



Hennepin County
Minnesota



2016
BUDGET



2016 BUDGET

Hennepin County, Minnesota

As approved on December 15, 2015 by the

Hennepin County Board of Commissioners

Mike Opat, 1st District

Linda Higgins, Vice-Chair, 2nd District

Marion Greene, 3rd District

Peter McLaughlin, 4th District

Randy Johnson, 5th District

Jan Callison, Chair, 6th District

Jeff Johnson, 7th District

Hennepin County Administrator

David J. Hough

**2016 BUDGET
TABLE OF CONTENTS**

INTRODUCTION

Letter to the Board of County Commissioners1
Budget Process5
Property Tax Process9

I. BUDGET SUMMARY

County Organization Chart I-1
Countywide Summary I-2
Computation of Levies by Fund I-6
Tax Capacity/Tax Capacity Rates..... I-7
Expenditures and Revenues by Fund I-8
Sources of Revenue 2014-2016 Bar Chart I-10
Sources of Revenue 2014-2016 I-11
Expenditures by Major Program 2014-2016 Bar Chart I-12
Expenditures and FTE Summary..... I-13
Personnel Comparison by Department I-14
Fund Summaries
 County Revenue Fund I-15
 County Revenue Fund/Expenditures and FTEs by Dept. I-17
 Human Services I-18
 Hennepin Health Plan I-20
 Solid Waste Enterprise..... I-21
 Library..... I-22
 Glen Lake Golf Course..... I-23
 Sheriff’s Radio Communications I-24
 Capital Improvements I-25
 Debt Retirement..... I-26
 Ballpark Sales Tax Revenue Programs..... I-27
 Internal Service Funds I-28

II. PUBLIC WORKS

Public Works Summary II-1
County Revenue Fund Departments..... II-4
Environment and Energy Department..... II-8
Glen Lake Golf Course II-10

III. PUBLIC SAFETY

Public Safety Summary III-1
Public Safety Administration & Integration III-6
County Attorney’s Office III-9
Court Functions III-12
Public Defender’s Office III-13
Sheriff’s Office III-16
Department of Community Corrections and Rehabilitation..... III-19
Sheriff’s Radio Communications III-24

IV. HEALTH

Health Summary..... IV-1
NorthPoint Health and Wellness Center IV-4
Hennepin Health Plan..... IV-6
Health Administration IV-8

	Medical Examiner	IV-9
	Uncompensated Care.....	IV-11
	Sexual Assault Resources Service	IV-12
V.	HUMAN SERVICES	
	Human Services Summary	V-1
VI.	LIBRARIES	
	Library Summary	VI-1
VII.	OPERATIONS	
	Operations Summary.....	VII-1
	Commissioners.....	VII-5
	County Administration	VII-6
	Facility Services	VII-7
	Budget and Finance	VII-9
	Information Technology	VII-10
	Resident and Real Estate Services	VII-12
	Human Resources.....	VII-13
	Audit, Compliance and Investigation Services	VII-14
	General County Purposes	VII-16
	Debt Retirement	VII-18
	Debt Retirement Budget Highlights	VII-19
	Outstanding/Future Debt Service Property Tax Requirements	VII-22
	Ballpark Sales Tax Revenue Programs	VII-23
	Employee Health Plan Self Insurance	VII-24
	Other Employee Benefits.....	VII-25
	Self-Insurance Fund	VII-26
VIII.	CAPITAL IMPROVEMENTS	
	Capital Improvements Summary.....	VIII-1
	Summary of Projects by Program and Revenue Source.....	VIII-4



Hennepin County
County Administration

David J. Hough, County Administrator
A2303 Government Center
300 South Sixth Street
Minneapolis, Minnesota 55487-0233

612-348-7574
FAX: 612-348-8228
www.hennepin.us

January 4, 2016

Honorable Board Members,

I am pleased to present the approved 2016 Hennepin County budget. This budget reflects significant challenges in several areas of important service delivery.

The 2016 Hennepin County Budget totals \$1.9 billion and includes a net property tax levy of \$726.8 million. The overall budget increase is 6.39 percent compared to the adjusted 2015 budget. The net property tax levy is a 4.48 percent increase.

Serving Our Residents When They Need Us Most

The significant demands faced by our organization are directly influenced by the challenges experienced by our residents, changing needs of our community and the fluctuations in the level of state and federal funding and mandates. The county's mission - - to enhance the health, safety and quality of life of our residents and communities in a respectful, efficient and fiscally responsible way - - remains core to the decisions we make in serving residents.

The 2016 budget addresses the critical need for redesign with clear focus and resourcing necessary to transform both child and adult protective services. Our approach is organization-wide, as staff in the human services areas and our justice partners have a role in protecting the most vulnerable members in our community. Increase in critical staffing to address these protection issues began this year and includes enhanced resources in human services, the county attorney's office and the public defender's office. Not only are there the salary costs for staff, but also operational costs as we factor in physical space needs and information technology resources and other expenses. The 2016 budget request includes staff in various roles across the organization to impact caseload reduction and provide greater oversight in managing the work.

Across the country and in Hennepin County, increased focus on mental health issues and illness affecting a wide range of individuals in our community has increased our budget. Individuals with mental health issues must be offered the needed care and supportive services – services ranging from medical care to safe and stable housing. In some cases, this includes services around Transition from Jail to Community. This unique initiative has transformed practices for these individuals by focusing resources on high risk clients to establish them for success once they reenter the community. There is also a shortage of housing for individuals with mental illness. This shortage has impacted Hennepin County relative to availability of treatment options, delays in treatment and extended treatment costs. Hennepin County uses services at several state facilities for some residents, including the Anoka Regional Treatment Center. We have been impacted by rate increases at the Anoka facility as well as new state legislation which shifted more costs onto counties. In Hennepin, this represents a \$3.9 million increase in 2016.

Sustainability and Asset Preservation

The 2016 capital budget is \$288.1 million. The county's footprint of owned and managed space is approximately 6.5 million square feet. This figure excludes Hennepin County Medical Center and its subsidiaries, the Hennepin Energy Resource Recovery Center and parking facilities. Given the number of staff, clients and visitors, the annual maintenance and day-to-day operations for real estate of this magnitude is significant. We opened several new buildings in 2015 which increases maintenance and operational costs. And there are major costs associated with preservation of our older facilities. Hennepin County properties and buildings are important assets, ones we are proud of and that are critical to maintain.

Our capital program is fairly aggressive both in terms of new building and in preservation. In the last year, we opened the Excelsior and Walker libraries and a new state-of-the-art 911 communication center. Preservation work continues in many of our facilities including the government center, a building that hasn't seen much change since it opened in 1974. Preservation projects not only support changes in programming and services, but our commitment to sustainability and energy standards that have changed significantly over the years. Soon, you will see work begin on building the new south Minneapolis human services center and the Webber Park Library, and continuous preservation work to support many of the buildings in our valuable infrastructure. This proactive approach is smart and fiscally responsible.

Another expense reflected in the 2016 proposed budget is a one-time special assessment made by the City of Minneapolis to downtown building owners related to the improvements along Nicollet Mall. Hennepin County was assessed just over \$1.0 million based on the buildings we own in the downtown area and their proximity to the Mall. We are a proud partner in the community and this investment will serve our residents and businesses well.

Workforce Development and Community Partnerships

Along with these great challenges come great opportunities. Our partnerships with the community – people, businesses, non-profits and others – continue to grow and open doors for us to positively impact the future of the county by improving the lives of our residents and eliminating disparities.

Hennepin Career Connections – our external workforce development initiative – has really taken flight. Launched in 2014, this program partners with educational institutions and employers to provide pathways into education and careers for individuals who may not have otherwise explored these opportunities. We have grown the \$200,000 you designated in in the 2014 budget through grant awards, in-kind support by Minneapolis Community and Technical College (MCTC) one of our primary partners and by employing individuals at Hennepin County who have successfully completed their training. To date, over 200 individuals have participated in job training, internships and been offered permanent positions. In doing so, we have provided a living wage to many individuals who were previously unemployed – this is a great outcome and return on investment for a very new program.

Through your policy direction and leadership, we continue to use innovative strategies and solutions to support our workforce and our reputation as an employer of choice. The 2016 proposed budget includes a general salary adjustment. And while salary is an important factor when considering a new job, the total compensation package including employee benefits is critical. Developing a paid parental leave policy, promoting workplace health and wellness, offering flexible benefit options and expanding the tuition reimbursement program are just a few examples of how Hennepin continues to market itself as an employer of choice.

Opening the tuition reimbursement program to a greater number of staff and increasing the maximum annual dollar amount available to each is a significant statement about the commitment Hennepin County has to its workforce. The innovation we bring around our workforce development is key to future success. We must continue to change to meet the needs of our diverse communities. As our workforce continues to shift over the next five years, with an estimated 29 percent of our total workforce and 72 percent of our senior leaders eligible for retirement, it is important that we develop new leaders with the skills, experiences and relationships ready to navigate complex problems, lead staff through change, and meet the needs of our customers. Hennepin County values leadership development by offering programs to prepare all employees to be effective individual contributors and organizational leaders.

Healthy Community

An opportunity to support the health of the community in a different way is shown by our issuance of general obligation bonds in support of the Hennepin County Medical Center Ambulatory Outpatient Specialty Center. Using the county's bonding authority to gain a favorable interest rate for the construction of this facility strengthens Hennepin Health Systems ability for payment of debt service back to the county.

Often with opportunities come risks. This is very much the case with the recent MN Department of Human Services award to Hennepin Health for supportive health services to certain residents. As you know, Hennepin Health is the county's award-winning approach to providing holistic health care. While Hennepin Health currently serves a portion of this population, this contract award could potentially move 2016 membership numbers over three times the current level. We are working with the health line of business to determine how to best support and position the business for success in this marketplace.

Technology

Leveraging technology across the organization to improve efficiencies and eliminate redundant processes will be demonstrated in the central imaging project. This project, for which recommendations are currently being developed, is a focused countywide solution to reduce paper, eliminate duplication, and increase accuracy and the use of available technology. This project aligns this work across the five lines of business, provides increased efficiencies and cost savings to the departments and the organization.

In 2016, we are faced with several large, one-time expenditures. As you know, both national and local elections will be held next year. Hennepin County is a recognized leader in elections administration due to the integrity of our process, utilization of accurate, dependable and efficient equipment and our transparent approach. We have made a \$1.7 million commitment next year to update the existing election equipment. The equipment will bring a newer, more sophisticated technology to the election process with the funding also providing \$1.2 million in operational support for centralized absentee balloting, counting and reporting support to our 45 cities with whom we partner. This expenditure will support and sustain our work and excellent reputation in election administration.

Approved 2016 Budget

The proposed 2016 budget includes funding for 8,032.7 full-time equivalents, an increase of 264.3 or 3.4 percent over 2015. Changing legislative requirements, including changes to the child protection system, critical staffing shortages to address increased service demands, and support for new strategic county initiatives all require more staff in the coming year. Requests you will learn more about during the line of business presentations include: Human Services staffing for direct line staff including social workers, public health nurses, and case management

assistants; Hennepin Health staff for the anticipated growth in the number of health plan enrollees; NorthPoint Health and Wellness staff to provide direct patient care services; Community Corrections and Rehabilitation probation officers to right size caseloads; and library staff for the new Brooklyn Park facility opening in 2016.

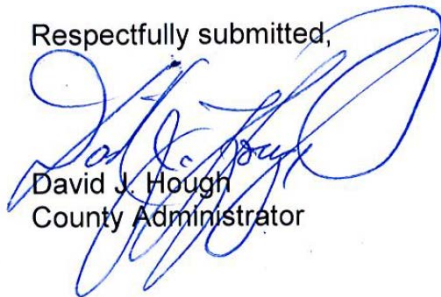
We estimate that the average homeowner in the county will see a modest increase in their property taxes in 2016. In 2016 the owner of a median valued suburban home is expected to see an increase in estimated market value of 5.2% and an increase in property taxes of 3.9% or \$42. Likewise, for the median valued home in Minneapolis, the estimated market value is expected to increase by 5.5% in 2016 with an anticipated increase in property tax of 4.9% or \$38.

Conclusion

Innovation is core to Hennepin County's success now and into the future. Imbedded in this budget is the commitment to our core values of continuous improvement, customer service, diversity and inclusion, employee engagement, and workforce development. These core values directly impact our ability to provide high-quality, cost-effective, result-focused services and outcomes. Our strategic resource investment, both in terms of human and financial, support the economic viability of the county now and into the future through infrastructure maintenance and improvements, public safety, and the human services and workforce development initiatives mentioned earlier.

Everything we do each day is dependent on our greatest asset - the dedicated, skilled and hardworking Hennepin County staff that deliver a multitude of critical services. I want to thank staff for their committed service. And to you, the county board, your leadership, support, innovation and policy direction ensures us a strong future – thank you.

Respectfully submitted,



David J. Hough
County Administrator

The 2016 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 April, the Office of Budget and Finance (OBF) distributes the operating budget instructions. These instructions provide parameters and guidelines from county administration to departments in the preparation of their 2016 operating and capital budget submissions. The schedule on page 7 identifies key stages in the formulation of the operating and capital budgets.

For a second consecutive year, the county's tax base grew as property values countywide increased. Additionally, the State of Minnesota projected a \$1.9 billion surplus, the U.S. economy grew and employment was improving. While the external environment was better, the county still had significant challenges in several areas of important service delivery.

Preparation of the 2016 budget was guided by the organization's core values:

1. Continuous Improvement - As a range of techniques, *Continuous Improvement* includes approaches such as Lean, Six Sigma, Benchmarking, Re-Engineering, Quality Management, Organizational Behaviors, Performance Management and so on.
2. Customer Service – serving residents is our “North Star” as an organization. Constant improvement of how we respond to our customers and clients is critical.
3. Diversity and Inclusion - Inclusive teams with high intercultural capacity create high organizational effectiveness.
4. Employee Engagement - Encouraging and promoting an environment within Hennepin County where all employees are: committed to the mission of the organization; motivated to work hard and perform their best; given opportunities to expand and grow; and intend to stay with the organization as a result of that commitment.
5. Workforce Development - Attracting, building, and retaining an effective workforce is essential for service to Hennepin County residents. We support people in their development of the knowledge and skills needed to be prepared for the future, both in our organization and in the community.

