenses of the county HealthWorks unit.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$ -	\$ -	\$ -
Other Taxes			
Federal		1,281,302	
State			
Local			
Other Intergovernmental	584,010		
Investment Earnings			
Fees for Services	94,422,414	106,737,961	99,840,000
Fines and Forfeitures			
Licenses and Permits			
Other Revenue			
Total Revenues	\$95,006,424	\$108,019,263	\$99,840,000
Personnel Costs	\$275,051	\$281,341	\$461,149
Supplies and Materials	2,585	2,500	2,500
Purchased or Contract Services	2,538,244	4,208,422	3,759,120
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	78,789,327	103,527,000	95,617,231
Total Expenditures	\$81,605,207	\$108,019,263	\$99,840,000

**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	6.0	6.0	6.0
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Hennepin County

Self Insurance Fund
General Government

2013 BUDGET
Adopted

Mission:

To report and account for the assets and liabilities related to the county's self-insurance programs for workers' compensation, tort liabilities, and property insurance risks.

Department Description:

The Self Insurance internal service fund is used to account for assets and estimated liabilities related to the county's self-insurance programs for workers' compensation, tort liabilities, and property insurance risks. The workers' compensation program is funded by annual charges to county departments. The costs of the Workers' Compensation Claims Administration staff in the County Attorney's Office are accounted for in this fund. The fund also accounts for estimated tort liabilities and holds cash reserves related to the large deductible property insurance program for the county's buildings and equipment.

Budget Summary:

	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$ -	\$ -	\$ -
Other Taxes			
Federal			
State			
Local			
Other Intergovernmental			
Investment Earnings			
Fees for Services	4,691,626	5,486,519	5,608,082
Fines and Forfeitures			
Licenses and Permits			
Other Revenue	1,800,000		
Total Revenues	\$6,491,626	\$5,486,519	\$5,608,082
Personnel Costs	\$433,733	\$479,868	\$423,186
Supplies and Materials	2,547	3,000	3,000
Purchased or Contract Services	3,747,285	4,735,718	4,940,476
Public Aid			
Equipment and Asset Purchases			
Other Expenditures	331,367	267,933	241,420
Total Expenditures	\$4,514,932	\$5,486,519	\$5,608,082

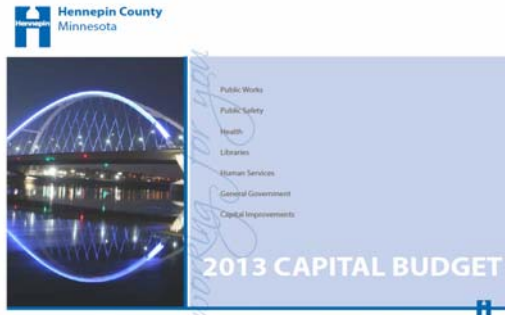
**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	5.5	5.5	5.5
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Major Program: Capital Improvements

Mission:

To provide resources that will fund county building, facility modification and highway construction projects during the budget year. Capital projects contained within the budget may extend beyond the budget year and require additional funding in succeeding years, due to their magnitude and construction scheduling.



2013 Capital Budget

Program Description:

Proposed capital projects are reviewed by county staff and citizen representatives of the Capital Budgeting Task Force. Program needs, operating cost implications, revenues and expenditures are reviewed in order to develop a five-year plan that will provide for the sound financial planning of future physical needs of the county. The plan is reassessed annually as new conditions and circumstances dictate.

Program Highlights:

The Capital Improvements budget for 2013 (less debt retirement, which is discussed in the Debt Retirement section of General Government) is \$182,941,969. This represents a decrease of \$13.0 million or 6.7 percent from the adjusted 2012 budget of \$195,975,250.

Role of the Capital Budgeting Task Force

Since 1973, the county has considered the recommendations of an appointed eleven member citizen board, referred to as the Capital Budgeting Task Force (CBTF), prior to the adoption of its annual capital budget and five-year capital improvement program. Specifically, the CBTF is responsible for reviewing, prioritizing and making recommendations to the County Board regarding the capital projects requested by county departments. The CBTF's annual report to the County Board is contained in the separate document titled **2013 Capital Budget and 2013-2017 Capital Improvement Program**. See the Introduction section for the capital budget schedule and process.