In April, the County Administrator issued operating budget guidelines, directing departments to submit a budget request that required no more than 102 percent of the department's 2015 adjusted property tax requirement. Within the 102 percent property tax target, departments had to fund a personal services cost-of-living adjustment of 2.0 percent, merit increases, the county share of health insurance premium increases and other operating budget increases.

Departments submitted budget requests to OBF on June 22, 2015. During July and August, department staff met with County Administration and OBF to clarify and resolve areas of concern. On September 8, 2015, the County Administrator presented a proposed budget within the context of the current state of the economy, and the county board's mission and vision statements.

“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 30th every year. On September 22nd, the County Administrator recommended to the Hennepin County Board of Commissioners a maximum levy of \$726.8 million, a 4.48 percent increase over the adjusted 2015 budget and the county board approved the maximum levy recommended by the County Administrator.

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. All of the hearings were held during the month of September with the exception of the Capital Budgeting Task Force report, Capital Budget presentation and fee hearing.

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 the county to hold a public meeting where the proposed budget and levy are discussed. This meeting 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 meeting at 6:00 PM on December 1, 2015. On December 15, the county board adopted the 2016 budget by resolution, authorizing appropriations and establishing staffing complements for county departments.

The final approved property tax levy for 2016 is \$726.8 million or \$31.2 million more than the 2015 levy.

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 rail transit in Hennepin County. The final approved HCRRA 2016 budget is \$62,948,064, with a property tax levy of \$30,000,000.

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 2016 budget is \$14,541,779, with a property tax levy of \$7,066,307.

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, except for large capital investments, Minnesota Statutes section 383B.908 subd. 5 requires the county board to approve the annual budget of HCMC. The approved 2016 HCMC operating budget is \$928,424,000. 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.

2015 Fiscal Year	2016 Operating Budget	2016 - 2020 Capital Improvement Program	Related Activities
January			2015 Fiscal Year begins
February		2016 - 2020 Capital Budget instructions distributed	
March		Departmental preliminary capital project requests submitted to Facility Services or Public Works	Recap of FY 2014 Financials Completed & Distributed
April	2016 Operating Budget Instructions & Targets Distributed		
May	Departments develop 2016 Budget Requests consistent with Property Tax Targets and other Budget Guidelines	Capital project descriptions & cost estimates returned to departments; departments finalize capital project requests; and departments meet with County Administration regarding CIP as required	
June	2016 Department Budget Requests due		
July	County Administration & Budget Office review and discuss budget requests with departments	Capital Budgeting Task Force (CBTF) meets with departments to review 2016 - 2020 capital improvement program requests	2nd Quarter 2015 Financials/Year-end Projections Completed & Distributed
August			
September	County Board Briefing on 2016 budget & tax levy; County Administrator presents Proposed 2016 Budget; and County Board adopts maximum proposed property tax levy for	County Administrator finalizes the proposed 2015 Capital Budget; CBTF finalizes its recommended 2016 - 2020 CIP	
October	Beginning in October, the County Board holds a series of public hearings to review and discuss proposed 2016 operating and capital budgets, and proposed fee schedule revisions		3rd Quarter 2015 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 2016 operating and capital budgets; and holds a public meeting for budget and levy discussion.		
December	County Board approves a final 2016 property tax levy and adopts a 2015 Operating and Capital Budget; and Budget Office finalizes property tax levy certifications and reporting to State agencies.		2015 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 I-2 of this document.
- The five-year Capital Improvement Program (CIP), which includes the 2016 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: **2016 Capital Budget and 2016-2020 Capital Improvement Program**. An itemized list of the authorized 2016 capital projects and their authorized appropriations are contained in Section VIII of this document.
- 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.
- The county's APEX system, incorporates financial, human resources and procurement data into a single integrated system. 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 budget versions culminating in county board consideration and adoption of the final budget.
- To simplify access to financial and budgetary information, interactive revenue and expense data is available at the county's home page www.hennepin.us/your-government. The website includes four years of information and presents the county's revenues and expenditure. Users can view the data by county program or department with various levels of detail available.

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 2016 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.

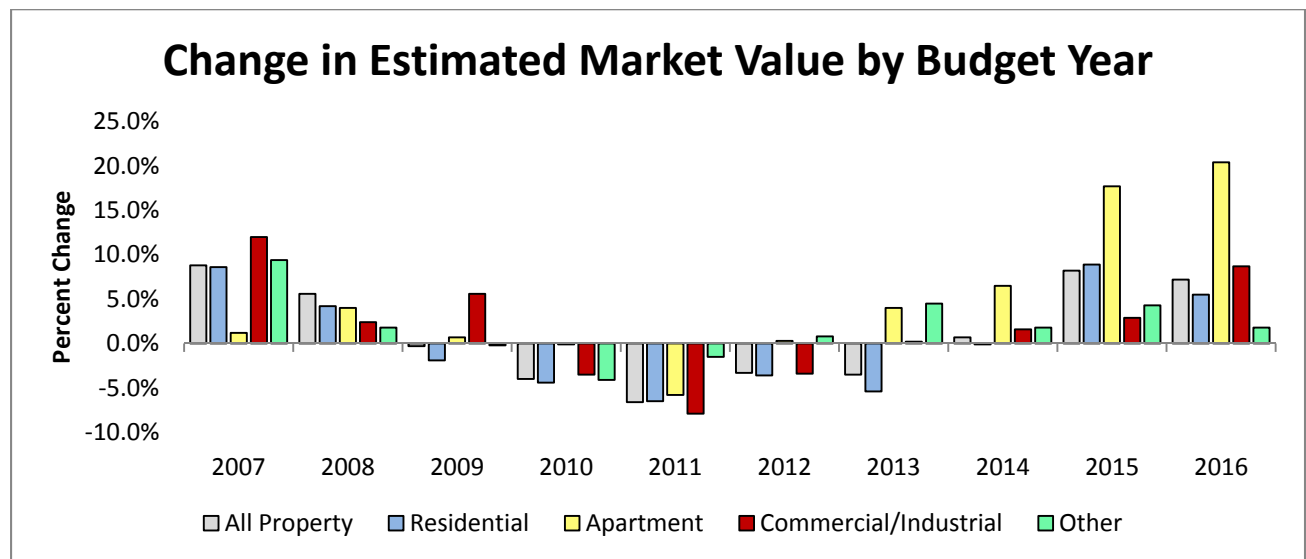
Estimated Market Value (EMV)

Estimated market value represents the selling price of a property, given a willing buyer and seller. In the assessment year 2015, for taxes payable in 2016, the county's total EMV was \$144.4 billion, an increase of \$9.7 billion, or 7.2 percent from taxes payable in 2015. In Minneapolis, property values increased by \$3.8 billion, or 10.3 percent. Suburban property values rose by \$6.0 billion, or 6.1 percent.

Residential values in suburban Hennepin rose 5.3 percent. The City of Minneapolis saw an increase in value for residential properties of about 6.1 percent. Residential properties comprise 69.4 percent of all property value in the county.

Suburban properties account for 72.1 percent of Hennepin County's estimated market value with the remaining 27.9 percent in the City of Minneapolis. Residential property accounts for the majority of the property value in both Minneapolis (61.9 percent) and suburban Hennepin County (72.3 percent).

Apartments comprise 8.8 percent of Hennepin County's total EMV and are less prevalent in the suburbs where they are 6.4 percent of the total EMV compared to Minneapolis where they are 15.1 percent of total EMV. There is also a larger percentage of commercial and industrial property value in Minneapolis (21.9 percent of EMV) than in suburban areas (19.5 percent of EMV).



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 69.4 percent of the EMV, but after the conversion to (unadjusted) tax capacity, residential properties comprise 56.3 percent of total tax capacity. Similarly, commercial/industrial property represents 20.2 percent of the countywide EMV, but the tax capacity of those commercial/industrial properties accounts for 32.8 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 2016, approximately \$23.8 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 2016, approximately \$43.0 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	69.4%	56.3%	61.5%
Commercial/ Industrial	20.2%	32.8%	26.6%
Apartment	8.8%	8.7%	9.6%
Other/Personal	1.6%	2.1%	2.3%
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 in 2016, the total adjusted tax capacity of taxable property in Hennepin County is estimated to be \$1.6 billion, a 7.6 percent increase from taxes payable in 2015.

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 \$413,800 receiving no exclusion.

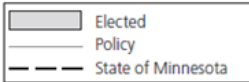
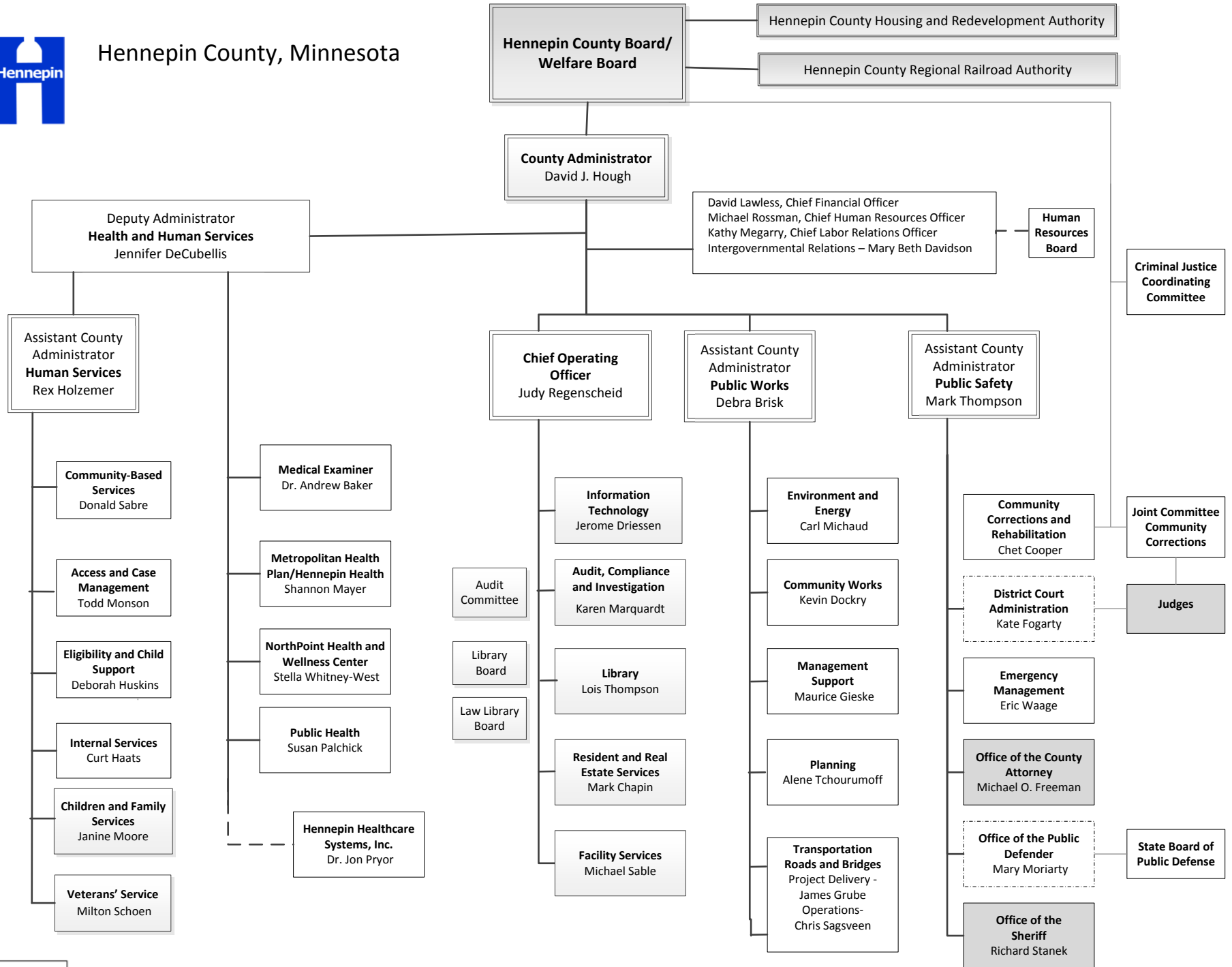
Tax Levy Process

The process for establishing and certifying the property tax levy is prescribed by Minnesota Statutes, Section 275.065. For taxes payable in 2016, local governments were required to adopt a maximum property tax levy by September 30, 2015, 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 6:00 p.m. where the public was allowed to speak and the 2016 budget and levy were discussed. The final 2016 tax levy had to be adopted and certified to the county Auditor by December 29, 2015. Hennepin County met all of the statutory requirements for establishing the 2016 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 2016 is 98.0 percent and therefore, an additional 2.0 percent 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, Minnesota



Mission Statement:

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:

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:

Our residents are:

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.

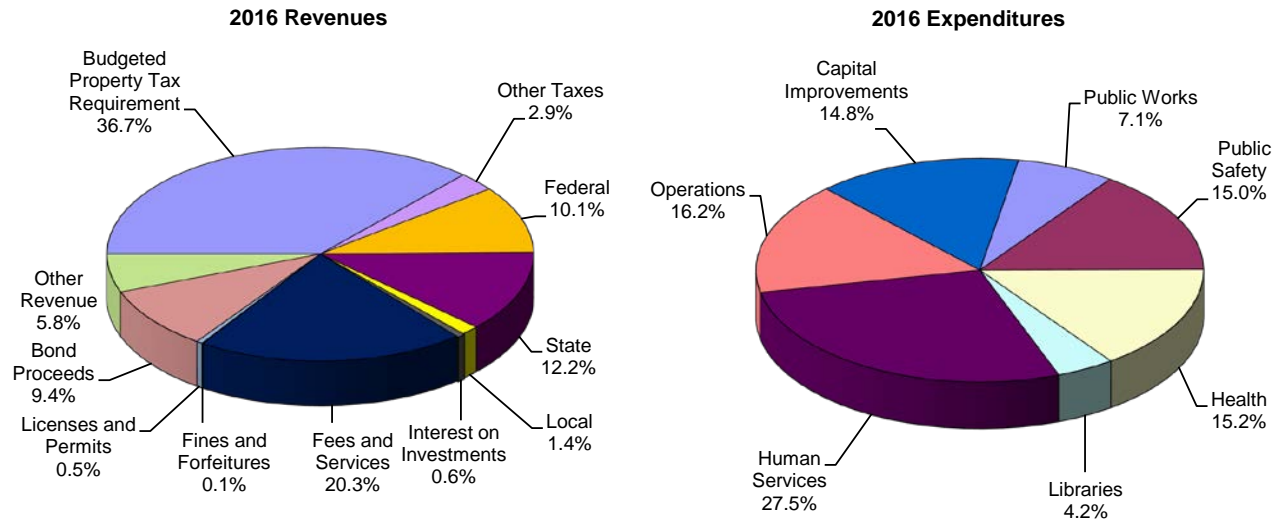
Self-Reliant - People achieve success with the support of essential services, have access to affordable housing and opportunities for life-long learning.

Assured Due Process - People are assured equal protection of the laws through 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:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement	\$675,775,112	\$679,468,066	\$713,330,640
Other Taxes	52,696,505	51,859,244	55,762,017
Federal	176,734,628	171,800,070	197,198,241
State	203,204,877	261,770,698	237,998,476
Local	85,167,034	50,294,994	26,827,520
Interest on Investments	11,779,193	8,792,264	11,868,249
Fees and Services	308,154,567	317,212,907	394,244,643
Fines and Forfeitures	1,686,848	1,583,750	1,610,700
Licenses and Permits	8,500,486	8,830,894	9,025,765
Bond Proceeds	131,472,956	124,604,000	182,936,852
Other Revenue	92,508,314	150,279,196	112,475,233
Total Revenues	\$1,747,680,520	\$1,826,496,083	\$1,943,278,336
Public Works	\$124,519,586	\$134,045,827	\$138,203,896
Public Safety	265,598,291	279,575,898	291,515,696
Health	255,136,790	259,031,524	294,794,086
Libraries	71,922,385	77,782,676	81,628,567
Human Services	480,331,430	504,433,263	534,873,549
Operations	289,062,211	308,573,632	314,178,324
Capital Improvements	140,333,772	263,053,263	288,084,218
Total Expenditures	\$1,626,904,465	\$1,826,496,083	\$1,943,278,336

Revenue and Expenditure Comparison:



The Revenue and Expenditure Section reflects an overview of the 2016 budget by revenue category and major program area. The majority of Hennepin County's 2016 budgeted expenditures stem from the Human Services, Health, and the Operations (including debt) programs. In 2016, these programs account for 58.9 percent of the appropriated expenditures and 59.5 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 2016 revenue budget for Hennepin County is \$1.9 billion, which is an increase of 6.39 percent or \$116.8 million from the 2015 adjusted budget. The 2016 capital budget is \$288.1 million, which is 9.52 percent or \$25.0 million more than the adjusted 2015 capital budget. When capital is excluded, the operating portion reflects an increase of \$91.8 million or 5.87 percent over the 2015 adjusted budget. Both the operating and capital expenditures will be offset by \$1.2 billion in non-property tax revenues and \$713.3 million in property tax requirement. The county will operate with 8032.7 authorized full-time equivalents (FTEs) which is an increase of 264.3 FTEs over the 2015 adjusted budget.

Property Tax Revenues

The property tax requirement revenue contributes \$713.3 million or 36.7 percent of the 2016 budgeted revenue of \$1.9 billion and when compared to the 2015 adjusted budget, reflects an increase of \$33.9 million or 5.0 percent. Information on the property tax computation can be found on page I-6.

Other Taxes

In 2016, Other Taxes are budgeted at \$55.8 million with the major components being \$35.9 million in Ballpark Sales Tax Revenues that will be utilized to pay debt service on the Ballpark bonds and other uses as allowed by legislation; \$10.0 million from a Wheelage Tax, that will be utilized to pay for previously issued highway debt service along with preservation, efficiency, safety and modernization of bridges, roads, and equipment; and \$7.7 million from Tax Increment Financing (TIF).

Federal Revenues

The 2016 budgeted federal revenue is \$197.2 million, or 10.1 percent of all county revenues and represents an increase of 14.8 percent or \$25.4 million from the 2015 adjusted budget. The change is mostly due to a \$20.0 million increase in capital budget related to federal participation and cost sharing for the design and construction of highway and bridge projects. Capital project funding formulas vary based on the class of road or bridge being reconstructed, which results in annual fluctuations in funding sources based on the slate of projects to be completed. Of the \$197.2 million in total anticipated federal revenue, \$154.5 million or 78.4 percent stems from Human Services and \$19.0 million or 9.6 percent from programs in the General Fund. The Human Services Fund revenue consists of reimbursements for the administrative costs of health, child support, medical assistance, food stamps, human service grants, economic assistance, training and employment, and community health. Revenue in the General Fund supports Federal housing grant programs in the Public Works program; reimbursement for administrative costs related to child support collection, child protection, welfare fraud, State Criminal Alien Assistance Program (SCAAP), DNA Backlog, Driving While Intoxicated (DWI) countermeasure programs, along with the breakfast and lunch programs at the Juvenile Detention Center (JDC) and County Home School (CHS), and Urban Area Security Initiative grant within the Public Safety programs; along with the Workforce Improvement Program (WIP) in the Human Resources Department of the Operations line of business.

Revenue Highlights Continued:

State Revenues

The revenues from the State of Minnesota are budgeted at \$238.0 million, or 12.2 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 like community health, financial assistance, along with training and employment programs (\$79.4 million); highway construction and maintenance projects (\$58.8 million); correctional subsidy to assist with correctional services and programs (\$19.2 million); partial expense reimbursement in the Public Defender's Office (\$7.6 million), and a pension subsidy for peace officers (\$2.6 million). Typically, state funding is based on criteria such as caseloads, statewide funding formulas, approved plans, and particular service requirements.

State revenues decreased \$23.8 million when compared to the 2015 adjusted budget of \$261.8 million. The majority of the decrease is attributed to a reduction in programmed highway and bridge aids of \$37.5 million in the capital budget. Additionally, state revenue for human service programs increased \$8.8 million primarily due to increased revenue for long term services and supports activities.

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 2016 is budgeted at \$31.8 million, which is a decrease of \$249.6 thousand over the 2015 adjusted budget.

Local Revenue

The 2016 local revenue budget has decreased by \$23.5 million from the 2015 adjusted budget of \$50.3 million. The majority of this decrease is primarily driven by the elimination of intergovernmental transfers. Hennepin County is no longer the fiscal agent for intergovernmental transfers between the Hennepin County Medical Center and the Department of Human Services. These transfers were revenue and expense neutral. Other changes include decreased debt retirement revenue (\$3.1 million) and a \$2.0 million increase for capital projects due to annual fluctuations in funding sources based on the slate of projects to be completed.

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 2016 budget, approved on a November 2, 2015 public hearing.

In 2016, the total revenues generated from fees charged for services are estimated at \$394.2 million, represent 20.3 percent of the total county revenue budget, and reflects an increase of 24.3 percent or \$77.0 million from the 2015 adjusted budget. The main component for the Fees and Services increase is associated with an awarded contract from the State of Minnesota, which should nearly triple the members enrolled in the Hennepin Health Plan (\$72.1 million increase over the 2015 adjusted budget) resulting in higher collected patient fees.

Hennepin County provides a wide range of services for which fees are charged. In 2016, the Health line of business reflects the most significant portion of this revenue (\$258.4 million, or 65.5 percent of all fees and services). The majority of this revenue in 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 and the Hennepin Health Plan.

The Human Services program is projecting an estimated \$45.5 million in fees for services in 2016. 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 2016, \$52.1 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 \$19.5 million in 2016 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-

Revenue Highlights Continued:

Bond Proceeds

Proceeds generated through the sale of general obligation (GO) bonds finance authorized capital improvement projects within the county's adopted capital budget. The county also periodically issues GO bonds to refund outstanding bonds to realize debt service savings when interest rates are favorable. Bond proceeds budgeted for 2016 are \$182.9 million, up \$58.3 million from the 2015 adjusted budget. Details concerning the county's debt retirement and debt management can be found in the Debt Retirement section of the Operations program.

Remaining Revenues

A wide variety of revenues contribute to the total of \$135.0 million which makes up 6.9 percent of total revenue in 2016. These revenues includes book fines, building rental, investment income, parking revenue, fines, health and driver licenses, vital records (e.g. birth and death certificates), and utilization of fund balance.

During 2015, interest rates paid on allowable investments continued to be historically low. In December, however, the Federal Reserve Funds target rate was increased 0.25 percent. Additional increases are expected in 2016 but the timing and amounts are unknown. In 2015, substantial gains on older securities were realized, and reinvested in longer maturities with higher yields. In addition, the assets under management increased by \$92 million or 8 percent. Investment earnings budgeted for 2016 anticipated the same amount of assets under management, increased short-term interest rates -- 0.50 percent higher than in 2015 -- to be earned on our short-term funds (tax collections), and an average yield of 1.50 percent on the remainder of the portfolio.

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 2016 budget, the use of fund balance has been set \$45.3 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:	2014 Budget	2015 Budget	2016 Budget
Public Works	424.1	429.1	439.6
Public Safety	2,167.9	2,158.0	2,194.9
Health	331.3	343.9	379.3
Libraries	606.7	606.7	616.7
Human Services	2,859.0	3,060.9	3,199.7
Operations	1,147.3	1,169.8	1,202.5
Capital Improvements	0.0	0.0	0.0
Total Full-time Equivalent (FTEs)	7,536.3	7,768.4	8,032.7

2016 BUDGET

COMPUTATION OF LEVIES BY FUND

	TOTAL BUDGET	INCOME FROM OTHER SOURCES	PROPERTY TAX REQUIREMENT	COLLECTION RATE	GROSS PROPERTY TAX LEVY
County Revenue	\$599,721,954	\$258,095,680	\$341,626,274	98.00%	\$348,598,239
Human Services	534,873,549	\$291,330,990	243,542,559	98.00%	248,512,815
Hennepin Health	232,164,029	\$232,164,029	0	0.0%	0
Solid Waste Enterprise Fund	64,298,174	\$64,298,174	0	0.0%	0
Library	81,628,567	\$14,306,400	67,322,167	98.00%	68,696,089
Glen Lake Golf Course	1,056,508	\$1,056,508	0	0.0%	0
Radio Communications	<u>4,281,840</u>	<u>\$4,281,840</u>	0	0.0%	0
Total Operating	<u>\$1,518,024,621</u>	<u>\$865,533,621</u>	<u>\$652,491,000</u>		<u>\$665,807,143</u>
Debt Retirement - Countywide	134,271,436	47,769,497	86,501,939	100.0%	86,501,939
Debt Retirement - Suburban	398,061	0	398,061	100.0%	398,061
Ballpark Sales Tax Revenue	2,500,000	2,500,000	0	0.0%	0
Capital Improvements	<u>288,084,218</u>	<u>282,354,000</u>	<u>5,730,218</u>	98.00%	5,847,161
Total Non-Operating	<u>\$425,253,715</u>	<u>\$332,623,497</u>	<u>\$92,630,218</u>		<u>\$92,747,161</u>
GRAND TOTAL	<u>\$1,943,278,336</u>	<u>\$1,198,157,118</u>	<u>\$745,121,218</u>		<u>\$758,554,304</u>
Less County Program Aid			<u>(\$31,790,578)</u>		<u>(\$31,790,578)</u>
County Property Tax Levy			<u>\$713,330,640</u>		<u>\$726,763,726</u>

2016 BUDGET

TAX CAPACITY TAX CAPACITY RATES

	2014 Actual	2015 Budget	2016 Budget
ESTIMATED MARKET VALUE			
Minneapolis	\$33,232,807,800	\$36,544,531,600	\$40,309,622,200
Suburban	<u>91,272,035,110</u>	<u>98,147,180,800</u>	<u>104,113,740,700</u>
TOTAL ESTIMATED MARKET VALUE	<u>\$124,504,842,910</u>	<u>\$134,691,712,400</u>	<u>\$144,423,362,900</u>
NET TAX CAPACITY			
Minneapolis	\$374,147,259	\$410,299,927	\$454,426,306
Suburban	<u>993,647,455</u>	<u>1,079,055,064</u>	<u>1,147,739,444</u>
TOTAL NET TAX CAPACITY	<u>\$1,367,794,714</u>	<u>\$1,489,354,991</u>	<u>\$1,602,165,750</u>
TAX CAPACITY RATE (OPERATING)	Taxes Payable 2014	Taxes Payable 2015	Taxes Payable 2016
County Revenue	23.388%	21.529%	20.714%
Human Services	15.877%	15.047%	14.774%
Library	<u>4.236%</u>	<u>4.140%</u>	<u>4.084%</u>
OPERATING RATE SUBTOTAL	43.501%	40.716%	39.572%
Countywide Debt Retirement	5.551%	5.406%	5.399%
Capital Improvements	<u>0.391%</u>	<u>0.163%</u>	<u>0.365%</u>
TOTAL TAX CAPACITY RATE: Minneapolis	49.443%	46.285%	45.336%
Suburban Debt Retirement	0.416%	0.152%	0.025%
TOTAL TAX CAPACITY RATE: Suburban Hennepin	49.859%	46.437%	45.361%

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.