Expenditures

Although the 2013 capital budget is only \$13.0 million less than the adjusted 2012 capital budget, there are significant differences in the makeup of the budgeted expenditures. The adjusted 2012 capital budget includes \$77.0 million for the Interchange project which results in Public Works budgeted expenditures totaling \$142.1 million, or 72.5% of the total 2012 capital budget; however, for 2013, Public Works totals \$65.6 million or 35.9% of the total. On the other hand, for 2012, the Health area totaled \$9.5 million or 4.8% of the total, whereas for 2013, the Health area totals \$52.7 million or 28.8% of the total. Of the \$65.6 million budgeted for Public Works in 2013, \$45.0 million is for highways, a decrease of \$6.1 million from the 2012 level of \$50.1 million. In the Health area for 2013, budgeted Medical Center projects total \$52.6 million, an increase of \$43.1 million from 2012 as the hospital begins implementation of major elements of its Master Facility Plan.

The 2013 budget contains continuation funding for the new Walker and Excelsior libraries and continued remodeling of the Roosevelt Library. In addition, the 2013 budget includes significant funding to make infrastructure improvements at the 41 libraries that are part of the county Library System. The 2013 budget also includes additional funding for Library equipment and furniture replacements.

In the Public Safety area, \$21.4 million is budgeted for 2013. Included in this amount is \$13.0 million in continuation funding for the New 911 Emergency Communications Facility on the Adult Corrections Facility (ACF) campus. An additional \$5.9 million is provided in the Community Corrections area to make improvements to the ACF and other Corrections facilities.

Program Highlights Continued:

In the Human Services area, \$10.3 million is provided to continue the decentralization of the Human Services & Public Health Department into six regions with Hub and Satellite facilities aimed at providing better services at less cost for county clients.

In the General Government area, \$19.4 million is provided for 2013, an increase of \$6.2 million compared to 2012. The 2013 budget includes continuation funding for the Facility Preservation and Upgrades Project which has received favorable mention by the credit rating agencies, the Minnesota Legislative Auditor and others because of its systematic evaluation of facility deficiencies and appropriate funding of needed repairs. In addition, the 2013 budget includes \$1.0 million to begin the \$44.8 million Government Center Rehabilitation project and \$9.2 million in funding for a number of Information Technology infrastructure and development projects.

The 2013 capital budget also contains \$9.6 million in funding for Housing, Community Works and Transit projects, including an additional \$2.5 million to continue the county's affordable housing program and another \$3.0 million for the Transit Oriented Development project. Another \$1.5 million is provided for the Southwest LRT Corridor Community Works project and an additional \$500,000 is budgeted for the Bottineau LRT Community Works project. There is also \$750,000 budgeted for the newly created Penn Avenue Community Works project.

Operating Costs of Capital Projects

The operating implications of capital projects are quantified to the extent possible and information is provided on the project pages in the **2013 Capital Budget and 2013-2017 Capital Improvement Program** book. Some of the important operating cost implications are summarized below.

Significant operational savings, particularly energy savings, are projected to result from Library and general recommissioning projects that are part of the 2013-2017 capital program. It is estimated that the various recommissioning projects will save over \$1.2 million in annual operating costs, and the Energy and Water Conservation project is estimated to reduce annual utility costs by \$150,000. The Library Security Improvements project is estimated to produce a \$155,000 net reduction in annual operating costs and the Life/Safety Improvements by the Municipal Building Commission will result in estimated savings of \$12,000 per year in reduced insurance costs. Building automation and mechanical systems upgrades at county buildings and the Municipal Building Commission are estimated to reduce operating costs by over \$507,000 per year.

New and improved facilities will increase operating costs in many cases. The Minneapolis Recycling and Waste Center could result in \$1.1 million in increased operating costs for Environmental Services. The New 911 Emergency Communications Facility might result in additional operating costs of \$826,000 per year and the proposed Sheriff's Crime Lab Expansion/Remodeling project is projected to add \$1.1 million in additional operating costs. It is estimated that the New Brooklyn Park Library will add \$724,000 in operating costs and the New Walker Library will add an estimated \$107,200 in annual operating costs.

Revenue Highlights:

Of the revenues to support the \$182.9 million capital budget, \$87.5 million comes from bonded indebtedness. The 2013 level of bonding is more than double the \$42.6 million included in the adjusted 2012 budget. Most of this difference in the level of bonding is the result of increased bonding requirements for Health (\$27.4 million more) and Library (\$6.4 million more) projects. Details concerning the county's debt retirement and debt management can be found in the Debt Retirement section of the General Government program.

State and federal revenues of \$22.6 million are included in the 2013 capital budget, which is down substantially from the 2012 level of \$69.9 million. The 2012 level includes \$37.7 million in federal and state revenues for the Interchange project. All of the 2013 state and federal funding is related to Transportation highway aids.