2016 BUDGET

2016 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	\$72,849,214						\$72,849,214
Public Safety	287,233,856						287,233,856
Health	62,630,057						62,630,057
Libraries			81,628,567				81,628,567
Human Services		534,873,549					534,873,549
Operations	177,008,827				134,669,497	2,500,000	314,178,324
Capital Improvements				288,084,218			288,084,218
TOTAL EXPENDITURES	\$599,721,954	\$534,873,549	\$81,628,567	\$288,084,218	\$134,669,497	\$2,500,000	\$1,641,477,785
BUDGET REVENUES							
Property Taxes							
Current Collections	\$341,626,274	\$243,542,559	\$67,322,167	\$5,730,218	\$86,900,000		\$745,121,218
Less Program Aid	(16,732,662)	(11,800,550)	(3,257,366)	0	0		(31,790,578)
Net Property Tax Total	324,893,612	231,742,009	64,064,801	5,730,218	86,900,000		713,330,640
Nonproperty Taxes							
Wheelage Tax	10,000,000						10,000,000
Other Non-Property Taxes	9,882,017	0				35,880,000	45,762,017
Net Non-Property Tax Total	19,882,017	0	0	0	0	35,880,000	55,762,017
Total Taxes	344,775,629	231,742,009	64,064,801	5,730,218	86,900,000	35,880,000	769,092,657
Intergovernmental-Federal	19,011,656	154,517,279		20,646,000	2,073,306		196,248,241
Intergovernmental-State							
County Program Aid	16,732,662	11,800,550	3,257,366	0			31,790,578
Market Value Homestead Credit		0					
Highway Maintenance	20,157,445			38,679,500			58,836,945
Community Corrections	19,214,699						19,214,699
Community Health		2,036,360					2,036,360
Human Services		77,380,125					77,380,125
Public Defender	7,602,970						7,602,970
Health Intergovernmental Transfers	-						0
Other	12,081,319		1,310,000	22,304,250			35,695,569
Total State	75,789,095	91,217,035	4,567,366	60,983,750	0	0	232,557,246
Intergovernmental-Local							
Health Intergovernmental Transfers	-						0
Other Local	4,199,597	1,845,910	1,560,000	9,912,000	9,310,013		26,827,520
Total Intergovernmental	99,000,348	247,580,224	6,127,366	91,541,750	11,383,319	0	455,633,007
Fees & Services	60,505,211	45,500,316	1,084,000				107,089,527
Fines & Forfeitures	225,000		1,360,700				1,585,700
Other Revenue							
Interest on Investments	10,250,000		80,000				10,330,000
Licensing & Permits	6,295,765	1,700,000					7,995,765
Bond Proceeds				182,936,852			182,936,852
Indirect Cost Allocation	17,355,084						17,355,084
Miscellaneous	34,871,818	2,351,000	3,711,700	7,875,398	36,386,178	(36,000,000)	49,196,094
Total Other Revenue	68,772,667	4,051,000	3,791,700	190,812,250	36,386,178	(36,000,000)	267,813,795
Total Current Revenue	573,278,855	528,873,549	76,428,567	288,084,218	134,669,497	(120,000)	1,601,214,686
Fund Balance / Assets Decrease (Increase)	26,443,099	6,000,000	5,200,000			2,620,000	40,263,099
Total Revenue	\$599,721,954	\$534,873,549	\$81,628,567	\$288,084,218	\$134,669,497	\$2,500,000	\$1,641,477,785

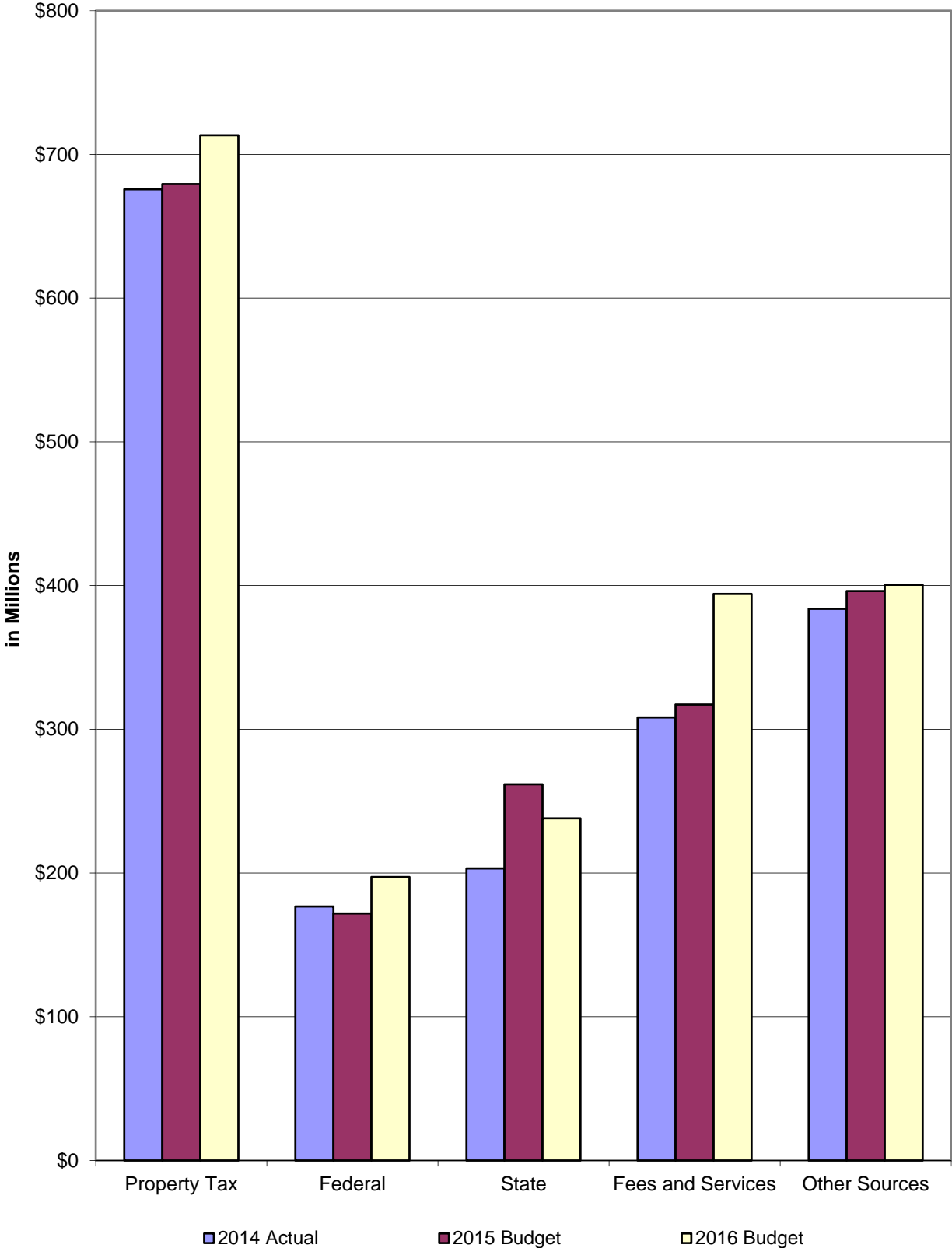
2016 BUDGET

2016 Expenditures and Revenues By Fund (Page 2 of 2)

II. Enterprise Funds

	Hennepin Health Plan	Solid Waste Enterprise	Glen Lake Golf Course	Sheriff's Radio Communications	Governmental & Enterprise Totals
BUDGET EXPENDITURES					
Public Works		\$64,298,174	\$1,056,508		\$138,203,896
Public Safety				4,281,840	291,515,696
Health	232,164,029				294,794,086
Libraries					81,628,567
Human Services					534,873,549
Operations					314,178,324
Capital Improvements					288,084,218
TOTAL EXPENDITURES	\$232,164,029	\$64,298,174	\$1,056,508	\$4,281,840	\$1,943,278,336
BUDGET REVENUES					
Property Taxes					
Current Collections					\$745,121,218
Less Program Aid					(31,790,578)
Net Property Tax Total					713,330,640
Nonproperty Taxes					
Wheelage Tax					10,000,000
Other Non-Property Taxes		0			45,762,017
Net Non-Property Tax Total	0	0	0	0	55,762,017
Total Taxes	0	0	0	0	769,092,657
Intergovernmental-Federal		950,000			197,198,241
Intergovernmental-State					
County Program Aid					31,790,578
Market Value Homestead Credit					0
Highway Maintenance					58,836,945
Community Corrections					19,214,699
Community Health					2,036,360
Human Services					77,380,125
Public Defender					7,602,970
Health Intergovernmental Transfers					0
Other		5,441,230			41,136,799
Total State	0	5,441,230	0	0	237,998,476
Intergovernmental-Local					
Health Intergovernmental Transfers					0
Other Local					26,827,520
Total Intergovernmental	0	6,391,230	0	0	462,024,237
Fees & Services	232,006,124	52,128,449		3,020,543	394,244,643
Fines & Forfeitures		25,000			1,610,700
Other Revenue					
Interest on Investments	1,078,249	460,000			11,868,249
Licensing & Permits		1,030,000			9,025,765
Bond Proceeds					182,936,852
Indirect Cost Allocation					17,355,084
Miscellaneous	(595,278)	199,816	1,056,508		49,857,140
Total Other Revenue	482,971	1,689,816	1,056,508	0	271,043,090
Total Current Revenue	232,489,095	60,234,495	1,056,508	3,020,543	1,898,015,327
Fund Balance / Assets Decrease (Increase)	(325,066)	4,063,679	0	1,261,297	45,263,009
Total Revenue	\$232,164,029	\$64,298,174	\$1,056,508	\$4,281,840	\$1,943,278,336

SOURCES OF REVENUE 2014 - 2016

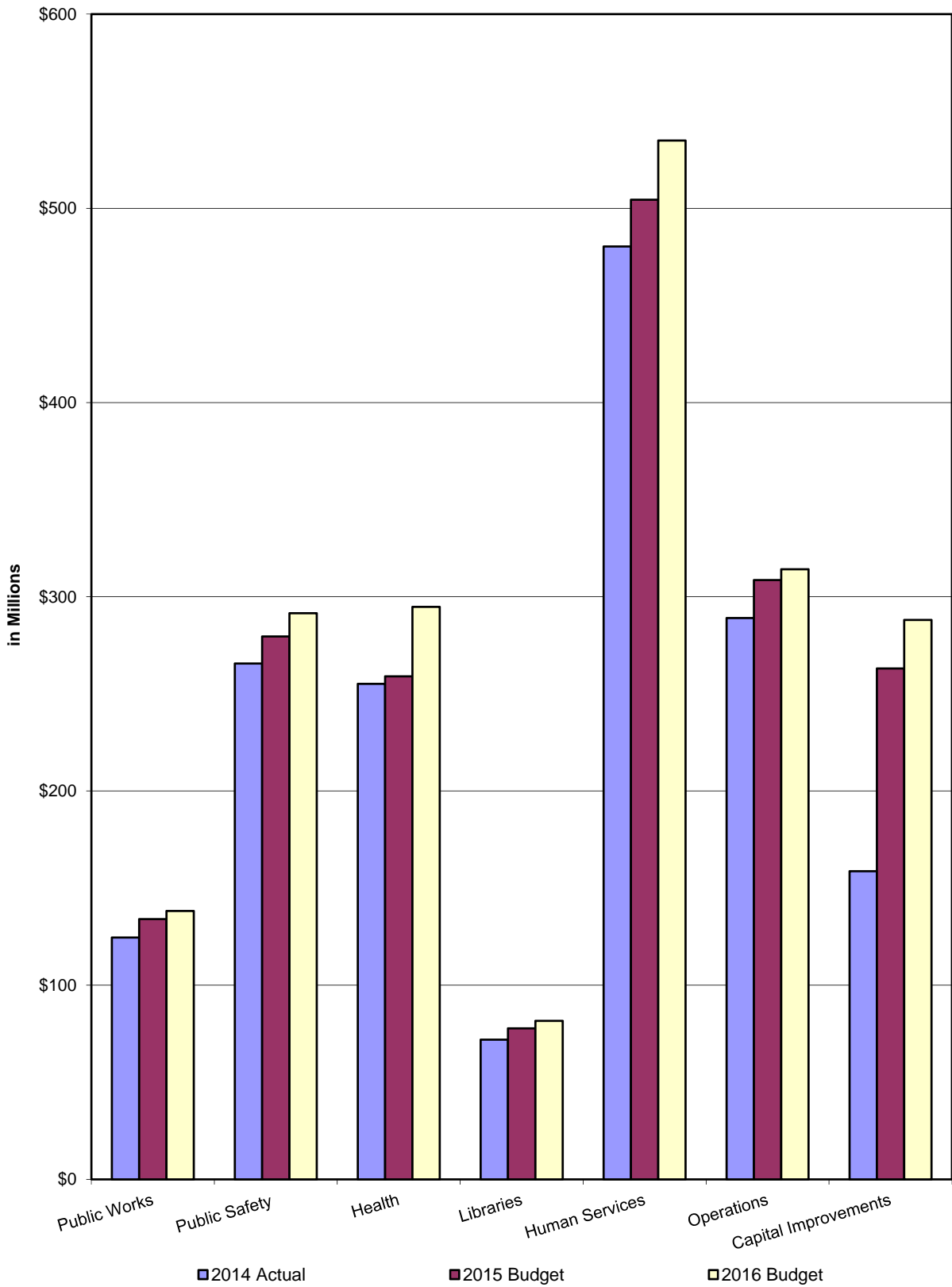


2016 BUDGET

SOURCES OF REVENUE

	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Current Property Tax	\$675,775,112	\$679,468,066	\$713,330,640
Taxes - Other	52,696,505	51,859,244	55,762,017
Federal	176,734,628	171,800,070	197,198,241
State	203,204,877	261,770,698	237,998,476
Local	85,167,034	50,294,994	26,827,520
Interest on Investments	11,779,193	8,792,264	11,868,249
Fees and Services	308,154,567	317,212,907	394,244,643
Fines and Forfeitures	1,686,848	1,583,750	1,610,700
Licensing and Permits	8,500,486	8,830,894	9,025,765
Bond Proceeds	131,472,956	124,604,000	182,936,852
Other	92,508,314	107,221,756	67,212,224
Subtotal - Current Revenue	<u>1,747,680,520</u>	<u>1,783,438,643</u>	<u>1,898,015,327</u>
Use of Fund Balance	<u>0</u>	<u>43,057,440</u>	<u>45,263,009</u>
TOTAL REVENUES	<u>\$1,747,680,520</u>	<u>\$1,826,496,083</u>	<u>\$1,943,278,336</u>

EXPENDITURES BY MAJOR PROGRAM 2014 - 2016



2016 BUDGET

EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM	2014 ACTUAL		2015 BUDGET		2016 BUDGET	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
Public Works	\$124,519,586	424.1	\$134,045,827	429.1	\$138,203,896	439.6
Public Safety	265,598,291	2,167.9	279,575,898	2,158.0	291,515,696	2,194.9
Health	255,136,790	331.3	259,031,524	343.9	294,794,086	379.3
Libraries	71,922,385	606.7	77,782,676	606.7	81,628,567	616.7
Human Services	480,331,430	2,859.0	504,433,263	3,060.9	534,873,549	3,199.7
Operations	289,062,211	1,147.3	308,573,632	1,169.8	314,178,324	1,202.5
Capital Improvements	<u>140,333,772</u>	<u>0.0</u>	<u>263,053,263</u>	<u>0.0</u>	<u>288,084,218</u>	<u>0.0</u>
Total	<u>\$1,626,904,465</u>	<u>7,536.3</u>	<u>\$1,826,496,083</u>	<u>7,768.4</u>	<u>\$1,943,278,336</u>	<u>8,032.7</u>

PERSONNEL COMPARISON BY DEPARTMENT
FULL-TIME EQUIVALENTS (FTEs)

PROGRAM / DEPARTMENT	2014 ADJ BUDGET	2015 BUDGET	2016 BUDGET	Chg 2015-2016
PUBLIC WORKS				
Public Works - County Revenue Fund Dept.*.....	358.0	360.0	369.5	9.5
Public Works - Environment and Energy Dept. *..	66.1	69.1	70.1	1.0
Glen Lake Golf Course.....	0.0	0.0	0.0	0.0
TOTAL	<u>424.1</u>	<u>429.1</u>	<u>439.6</u>	<u>10.5</u>
PUBLIC SAFETY				
Public Safety Administration & Integration.....	25.0	30.0	35.0	5.0
County Attorney's Office.....	347.0	353.0	359.5	6.5
County Court Functions	0.0	0.0	0.0	0.0
Public Defender.....	77.9	72.5	64.9	(7.6)
County Sheriff.....	808.0	778.0	799.0	21.0
Dept of Community Corrections & Rehabilitation..	910.0	924.5	936.5	12.0
Sheriff's Radio Communications.....	0.0	0.0	0.0	0.0
TOTAL	<u>2,167.9</u>	<u>2,158.0</u>	<u>2,194.9</u>	<u>36.9</u>
HEALTH				
NorthPoint Health and Wellness.....	195.3	216.9	229.4	12.5
Hennepin Health Plan*.....	102.0	91.0	112.0	21.0
Sexual Assault Resources Services.....	0.0	0.0	0.0	0.0
Medical Examiner.....	34.0	33.0	34.9	1.9
Health Administration.....	0.0	3.0	3.0	0.0
Uncompensated Care.....	0.0	0.0	0.0	0.0
TOTAL	<u>331.3</u>	<u>343.9</u>	<u>379.3</u>	<u>35.4</u>
*Hennepin Health Plan represents the combination of Metropolitan Health Plan and Hennepin Health				
LIBRARIES				
Libraries.....	600.0	600.0	610.0	10.0
Law Library.....	6.7	6.7	6.7	0.0
TOTAL	<u>606.7</u>	<u>606.7</u>	<u>616.7</u>	<u>10.0</u>
HUMAN SERVICES				
TOTAL	<u>2,859.0</u>	<u>3,060.9</u>	<u>3,199.7</u>	<u>138.8</u>
OPERATIONS				
Commissioners.....	25.0	25.0	25.0	0.0
County Administration.....	17.4	14.4	16.0	1.6
Budget and Finance.....	91.8	93.3	99.1	5.8
Information Technology *.....	293.9	296.9	308.4	11.5
Facility Services.....	236.5	234.5	235.5	1.0
Resident and Real Estate Services.....	332.6	335.6	336.4	0.8
Human Resources.....	69.1	73.1	76.1	3.0
Audit, Compliance, and Investigation Services.....	22.0	25.0	27.0	2.0
General County Purposes.....	47.5	60.5	67.5	7.0
Self Insurance *.....	5.5	5.5	5.5	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
TOTAL	<u>1,147.3</u>	<u>1,169.8</u>	<u>1,202.5</u>	<u>32.7</u>
GRAND TOTAL	<u>7,536.3</u>	<u>7,768.4</u>	<u>8,032.7</u>	<u>264.3</u>

*Includes Internal Service Fund FTEs.

2016 BUDGET

COUNTY REVENUE FUND SUMMARY

(Page 1 of 2)

Basis of Accounting: Modified Accrual	2014 ACTUAL*	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$574,002,227</u>	<u>\$616,138,378</u>	<u>\$599,721,954</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	329,874,311	326,019,760	341,626,274
Less Program Aid	(14,610,799)	(14,440,198)	(16,732,662)
Total Property Taxes	<u>315,263,512</u>	<u>311,579,562</u>	<u>324,893,612</u>
<u>Market Value Homestead Credit</u>	<u>(26,970)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>			
Mortgage Registry/Deed Tax	1,738,310	1,500,000	1,900,000
Tax Increment Financing	6,194,468	5,540,991	7,685,000
Wheelage Tax	9,296,105	9,276,000	10,000,000
Other	<u>942,580</u>	<u>267,253</u>	<u>297,017</u>
Total Nonproperty Taxes	<u>18,171,463</u>	<u>16,584,244</u>	<u>19,882,017</u>
Total Taxes	<u>333,408,005</u>	<u>328,163,806</u>	<u>344,775,629</u>
<u>Intergovernmental Revenue</u>			
Federal	17,976,636	20,200,303	19,011,656
State - County Program Aid	14,610,799	14,440,198	16,732,662
State - Market Value Homestead Credit	26,970	-	-
State - Highway Maintenance	18,691,094	19,739,202	20,157,445
State - Community Corrections	18,360,361	18,667,285	19,214,699
State - Public Defender	7,515,931	8,505,584	7,602,970
State - Intergovernmental Gov't Transfers	-	19,375,000	-
State - Other	<u>10,401,571</u>	<u>10,780,262</u>	<u>12,081,319</u>
Total State	<u>69,606,727</u>	<u>91,507,531</u>	<u>75,789,095</u>
Local - Intergovernmental Gov't Transfers	39,632,438	20,650,000	0
Other	<u>4,707,052</u>	<u>4,499,522</u>	<u>4,199,597</u>
Total Local	<u>44,339,490</u>	<u>25,149,522</u>	<u>4,199,597</u>
Total Intergovernmental Revenue	<u>131,922,853</u>	<u>136,857,356</u>	<u>99,000,348</u>
<u>Investment Income</u>	<u>10,561,986</u>	<u>7,750,000</u>	<u>10,250,000</u>

2016 BUDGET

COUNTY REVENUE FUND SUMMARY

(Page 2 of 2)

	2014 ACTUAL*	2015 BUDGET	2016 BUDGET
<u>Fees and Services</u>			
Service Center Fees and Passports	1,144,854	884,240	908,215
North Point Patient Reimbursements	19,787,511	23,312,917	26,254,459
Assessor - Services Provided To Municipalities	2,487,446	3,100,425	3,213,525
Boarding of Prisoners	5,105,406	5,329,028	5,060,928
Correction Facility Fees	1,252,667	1,379,200	1,466,360
County Attorney	9,377	10,000	10,000
Public Records Fees	6,325,284	8,170,000	8,470,000
Client Fees	2,369,409	2,435,000	2,437,500
Sheriff Fees	3,165,105	3,388,677	3,934,811
Other Fees and Service Charges	<u>7,507,638</u>	<u>8,747,962</u>	<u>8,749,413</u>
Total Fees and Services	<u>49,154,697</u>	<u>56,757,449</u>	<u>60,505,211</u>
Total Fines and Forfeitures	<u>305,626</u>	<u>223,000</u>	<u>225,000</u>
<u>Licenses and Permits</u>			
Drivers Licenses	1,910,961	1,949,000	1,951,000
Vital Certificates	1,028,577	1,059,000	1,113,000
Motor Vehicle Licenses	1,925,815	2,041,000	2,063,000
Other Licenses and Permits	<u>1,135,894</u>	<u>1,222,894</u>	<u>1,168,765</u>
Total Licenses and Permits	<u>6,001,247</u>	<u>6,271,894</u>	<u>6,295,765</u>
<u>Other Revenue</u>			
Commodity, Concession and Miscellaneous	753,280	876,946	923,855
Indirect Cost Allocation	15,640,838	14,715,477	17,355,084
Interfund	(2,459,881)	(1,487,657)	(1,132,657)
Building Rental	19,877,453	20,747,130	14,699,916
Miscellaneous	<u>16,038,166</u>	<u>18,747,779</u>	<u>20,380,704</u>
Total Other Revenue	<u>49,849,857</u>	<u>53,599,675</u>	<u>52,226,902</u>
<u>Total Current Revenue</u>	<u>581,204,271</u>	<u>589,623,180</u>	<u>573,278,855</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>26,515,198</u>	<u>26,443,099</u>
<u>TOTAL BUDGETED REVENUES</u>	<u>\$581,204,271</u>	<u>\$616,138,378</u>	<u>\$599,721,954</u>

* Excludes the Law Library, which was included in the County Revenue amounts in the 2014 CAFR

2016 BUDGET

COUNTY REVENUE FUND EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM/DEPARTMENT	2014*		2015		2016	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
PUBLIC WORKS						
Public Works	\$65,678,584	330.0	\$69,999,647	332.0	\$72,849,214	341.5
PUBLIC SAFETY						
Public Safety Administration & Integration	5,894,179	25.0	7,687,377	30.0	8,005,554	35.0
County Attorney's Office	45,934,919	347.0	47,096,906	353.0	50,045,618	359.5
Court Functions	1,803,472	0.0	2,192,000	0.0	1,910,000	0.0
Public Defender	15,077,819	77.9	16,016,754	72.5	14,922,898	64.9
Sheriff's Office	92,089,224	808.0	94,887,942	778.0	100,178,133	799.0
Community Corrections & Rehabilitation	<u>102,637,824</u>	<u>910.0</u>	<u>108,607,846</u>	<u>924.5</u>	<u>112,171,653</u>	<u>936.5</u>
Subtotal	263,437,437	2,167.9	276,488,825	2,158.0	287,233,856	2,194.9
HEALTH						
Health Administration	0	0.0	447,883	3.0	\$495,788	3.0
NorthPoint Health and Wellness	30,223,326	195.3	33,851,828	216.9	36,825,868	229.4
Medical Examiner	5,311,525	34.0	5,721,216	33.0	5,878,401	34.9
Uncompensated Care	20,000,000	0.0	18,500,000	0.0	18,500,000	0.0
HCMC Intergovernmental Transfers	<u>40,354,233</u>	<u>0.0</u>	<u>40,983,700</u>	<u>0.0</u>	<u>930,000</u>	<u>0.0</u>
Subtotal	95,889,084	229.3	99,504,627	252.9	62,630,057	267.3
OPERATIONS						
Commissioners	2,449,674	25.0	2,900,755	25.0	2,978,585	25.0
County Administration	2,886,772	17.4	2,750,734	14.4	3,312,599	16.0
Facility Services	50,336,979	236.5	53,145,779	234.5	56,414,065	235.5
Budget and Finance	13,926,584	91.8	14,866,827	93.3	15,648,764	99.1
Information Technology	2,991,400	12.9	2,628,479	10.2	3,097,069	9.4
Resident and Real Estate Services	33,979,766	332.6	41,445,467	335.6	44,558,804	336.4
Human Resources	12,438,568	69.1	14,511,821	73.1	15,654,502	76.1
Internal Audit	2,974,810	22.0	3,749,309	25.0	4,155,639	27.0
General County Purposes	<u>27,012,569</u>	<u>47.5</u>	<u>34,146,108</u>	<u>60.5</u>	<u>31,188,800</u>	<u>67.5</u>
Subtotal	148,997,122	854.8	170,145,279	871.6	177,008,827	892.0
TOTAL	<u>\$574,002,227</u>	<u>3,582.0</u>	<u>\$616,138,378</u>	<u>3,614.5</u>	<u>\$599,721,954</u>	<u>3,695.7</u>
* Excludes the Law Library, which was included in the County Revenue amounts in the 2014 CAFR						

2016 BUDGET

HUMAN SERVICES FUND SUMMARY

Basis of Accounting: Modified Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$480,331,429</u>	<u>\$504,433,263</u>	<u>\$534,873,549</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	227,909,344	231,609,791	243,542,559
Less Program Aid	<u>(9,851,488)</u>	<u>(9,900,000)</u>	<u>(11,800,550)</u>
Total Property Taxes	<u>218,057,855</u>	<u>221,709,791</u>	<u>231,742,009</u>
<u>Less Market Value Homestead Credit</u>	<u>(18,762)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>			
Other Taxes	<u>158,604</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Administrative Grants	19,465,117	21,770,957	20,985,000
Federal - Title XX - Human Services Grants	7,155,162	7,300,000	7,300,000
Federal - Title IVE - Foster Care	5,124,526	4,485,000	5,435,000
	14,443,912	15,077,268	16,401,000
Federal - Grants for Training and Employment Programs			
Federal - General	13,149,689	15,252,440	14,911,459
Federal - Title IVD - Child Support	18,439,113	19,062,276	19,500,000
Federal - Refugee Assistance	26,470	89,000	8,000
Federal - Medical Assistance (MA) Administration	29,388,008	32,972,000	36,026,316
Federal - Food Stamp (SNAP) Administration	15,901,675	13,450,000	15,493,000
Federal - TANF Administration	6,255,987	6,858,000	5,345,000
Federal - Community Health	10,272,588	9,534,287	11,147,504
Federal Incentive - Child Support and MA	<u>2,014,087</u>	<u>2,105,000</u>	<u>1,965,000</u>
Total Federal	<u>141,636,334</u>	<u>147,956,228</u>	<u>154,517,279</u>

2016 BUDGET

HUMAN SERVICES FUND SUMMARY

(Page 2 of 2)