The 2013 capital budget also includes \$4.7 million in property tax funding which is down from the \$6.2 million budgeted for 2012. In addition, the 2013 capital budget includes \$21.4 million in local financing, \$19.3 million for highways and \$2.1 million from the City of Minneapolis for libraries. In addition, the 2013 capital budget includes \$46.8 million in other funding including \$31.3 million in enterprise revenues, \$25.2 million of which is related to Medical Center capital projects.

Specific capital project budgets and detail about revenue sources relating to capital improvements can be found in the separate document titled **2013 Capital Budget and 2013-2017 Capital Improvement Program**, which is available from the Office of Budget and Finance.

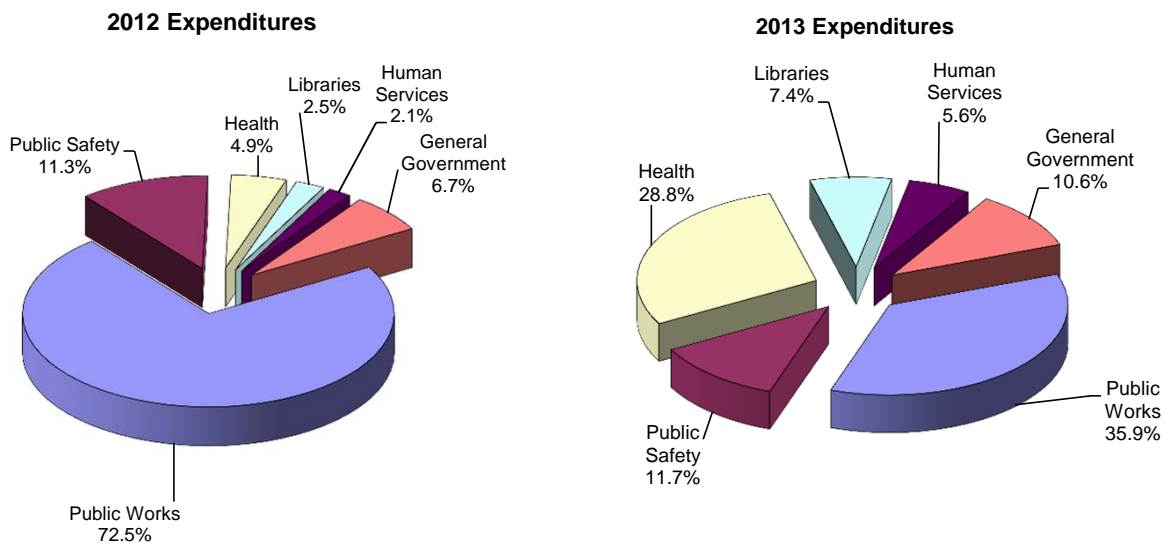
Hennepin County

2013 BUDGET

Adopted

Department Summary:	2011 Budget	2012 Budget	2013 Budget
Public Works	\$84,059,369	\$142,097,250	\$65,607,421
Public Safety	3,689,000	22,153,000	21,411,000
Health	21,400,000	9,500,000	52,710,000
Libraries	11,222,000	4,968,000	13,505,000
Human Services	22,095,000	4,048,000	10,293,000
General Government	37,751,240	13,209,000	19,415,548
Total Expenditures	\$180,216,609	\$195,975,250	\$182,941,969

Department Comparison:



Revenue and Expenditure Information:	2011 Actual	2012 Budget	2013 Budget
Budgeted Property Tax Requirement*	\$1,611,000	\$6,151,000	\$4,736,000
Taxes - Other	1,326		
Federal	14,745,547	28,457,000	2,000,000
State	32,631,006	41,408,176	20,553,000
Local	4,001,996	30,067,324	21,388,000
Fees and Services			
Bond Proceeds	55,285,000	42,602,750	87,463,641
Other Revenue	37,813,610	47,289,000	46,801,328
Total Revenues	\$146,089,485	\$195,975,250	\$182,941,969

**Reflects adjusted property tax, not actual property tax collections.*

Personal Services			
Commodities			
Services			
Furniture & Equipment	144,434,094	195,975,250	182,941,969
Other Charges			
Total Expenditures	\$144,434,094	\$195,975,250	\$182,941,969