	2014 ACTUAL	2015 BUDGET	2016 BUDGET
State - Grants for Human Services	24,393,405	29,373,542	33,448,125
State - Program Aid	9,851,488	9,900,000	11,800,550
State - Market Value Homestead Credit	18,762	0	0
State - Vulnerable Children and Adults Act	13,057,024	12,600,000	12,600,000
State - Grants for Training and Employment Programs	2,619,375	3,637,157	3,139,000
State - Administrative	7,582,837	2,320,000	3,604,000
State - General Assistance	4,072,623	3,398,784	4,200,000
State - Community Health	2,038,686	2,032,921	2,036,360
State - Medical Assistance/Medicare	17,041,569	17,227,000	20,389,000
Total State	<u>80,675,769</u>	<u>80,489,404</u>	<u>91,217,035</u>
Local Grants	<u>1,540,153</u>	<u>1,939,083</u>	<u>1,845,910</u>
<u>Interest Income</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fees and Services</u>			
Patient Fees	7,602,959	7,449,000	7,048,000
Medicaid/GAMC/Targeted Case Management	24,767,382	23,426,000	24,165,000
Medicare	339,583	291,000	262,000
Other Services	<u>12,998,078</u>	<u>14,013,757</u>	<u>14,025,316</u>
Total Fees and Services	<u>45,708,002</u>	<u>45,179,757</u>	<u>45,500,316</u>
<u>Health Licenses</u>	<u>1,548,320</u>	<u>1,529,000</u>	<u>1,700,000</u>
<u>Other Revenue</u>			
Miscellaneous - Other	1,430,918	1,569,000	1,487,000
Interfund Transfers	<u>2,461,302</u>	<u>861,000</u>	<u>864,000</u>
Total Other Revenue	<u>3,892,220</u>	<u>2,430,000</u>	<u>2,351,000</u>
Total Current Revenue	<u>493,198,495</u>	<u>501,233,263</u>	<u>528,873,549</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>3,200,000</u>	<u>6,000,000</u>
<u>TOTAL REVENUES</u>	<u>\$493,198,495</u>	<u>\$504,433,263</u>	<u>\$534,873,549</u>

2016 BUDGET

HENNEPIN HEALTH PLAN* FUND SUMMARY

Basis of Accounting: Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$159,247,706</u>	<u>\$159,526,897</u>	<u>\$232,164,029</u>
<u>SOURCE OF REVENUE</u>			
<u>Intergovernmental & Grants</u>	<u>1,231,398</u>	<u>517,742</u>	<u>0</u>
<u>Fees and Services</u>			
State Premium Revenue	145,758,040	149,428,797	232,006,124
Federal Premium Revenue	12,795,581	0	0
Administrative Services Revenue	<u>(1,230,490)</u>	<u>10,493,366</u>	<u>0</u>
Total Fees and Services	<u>157,323,131</u>	<u>159,922,163</u>	<u>232,006,124</u>
<u>Other Revenue</u>			
Investment Income	464,101	507,264	1,078,249
Miscellaneous Revenue	<u>(60,902)</u>	<u>(309,592)</u>	<u>(595,278)</u>
Total Other Revenue	<u>403,199</u>	<u>197,672</u>	<u>482,971</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>(1,110,680)</u>	<u>(325,066)</u>
<u>TOTAL REVENUES</u>	<u>\$158,957,728</u>	<u>\$159,526,897</u>	<u>\$232,164,029</u>
*Hennepin Health Plan represents the combination of Metropolitan Health Plan and Hennepin Health			

2016 BUDGET

SOLID WASTE ENTERPRISE FUND SUMMARY

Basis of Accounting: Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$58,056,471</u>	<u>\$62,995,286</u>	<u>\$64,298,174</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Misc. Collections	1,476	0	0
Less Program Aid	0	0	0
Less Market Value Homestead Credit	0	0	0
Total Property Taxes	<u>1,476</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>	<u>51,281</u>	<u>100,000</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal Grants	500,000	950,000	950,000
State Grants	4,469,213	4,740,227	5,441,230
Local Government Grants	0	0	0
Total Intergovernmental Revenue	<u>4,969,213</u>	<u>5,690,227</u>	<u>6,391,230</u>
<u>Investment Income</u>	<u>584,968</u>	<u>460,000</u>	<u>460,000</u>
<u>Fees & Services</u>			
Solid Waste Tipping Fees	24,339,176	24,340,000	23,875,000
Solid Waste Mgmt Fees - Hauler Collected	13,971,747	13,771,350	14,165,724
Other Fees & Services	<u>14,233,596</u>	<u>13,383,400</u>	<u>14,087,725</u>
Total Fees & Services	<u>52,544,519</u>	<u>51,494,750</u>	<u>52,128,449</u>
<u>Licenses & Permits</u>			
Solid/Hazardous Waste Licenses	<u>950,919</u>	<u>1,030,000</u>	<u>1,030,000</u>
<u>Fines & Penalties</u>			
Solid Waste and Other Fines	<u>24,490</u>	<u>50,000</u>	<u>25,000</u>
<u>Other Revenue/Transfers</u>	<u>216,325</u>	<u>1,123,832</u>	<u>199,816</u>
<u>(Increase)/Decrease in Net Assets</u>		<u>3,046,477</u>	<u>4,063,679</u>
<u>TOTAL REVENUES</u>	<u>\$59,343,191</u>	<u>\$62,995,286</u>	<u>\$64,298,174</u>

2016 BUDGET

LIBRARY FUND SUMMARY

Basis of Accounting: Modified Accrual	2014 ACTUALS*	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$71,922,385</u>	<u>\$77,782,676</u>	<u>\$81,628,567</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	60,376,144	63,132,495	67,322,167
Less Program Aid	(2,628,103)	(2,700,000)	(3,257,366)
Total Property Taxes	<u>57,748,041</u>	<u>60,432,495</u>	<u>64,064,801</u>
<u>Less Market Value Homestead Credit</u>	<u>(5,281)</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
State - County Program Aid	2,628,103	2,700,000	3,257,366
Market Value Homestead Credit	5,281	0	0
Federal Grants	0	0	0
State Grants	1,148,217	1,160,000	1,310,000
Local Grants	<u>3,238,244</u>	<u>2,363,131</u>	<u>1,560,000</u>
Total Intergovernmental Revenue	<u>7,019,845</u>	<u>6,223,131</u>	<u>6,127,366</u>
<u>Investment Income</u>	<u>79,081</u>	<u>75,000</u>	<u>80,000</u>
<u>Fees and Services</u>			
District Court Fees	825,449	850,000	825,000
Other Services	<u>264,480</u>	<u>258,000</u>	<u>259,000</u>
Total Fees and Services	<u>1,089,929</u>	<u>1,108,000</u>	<u>1,084,000</u>
<u>Fines and Forfeitures</u>			
Book Fines	<u>1,356,732</u>	<u>1,310,750</u>	<u>1,360,700</u>
<u>Other Revenue</u>			
Book Sales	20,380	20,000	20,000
Concessions	341,380	320,000	340,000
Donations	978,602	870,000	870,000
Miscellaneous	215,161	123,300	146,700
Ballpark Sales Tax Transfer	<u>2,160,000</u>	<u>2,300,000</u>	<u>2,335,000</u>
Total Other Revenue	<u>3,715,523</u>	<u>3,633,300</u>	<u>3,711,700</u>
<u>Total Current Revenue</u>	<u>71,003,870</u>	<u>72,782,676</u>	<u>76,428,567</u>
<u>Actual/Budgeted Use of Fund Balance</u>		<u>5,000,000</u>	<u>5,200,000</u>
<u>TOTAL REVENUES</u>	<u>\$71,003,870</u>	<u>\$77,782,676</u>	<u>\$81,628,567</u>

* Includes the Law Library, which was not included in the Library amounts in the 2014 CAFR

2016 BUDGET

GLEN LAKE GOLF COURSE FUND SUMMARY

Basis of Accounting: Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$784,531</u>	<u>\$1,050,894</u>	<u>\$1,056,508</u>
<u>SOURCE OF REVENUE</u>			
<u>Other Revenue</u>	<u>857,118</u>	<u>1,050,894</u>	<u>1,056,508</u>
Total Current Revenue	<u>857,118</u>	<u>1,050,894</u>	<u>1,056,508</u>
<u>(Increase)/Decrease in Net Assets</u>		<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$857,118</u>	<u>\$1,050,894</u>	<u>\$1,056,508</u>

2016 BUDGET

SHERIFF'S RADIO COMMUNICATIONS FUND SUMMARY

Basis of Accounting: Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$2,160,855</u>	<u>\$3,087,073</u>	<u>\$4,281,840</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees & Services</u>	<u>2,334,289</u>	<u>2,750,788</u>	<u>3,020,543</u>
<u>Other Revenue</u>	<u>(489,497)</u>	<u>0</u>	<u>0</u>
<u>Total Current Revenue</u>	<u>1,844,792</u>	<u>2,750,788</u>	<u>3,020,543</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>336,285</u>	<u>1,261,297</u>
<u>TOTAL REVENUES</u>	<u>\$1,844,792</u>	<u>\$3,087,073</u>	<u>\$4,281,840</u>

2016 BUDGET

CAPITAL IMPROVEMENTS FUND SUMMARY

Basis of Accounting: Modified Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$140,333,772</u>	<u>\$263,053,263</u>	<u>\$288,084,218</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	9,619,196	7,846,218	5,730,218
Less County Program Aid	(5,002,253)	(5,000,000)	0
Less Market Value Homestead Credit	(588)	0	0
Total Property Taxes	<u>4,616,355</u>	<u>2,846,218</u>	<u>5,730,218</u>
<u>Nonproperty Taxes</u>	<u>3,548</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Highway Aids	7,398,332	620,233	20,646,000
Federal - Other	7,120,206	0	0
State - County Program Aid	5,002,253	5,000,000	0
State - Market Value Homestead Credit	588	0	0
State - Highway and Bridge Aids	38,328,552	76,173,536	38,679,500
State - Other	1,296,176	0	22,304,250
Other - Local	22,478,948	7,921,277	9,912,000
Total Intergovernmental Revenue	<u>81,625,055</u>	<u>89,715,046</u>	<u>91,541,750</u>
<u>Investment Income</u>	<u>87,847</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	118,284,731	124,604,000	182,936,852
Other	<u>3,068,961</u>	<u>45,887,999</u>	<u>7,875,398</u>
Total Other Revenue	<u>121,353,692</u>	<u>170,491,999</u>	<u>190,812,250</u>
<u>Total Current Revenue</u>	<u>207,686,497</u>	<u>263,053,263</u>	<u>288,084,218</u>
<u>TOTAL REVENUES</u>	<u>\$207,686,497</u>	<u>\$263,053,263</u>	<u>\$288,084,218</u>

2016 BUDGET

DEBT RETIREMENT FUND SUMMARY

Basis of Accounting: Modified Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$137,796,480</u>	<u>\$135,895,353</u>	<u>\$134,669,497</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	80,182,884	82,900,000	86,900,000
Less Program Aid	<u>(34,707)</u>	<u>0</u>	<u>0</u>
Total Property Taxes	<u>80,148,177</u>	<u>82,900,000</u>	<u>86,900,000</u>
Less Market Value Homestead Credit	<u>(9,291)</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>	<u>56,852</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Interest Subsidy Payments	2,103,120	2,073,306	2,073,306
State - Program Aid	34,707	0	0
State - Market Value Homestead Credit	9,291	0	0
Other local intergovernmental	<u>12,338,801</u>	<u>12,404,239</u>	<u>9,310,013</u>
Total Intergovernmental Revenue	<u>14,485,919</u>	<u>14,477,545</u>	<u>11,383,319</u>
<u>Other Revenue</u>			
Interest on Investments	424	0	0
Bond Proceeds	13,188,225	0	0
Other Revenues	<u>31,458,709</u>	<u>38,517,808</u>	<u>36,386,178</u>
Total Other Revenue	<u>44,647,358</u>	<u>38,517,808</u>	<u>36,386,178</u>
<u>Total Current Revenue</u>	<u>139,329,015</u>	<u>135,895,353</u>	<u>134,669,497</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$139,329,015</u>	<u>\$135,895,353</u>	<u>\$134,669,497</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.

Other Revenues includes \$2 million of wheelage tax receipts.

2016 BUDGET

BALLPARK SALES TAX REVENUE FUND SUMMARY
--

Basis of Accounting: Modified Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$2,268,609</u>	<u>\$2,533,000</u>	<u>\$2,500,000</u>
<u>SOURCE OF REVENUE</u>			
<u>Sales Tax Revenue</u>	34,254,757	35,175,000	35,880,000
<u>Transfers to Other Funds</u>	0	(38,712,160)	(36,000,000)
<u>Investment Income</u>	786	0	0
<u>Total Current Revenue</u>	34,255,543	(3,537,160)	(120,000)
<u>Actual/Budgeted Use of Fund Balance</u>	0	6,070,160	2,620,000
<u>TOTAL REVENUES</u>	<u>\$34,255,543</u>	<u>\$2,533,000</u>	<u>\$2,500,000</u>

2016 BUDGET

INTERNAL SERVICE FUND SUMMARIES

Basis of Accounting: Accrual	2014 ACTUAL	2015 BUDGET	2016 BUDGET
FUND: Central Services			
Program Expenditures	<u>\$6,473,427</u>	<u>\$6,904,020</u>	<u>\$7,010,589</u>
Charges for Services	6,590,451	6,904,020	7,010,589
Net Assets (Increase)/Decrease	(117,024)	0	0
FUND: Central Mobile Equipment (CMED)			
Program Expenditures	<u>\$14,230,655</u>	<u>\$15,289,424</u>	<u>\$16,443,460</u>
Charges for Services	16,097,595	15,289,424	16,443,460
Net Assets (Increase)/Decrease	(1,866,940)	0	0
FUND: Energy Center			
Program Expenditures	<u>\$9,260,047</u>	<u>\$10,732,114</u>	<u>\$10,527,639</u>
Charges for Services	9,525,901	10,732,114	10,527,639
Net Assets (Increase)/Decrease	(265,854)	0	0
FUND: Information Technology			
Program Expenditures	<u>\$62,494,448</u>	<u>\$74,308,231</u>	<u>\$78,978,376</u>
Charges for Services	65,182,327	74,308,231	78,978,376
Net Assets (Increase)/Decrease	(2,687,879)	0	0
FUND: Self Insurance Fund			
Program Expenditures	<u>\$7,213,104</u>	<u>\$6,353,919</u>	<u>\$6,656,842</u>
Charges for Services	4,753,026	6,353,919	6,656,842
Net Assets (Increase)/Decrease	2,460,078	0	0
FUND: Other Employee Benefits			
Program Expenditures	<u>\$25,456,162</u>	<u>\$26,000,000</u>	<u>\$27,200,000</u>
Charges for Services	25,456,162	26,000,000	27,200,000
Net Assets (Increase)/Decrease	0	0	0
FUND: Employee Health Plan Self Insurance			
Program Expenditures	<u>\$87,814,149</u>	<u>\$101,360,777</u>	<u>\$106,642,184</u>
Charges for Services	83,192,417	101,360,777	106,642,184
Net Assets (Increase)/Decrease	4,621,732	0	0

Hennepin County

2016 BUDGET

Adopted

Major Program: Public Works

- Public Works - County Revenue Fund Departments
- Public Works - Environment and Energy Department
- Public Works - Glen Lake Golf Course



Program Description:

Public Works encompasses the delivery of various projects and programs supporting Community and Economic Development; Energy; Environment; and Transportation within the county. The team also supports the Hennepin County Regional Railroad Authority and the Hennepin County Housing and Redevelopment Authority. The budget is one budget comprised of the following three areas:

- County Revenue Fund Departments (which includes Community Works; Planning, Technology and Finance; Transportation (Roads and Bridges) - Operations; and Transportation (Roads and Bridges) - Project Delivery)
- Environment and Energy Department, which is an Enterprise Fund
- Glen Lake Golf Course, which is an Enterprise Fund

The collective Public Works budget can be found below.

Program Budget Highlights:

Public Works budget has a modest increase of 3.1 percent or \$4.2 million when compared to the adjusted 2015 budget of \$134.0 million.

The program will operate with 439.6 authorized Full Time Equivalents (FTEs) which is 10.5 FTEs more than authorized in 2015.

Revenue and Expenditure Information:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$23,091,458	\$23,764,294	\$24,670,510
Other Taxes	9,434,569	9,448,579	10,102,343
Federal	8,596,344	10,280,949	9,255,915
State	23,208,143	24,805,864	26,127,890
Local	1,393,770	1,987,088	1,934,755
Investment Earnings	585,852	460,000	460,000
Fees and Services	52,941,624	52,382,655	52,962,590
Fines and Forfeitures	24,490	50,000	25,000
License and Permits	1,304,694	1,338,765	1,338,765
Bond Proceeds			
Other Revenue	4,602,131	9,527,633	11,326,128
Total Revenues	\$125,183,075	\$134,045,827	\$138,203,896
Personal Services	\$36,944,374	\$40,962,456	\$43,668,715
Commodities	7,661,853	8,870,360	7,510,921
Services	65,463,196	71,583,387	68,835,031
Public Aid	37,122		50,000
Capital Outlay	912,849	277,500	210,000
Other Charges	13,500,192	12,352,124	17,929,229
Total Expenditures	\$124,519,586	\$134,045,827	\$138,203,896

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

Budgeted Positions (Full-time Equivalents)**

424.1

429.1

439.6

**FTE totals include employees from Internal Services Funds

Note: Amounts above exclude Workforce Programs and Facility Services which transferred to the Operations Line of Business in 2016. Amounts excluded were Facility Services: \$50,336,981 and 236.5 FTE's from the 2014 Actual and \$53,145,779 and 234.5 FTE's from the 2015 Budget Workforce Development: \$5,241,974 and 4.0 FTE's in the 2014 Actual and \$5,913,020 and 4.0 FTE's in the 2015 Budget

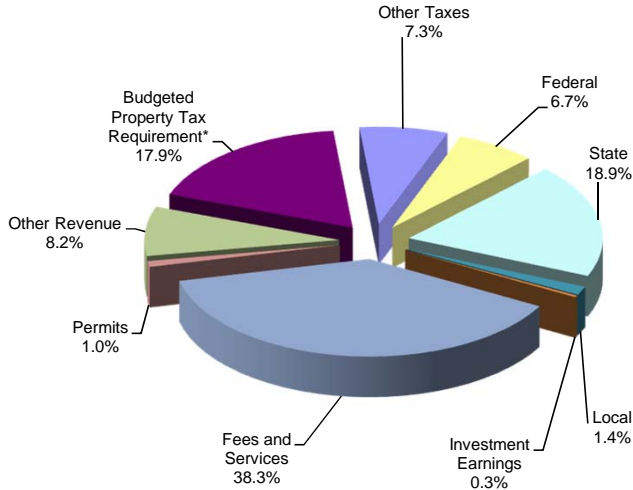
Hennepin County

2016 BUDGET

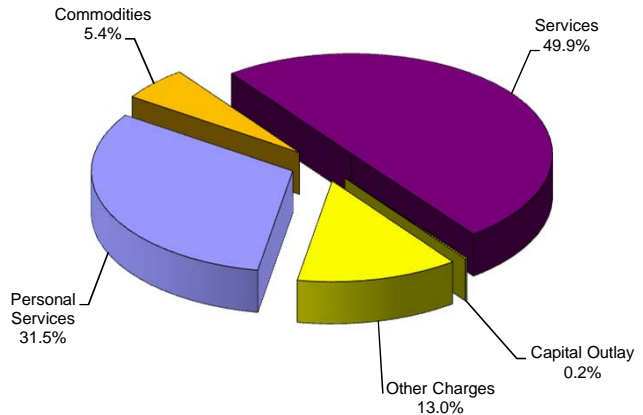
Adopted

Revenue and Expenditure Comparison:

2016 Revenue



2016 Expenditures



Revenue Highlights:

The Public Works budgeted 2016 revenues are \$138.2 million, a 3.1 percent increase over the 2015 adjusted budget. Details about the major sources of revenue include:

Current Property Taxes

For 2016, property taxes comprise 17.9 percent, or \$24.7 million, of the Public Works program's total estimated revenue. This is an increase of \$900,000 from the 2015 adjusted budget of \$23.8 million.

Other Taxes

The \$654,000 increase in Other Taxes reflects an anticipated increase in Wheelage Tax receipts in 2016.

Federal Revenue

Federal revenue of \$9.3 million consists mainly of federal grants for Community Works programs. The federal portion of the 2016 budget is 6.7 percent of the total Public Works program revenue, down from 7.7 percent in the 2015 adjusted budget.

State Revenue

The increase in State Revenue is attributed to an additional \$600,000 of road/highway-related funding and an additional \$700,000 of environmental protection grants.

Other Revenue

The other revenue category historically consists of revenue that various Public Works areas receive from the Hennepin County Regional Railroad Authority (HCRRA), Hennepin County Housing and Redevelopment Authority (HCHRA), Solid Waste fund, Energy Center and Central Mobile Equipment Division (CMED) for project staffing support. The \$1.8 million change in 2016 is primarily due to additional support provided to HCRRA, HCHRA, Solid Waste fund, Energy Center and CMED.

Expenditure Summary:

	2014 Actual	2015 Budget	2016 Budget
Public Works - County Revenue Fund Departments	\$65,678,584	\$69,999,647	\$72,849,214
Public Works - Environment and Energy Department	58,056,471	62,995,286	64,298,174
Public Works - Glen Lake Golf Course	784,531	1,050,894	1,056,508
Total Expenditures	\$124,519,586	\$134,045,827	\$138,203,896

Hennepin County

2016 BUDGET

Adopted

Program Highlights by Department:
--

Public Works - County Revenue Fund Departments

Community Works

The 2016 budget totals \$16.1 million, an increase of 4.7 percent over 2015. The transfer of Land Management division from Planning, Technology and Finance to Community Works constitutes most of the increase, which was offset by decreases in housing grants.

Planning, Technology and Finance

The 2016 budget totals \$11.1 million, an increase of \$1.7 million or 18.3 percent over 2015. The increase is due to consolidating, accounting and monitoring of Central Information Technology (IT) infrastructure expense in Planning, Technology and Finance.

Transportation (Roads and Bridges) - Operations

The 2016 budget totals \$34.8 million, an increase of 1.1 percent over 2015. Cost drivers for the increase include various staffing costs and road and traffic expenditures.

Transportation (Roads and Bridges) - Project Delivery

The 2016 budget remains relatively unchanged at \$10.9 million.

Public Works - Environment and Energy Department

Environment and Energy

The 2016 budget totals \$64.3 million, an increase of 2.1 percent over 2015. The increase is due to providing additional grant funding for new partnerships in 2016.

Public Works - Glen Lake Golf Course

Glen Lake Golf Course

The 2016 budget remains little changed at \$1.1 million.

Budgeted Positions:	2014 Actual	2015 Budget	2016 Budget
Public Works - County Revenue Fund Departments	358.0	360.0	369.5
Public Works - Environment and Energy Department	66.1	69.1	70.1
Public Works - Glen Lake Golf Course			
Total Full Time Equivalent (FTE)**	424.1	429.1	439.6

***FTE totals include employees from Internal Services Funds*

Hennepin County

Public Works Programs - County Revenue Fund

Public Works

2016 BUDGET

Adopted

Mission:

Our mission is to create active and livable communities through economic development, environmental stewardship and advancement of an intermodal transportation network.

Description:

Public Works is responsible for a wide range of programs and projects that support the Hennepin County mission of healthy and safe communities. This includes services supporting choices for transportation, economic development, housing and more.

The team also supports the Hennepin County Regional Railroad Authority (HCRRRA) and the Hennepin County Housing and Redevelopment Authority (HCHRA). Public Works has support services which includes: financial management, budgeting, information/computer technology, warehouse and long-term planning.

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	23,091,458	23,764,294	24,670,510
Other Taxes	9,381,812	9,348,579	10,102,343
Federal	8,096,344	9,330,949	8,305,915
State	18,738,930	20,065,637	20,686,660
Local	1,393,770	1,987,088	1,934,755
Investment Earnings	884		
Fees for Services	397,104	887,905	834,141
Fines and Forfeitures			
Licenses and Permits	353,775	308,765	308,765
Bond Proceeds			
Other Revenue	3,528,688	4,306,430	6,006,125
Total Revenues	\$64,982,765	\$69,999,647	\$72,849,214
Personal Services	\$30,077,023	\$33,744,511	\$36,304,678
Commodities	6,980,191	8,408,825	7,039,845
Services	26,880,539	27,170,358	28,871,467
Public Aid	37,122		50,000
Capital Outlay	912,849	277,500	210,000
Other Charges	790,860	398,453	373,224
Total Expenditures	\$65,678,584	\$69,999,647	\$72,849,214

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

Budgeted Positions (Full-time Equivalents)**	358.0	360.0	369.5
--	-------	-------	-------

***FTE totals include employees from Internal Services Funds*

*Note: Amounts above exclude Workforce Programs and Facility Services which will transfer to the Operations Line of Business in 2016. Amounts excluded are Facility Services: \$50,336,981 and 236.5 FTE's from the 2014 Actual and \$53,145,779 and 234.5 FTE's from the 2015 Budget
Workforce Development: \$5,241,974 and 4.0 FTE's in the 2014 Actual and \$5,913,020 and 4.0 FTE's in the 2015 Budget*

Hennepin County

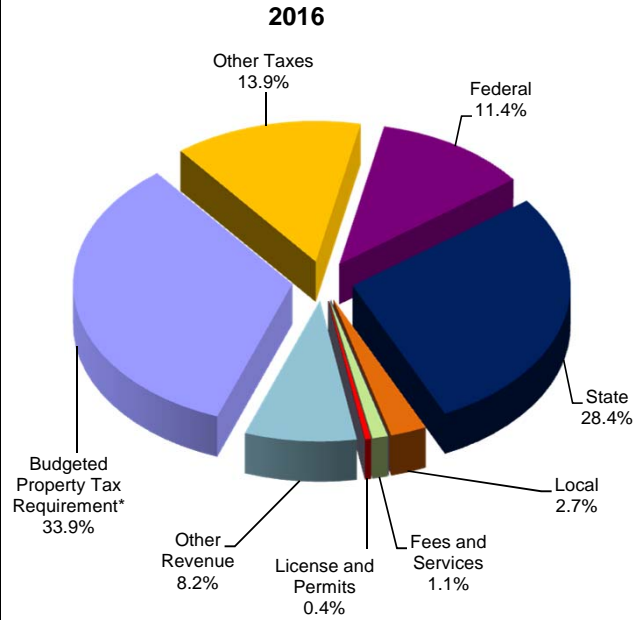
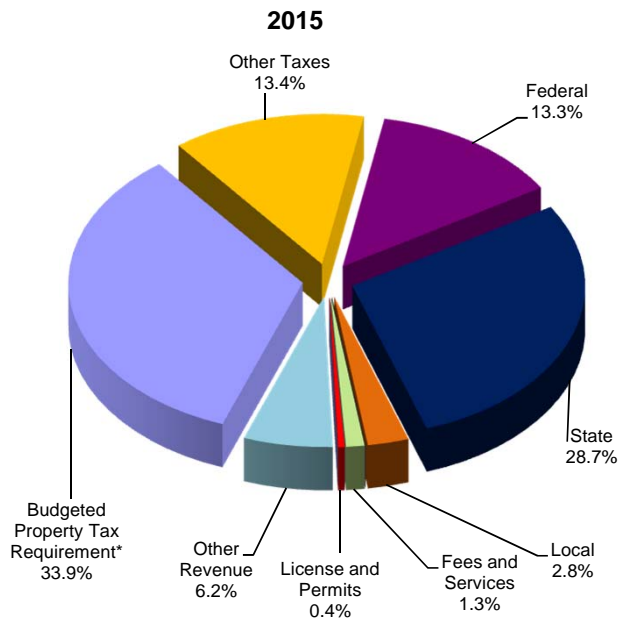
Public Works Programs - County Revenue Fund

2016 BUDGET

Public Works

Adopted

Revenue Comparison:



Significant Budget Changes:

In 2016, the Public Works business line will continue a transition from multiple departments to one department. This change is in preparation of Public Works becoming four major programs: Community and Economic Development, Energy, Environment and Transportation. The programs are supported by five departments (Community Works; Environment and Energy, Transportation (Roads and Bridges) - Operations; Transportation (Roads and Bridges) - Project Delivery; and Planning, Technology and Finance).