Hennepin County

CAPITAL IMPROVEMENTS

2013 BUDGET

SUMMARY OF PROJECTS BY PROGRAM AND REVENUE SOURCE

CAPITAL IMPROVEMENTS FUND

**2013 CAPITAL BUDGET
SUMMARY OF PROJECTS BY PROGRAM AND REVENUE SOURCE**

Program/Department/Project	Total 2013	Property Tax	Bonded Indebtedness	Intergovern- mental	Enterprise & Other
<u>PUBLIC WORKS</u>					
Transportation					
Partic. In New Access to I-35W from Lake Street	\$2,000,000			\$2,000,000	
Reconstr. CSAH 9 fr CSAH 81 to Mpls City Limits	7,168,000			4,265,000	2,903,000
Partic. Dam and Road Replacement CSAH 12	700,000	200,000	500,000		
Reconstr. CSAH 48 fr 46th St to Lake Street	5,700,000			4,560,000	1,140,000
Reconstruct CSAH 61 fr Co. Line to Charlson Rd	4,000,000				4,000,000
Reconstruct CSAH 101 fr CSAH 5 to TH 12	4,250,000			750,000	3,500,000
Replace Bridge over Rush Creek on CSAH 101	1,285,000			1,285,000	
Reconstr. CSAH 103 fr CSAH 109 to CSAH 30	2,100,000			1,785,000	315,000
Reconstr. CSAH 103 fr Candlewood to 84th Ave	6,080,000			5,168,000	912,000
Partic. Intersection CSAH 144 at CSAH 101	500,000			500,000	
Reconstr. CSAH 152 fr Hennepin Av to 5th Av	7,000,000			500,000	6,500,000
Bikeway Participation/Development	300,000	300,000			
Bikeway Program/Discretionary	300,000	300,000			
Consultant Services - Miscellaneous	750,000	20,000		730,000	
Hardship Right-of-Way Acquisition	30,000	30,000			
Minneapolis Signal Participation	245,000			245,000	
Miscellaneous Structure Repairs	70,000	70,000			
MnDOT Signal Participation	140,000			140,000	
Pavement Preservation Plus	500,000	500,000			
Pedestrian Ramps	600,000			600,000	
Railroad Crossing Participation	65,000	40,000		25,000	
Roadside Enhancement Partnership Program	1,000,000	1,000,000			
Sidewalk Participation	200,000	200,000			
Surface Water Management	40,000	40,000			
Highways Subtotal	<u>\$45,023,000</u>	<u>\$2,700,000</u>	<u>\$500,000</u>	<u>\$22,553,000</u>	<u>\$19,270,000</u>
Transportation Building Project					
Public Works Vehicle Wash	793,000		793,000		
Housing, Community Works & Transit Projects					
Affordable Housing 2013-2017	2,500,000				2,500,000
66th Street Corridor	250,000		250,000		
Minnehaha-Hiawatha Community Works	800,000		800,000		
Transit Oriented Development 2013-2017	3,009,421		1,009,421		2,000,000
Southwest LRT Corridor Community Works	1,500,000		1,500,000		
Community Works Corridor Planning	250,000	250,000			
Bottineau LRT Corridor Community Works	500,000		500,000		
Penn Avenue Community Works	750,000	750,000			
Environmental Services Projects					
HERC Facility Preservation & Improvement	5,000,000				5,000,000
HERC District Energy	1,130,000				1,130,000
Energy Center Improvements	4,102,000		4,102,000		
Public Works Subtotal	<u>\$65,607,421</u>	<u>\$3,700,000</u>	<u>\$9,454,421</u>	<u>\$22,553,000</u>	<u>\$29,900,000</u>

Hennepin County

**2013 CAPITAL BUDGET
SUMMARY OF PROJECTS BY PROGRAM AND REVENUE SOURCE**

Program/Department/Project	Total 2013	Property Tax	Bonded Indebtedness	Intergovern- mental	Enterprise & Other
<u>PUBLIC SAFETY</u>					
District Court Projects					
Government Center C-6 Modifications	1,074,000		1,074,000		
Government Center C-11 Modifications	157,000		157,000		
District Court Courtroom Bench Modifications	342,000		342,000		
Courtroom Communications Systems	500,000				500,000
Community Corrections & Rehabilitation Projects					
Community Corrections Security Modifications	393,000		393,000		
ACF Main Building Administration Renovation	3,177,000		3,177,000		
Comm Corrections Facil Preservation 2012-2016	1,500,000		1,500,000		
JDC Flooring Replacement	248,000		248,000		
Community Corrections Flooring Replacement	100,000		100,000		
Probation Furniture & Space Efficiency Mods	500,000				500,000
Sheriff Projects					
New 911 Emergency Communications Facility	13,020,000		13,020,000		
Sheriff's Holding Area Security Upgrades	400,000		400,000		
Public Safety Subtotal	<u>\$21,411,000</u>	<u>\$0</u>	<u>\$20,411,000</u>	<u>\$0</u>	<u>\$1,000,000</u>
<u>HEALTH</u>					
Medical Examiner Project					
Medical Examiner Regional Office Study	150,000	150,000			
Medical Center Projects					
HCMC Asset Preservation	6,000,000				6,000,000
HCMC In-patient Bed Expansion	9,700,000				9,700,000
HCMC Regulatory Compliance	1,500,000				1,500,000
HCMC Out-patient Clinic Buildings	31,000,000		23,000,000		8,000,000
HCMC Purple & Red Roof Replacement	4,360,000		4,360,000		
Health Subtotal	<u>\$52,710,000</u>	<u>\$150,000</u>	<u>\$27,360,000</u>	<u>\$0</u>	<u>\$25,200,000</u>
<u>LIBRARIES</u>					
Library Projects					
New Excelsior Library	1,200,000		1,200,000		
New Walker Library	5,335,000		5,335,000		
Roosevelt Library Remodeling	1,618,000				1,618,000
Library Facility Modifications 2012-2016	750,000		750,000		
Library Facility Preservation 2013-2017	1,000,000		1,000,000		
Library Security Improvements	760,000		760,000		
Library Recommissioning 2013-2017	150,000				150,000
Minneapolis Libraries BAS Upgrades	200,000		200,000		
Library Equipment Replacement	500,000				500,000
Library Furniture Replacement	492,000	492,000			
Library Technology Improvements	1,000,000		1,000,000		
Webber Park Library Improvements	500,000				500,000
Libraries Subtotal	<u>\$13,505,000</u>	<u>\$492,000</u>	<u>\$10,245,000</u>	<u>\$0</u>	<u>\$2,768,000</u>

Hennepin County

**2013 CAPITAL BUDGET
SUMMARY OF PROJECTS BY PROGRAM AND REVENUE SOURCE**

Program/Department/Project	Total 2013	Property Tax	Bonded Indebtedness	Intergovern- mental	Enterprise & Other
<u>HUMAN SERVICES</u>					
Human Services Projects					
HSPHD Satellite Facilities	1,000,000		1,000,000		
HSPHD South Suburban Hub	1,263,000		688,220		574,780
HSPHD Central/Northeast Minneapolis Hub	3,364,000		3,364,000		
HSPHD South Minneapolis Hub	903,000		903,000		
HSPHD West Suburban Hub	2,813,000		2,813,000		
HSPHD Office Space Reconfiguration	950,000		950,000		
Human Services Subtotal	<u>\$10,293,000</u>	<u>\$0</u>	<u>\$9,718,220</u>	<u>\$0</u>	<u>\$574,780</u>
<u>GENERAL GOVERNMENT</u>					
Information Technology Projects					
IT Infrastructure Equipment Replacement	4,110,548				4,110,548
IT Community Corrections Initiative	2,000,000		2,000,000		
IT Furniture & Space Efficiencies Modifications	1,864,000				1,864,000
IT Data Center Upgrades	1,177,000				1,177,000
Public Affairs Project					
Public Affairs Office Remodeling	657,000		657,000		
Property Services Countywide Projects					
Environmental Health & Safety 2011 - 2015	500,000		500,000		
Facility Preservation 2011 - 2015	1,000,000		1,000,000		
Government Center Rehabilitation	1,000,000		1,000,000		
Building Automation Sys Improve 2011-2015	1,000,000		1,000,000		
Accessibility Modifications	486,000		486,000		
Energy and Water Conservation	250,000	250,000			
General Office Space Modifications	300,000		300,000		
Public and Programmatic Furniture Replacement	144,000	144,000			
701 Building Facility Preservation	500,000				500,000
701 Building Office Space Modifications	2,922,000		2,722,000		200,000
Judicial Security Planning & Improvements	200,000				200,000
Hyperbaric Chamber Building Demolition	695,000				695,000
Municipal Building Commission Projects					
MBC Life/Safety Improvements	100,000		100,000		
MBC Mechanical Systems Upgrades	510,000		510,000		
General Government Subtotal	<u>\$19,415,548</u>	<u>\$394,000</u>	<u>\$10,275,000</u>	<u>\$0</u>	<u>\$8,746,548</u>
COUNTY TOTALS	<u>\$182,941,969</u>	<u>\$4,736,000</u>	<u>\$87,463,641</u>	<u>\$22,553,000</u>	<u>\$68,189,328</u>

Note: For detailed information concerning the various projects, please see the separate document titled **2013 Capital Budget and 2013-2017 Capital Improvement Program**.