Part of the transition included the creation of the Planning, Technology and Finance program area which was created to support the entire Public Works business line. The department integrated Public Works Administration, Management Support and Planning (previously Planning, Policy and Land Management).

In 2015, Transportation was divided into two areas Transportation (Roads and Bridges) - Operations and Transportation (Roads and Bridges) - Project Delivery.

The Facility Services Department was moved from the Public Works business line to the Operations business line.

Expenditure Summary:

	2014 Actual	2015 Budget	2016 Budget
Community Works	\$14,652,608	\$15,421,486	\$16,140,866
Planning, Technology and Finance	7,306,787	9,348,587	11,060,800
Transportation (Roads and Bridges) - Operations	33,798,072	34,418,616	34,794,500
Transportation (Roads and Bridges) - Project Delivery	9,921,117	10,810,958	10,853,048
Total Expenditures	\$65,678,584	\$69,999,647	\$72,849,214

Budgeted Positions

	2014 Actual	2015 Budget	2016 Budget
Community Works	43.5	43.0	57.0
Planning, Technology and Finance**	98.0	100.0	90.5
Transportation (Roads and Bridges) - Operations	121.5	122.0	127.0
Transportation (Roads and Bridges) - Project Delivery	95.0	95.0	95.0
Total Full Time Equivalent (FTE)	358.0	360.0	369.5

**FTE totals include employees from Internal Services Funds

Hennepin County

Public Works Programs - County Revenue Fund

2016 BUDGET

Public Works

Adopted

Budget Commentary:

In 2016 the following programs and projects will be advanced:

Community Works

- Robust engagement in conjunction with transitway implementation
- Increase in economic/redevelopment throughout the county
- Transit Oriented Development (TOD) demand will increase due to advancement of transitways
- Integration of infrastructure improvements with economic/development needs
- Supporting land management (Hennepin County Regional Railroad Land Use Management Plan adopted)

Planning, Technology and Finance

- Advancing metrics / levels of performance for asset management based on data management
- Comprehensive planning and programming for healthy communities, bicycle and pedestrian planning, and operational activities and / or capital projects (asset management, performance based, Return On Investment (ROI), etc.)
- Advancing workforce development / employee development
- Supporting and advancing program risk management and performance management for Public Works

Transportation (Roads and Bridges) - Operations

- Advancing employee engagement, knowledge transfer and operational review
- Continue asset management / preservation programs for infrastructure categories
- Leveraging other governmental agency procurement / contract purchasing power to support delivery of projects / programs
- Advance and integrate technology into our transportation system

Transportation (Roads and Bridges) - Project Delivery

- Planning, design and administration of largest capital transportation program for the county
- Advancing multi-modal transportation network for the county
- Delivering projects to advance choice of transportation, mobility and connectivity throughout the county
- Continuing to implement a program of projects supporting asset management / preservation, economic factors and quality of life needs

Key Results:	2014	2015 Est.	2016 Goal
Number of Affordable Housing Units Funded	1,011	1,495	1,110
Number of housing units funded - within a 1/2 mile radius of public transit	619	632	600
Southwest and Bottineau Light Rail Transit *	PE/DEIS	PD/PD	ENG/PD
Number of public/private dollars leveraged through Affordable Housing Incentive Fund/TOD/HOME/Community Development Block Grant/Environ. Response Fund (millions)	720.8	310	2.3
Percent of bridges with sufficient rating <50	7.5%	6.8%	6.8%
System annual crash rate (for years 2010, 2011, 2012)	3.45	3.42	3.85
Present serviceability rating (portion rated good or better)	58.7%	59.0%	59.5%
Engineering costs as a percent of actual capital project costs	18.9%	18.0%	18.0%
Capital Improvement Program/Construction Expenditures (in \$ millions)	34.2	70.0	83.5
Revenue Collected - Days Outstanding	26	25	25
Accounts Receivable billings processed	6,249	6,300	6,300

*PE - Preliminary Engineering, DEIS - Draft Environmental Impact Statement, PD - Project Development

Hennepin County

Public Works Programs - County Revenue Fund

Public Works

2016 BUDGET

Adopted

Additional Resources:

Hennepin County - www.hennepin.us

Minnehaha – Hiawatha Community Works - www.minnehaha-hiawatha.com

Penn Avenue Community Works - www.hennepin.us/penn

Lowry Avenue Community Works - www.hennepin.us/lowry

Business Assistance - www.hennepin.us/business/work-with-henn-co/business-assistance

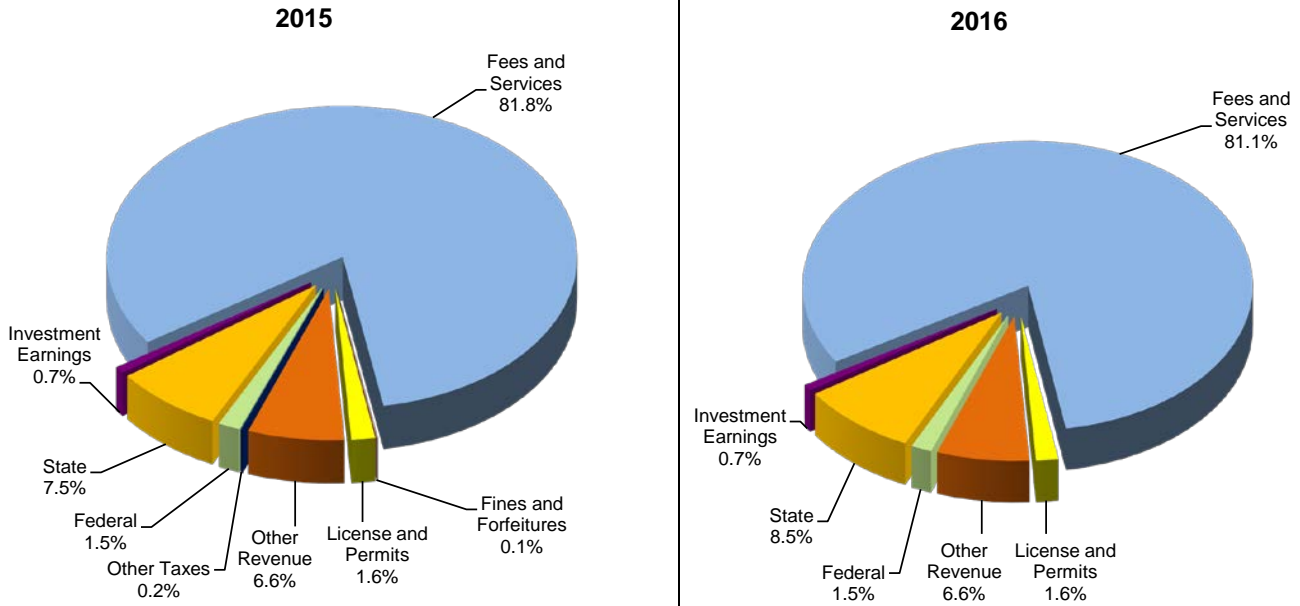
Public Works - Environment and Energy Department

2016 BUDGET

Public Works

Adopted

Revenue Comparison:



Significant Budget Changes:

Solid waste will contract for fewer tons to be delivered by haulers. From 475,000 tons at \$49/ton in the prior year to 425,000 tons at \$55/ton in 2016.

Division Budgets:

	2014 Actual	2015 Budget	2016 Budget
Admin and Planning	\$10,900,306	\$12,526,299	\$12,960,859
Environmental Protection	3,057,329	5,216,741	6,589,326
Solid Waste	42,272,965	43,152,246	42,547,989
Environmental Response	1,825,871	2,100,000	2,200,000
Total Expenditures	\$58,056,471	\$62,995,286	\$64,298,174

Budget Commentary:

In 2016 the following programs and projects will be advanced:

- Finalize contract negotiations for operational and maintenance needs for Hennepin Energy Recovery Center (HERC)
- Reduce waste landfilling and increase organic recycling
- Monitor greenhouse gases/Environmental Protection Agency (EPA) clean power plan
- County energy plan completion
- Monitor air quality and determine proactive actions for maintaining the region in attainment
- Continue proactive approaches enhance water quality, contain spreading of invasive species, and bank wetlands
- Conduct research and develop strategy to address emerald ash borer's impact on the county's tree canopy

Key Results:

	2014	2015 Est.	2016 Est.
Energy Production (Megawatt hours of electricity)	186,293	165,000	165,000
Awards to Environmental Response grantees	\$1,816,536	\$2,000,000	\$1,500,000
Recycling Rate	44.0	45.0	48.0

Additional Resources:

- www.hennepin.us
- www.rethinkrecycling.com
- www.mepc-mn.org

Hennepin County

Public Works - Glen Lake Golf Course

Public Works

2016 BUDGET

Adopted

Mission:

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

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:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	857,118	1,050,894	1,056,508
Total Revenues	\$857,118	\$1,050,894	\$1,056,508
Personal Services	\$442,937	\$471,909	\$476,847
Commodities	81,395	101,825	106,350
Services	128,479	140,083	142,295
Capital Outlay			
Other Charges	131,720	337,077	331,016
Total Expenditures	\$784,531	\$1,050,894	\$1,056,508
<i>*Reflects the adjusted property tax requirement budget, not actual property tax collection.</i>			
Budgeted Positions (Full-time Equivalents)	0.0	0.0	0.0

Major Program: Public Safety

- Public Safety Administration & Integration
- County Attorney's Office
- Court Functions
- Public Defender's Office
- 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, and correctional programs. The county departments contributing to this major program are the Public Safety Administration & Integration, County Attorney's Office, Court Functions, Public Defender's Office, Sheriff's Office, Department of Community Corrections and Rehabilitation, and Sheriff's Radio Communications.

Program Budget Highlights:

The 2016 Public Safety Line of Business accounts for 47.8 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 2,194.9 authorized full-time equivalents (FTEs) which is an increase of 66.9 FTEs over the 2015 adjusted budget.

The 2016 operating expenditures for the Public Safety Line of Business has increased by 4.3 percent or \$11.9 million over the 2015 adjusted budget for a total appropriation of \$291.5 million. The expenditures will be offset by \$61.1 million in expected non-property tax revenues and \$230.4 million in property tax.

Overall, the main contributors to the increase in 2016 can be found in the following categories: Personal Services for \$8,283,439 and Services for \$2,834,633.

In 2016, Personal Services account for 67.7 percent of all expenditures in the Public Safety Line of Business and will increase due to increasing FTEs; cost of living adjustment (COLA), merits and Health Insurance rate increases; along with a shift in accounting for personnel costs in Sheriff Radio Communications.

The expansion of expenses in the Service category pertain to a county-wide increase in the information technology (IT) infrastructure, software maintenance and enhancements, hospitalization of indigent inmates, and contracted services for anticipated growth in the number of Children In Need of Protection (CHIPS). Other increases are seen in the Public Defender's Office for contracted attorneys to maintain the current level of service as the attrition of Hennepin County FTEs continues.

In 2016, the Public Safety Line of Business reflects an increase of 36.9 FTEs with the majority of the change occurring in the Sheriff's Office with 21 FTEs, the Department of Community Corrections and Rehabilitation with 12 FTEs, and the Hennepin County Attorney's Office with 6.5 FTEs. These increases are offset by the attrition in the Public Defender's Office of 7.6 Hennepin County FTEs.

Revenue Highlights:**Property Tax Revenues**

In 2016, property tax comprises 79 percent of the Public Safety Line of Business total expected revenues of \$291.5 million. The majority of the property tax will fund the Sheriff's Office at \$87.3 million, Department of Community Corrections and Rehabilitation at \$83 million, and the County Attorney's Office at \$45.2 million.

Non-Property Tax Revenues

The departments in the Public Safety Line of Business will rely on \$61.1 million in expected non-property tax revenues for 2016. The main sources are the State of Minnesota with \$31.2 million, Fees and Services revenue at \$19.5 million, Federal revenue at \$6.1 million, and \$3.4 million in Other Revenue.

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, Justice Assistance grants, Urban Area Security Initiative grant, DWI countermeasures, and reimbursement for breakfast and lunch programs at the Juvenile Detention Center and County Home School.

When compared to the 2015 adjusted budget, federal revenue reflects a slight decrease of \$134,200, however support for specific programs have changed like the child protection, the sun-setting of grants or an overall reduction in grant funding.

State Revenue

Revenue from the State of Minnesota is the largest source of non-property tax income for the Public Safety program and is reflective of 10.7 percent of total revenue. The majority of state revenue will be realized in the following departments:

Department of Community Corrections and Rehabilitation accounting for \$19.3 million for activities related to Community Corrections Act (CCA), Probation Officers Caseload Reduction, Intensive Supervised Release (ISR), and Department of Corrections Sex Offender Supervision; the Public Defender's Office with \$7.6 million as a subsidy for the costs associated to the remaining Hennepin County employees; and the Sheriff's Office at \$3.8 million for Police State Aid (PERA-Police and Fire), 911 Enhancement fee, and Violent Offender Task Force (VOTF) activities.

When compared to the 2015 adjusted budget, revenue from the State of Minnesota has decreased by \$161,300 to \$31.2 million mainly due to the decrease for reimbursement from the Minnesota State Public Defender's Office but was offset by an increase in Community Correction Act (CCA) subsidy and Intensive Supervised Released (ISR) grant.

Fees and Services Revenue

As the second largest source of non-property tax revenue, or 6.7 percent of total revenue, is obtained as a result of 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.

The anticipated 2016 Fee and Service revenue will increase by 592,900 to \$19.5 million over the 2015 adjusted budget.

The two department that drove the increase are the Sheriff's Radio Communications due to the Radio Administrative fee and the Sheriff's Office for the revenues from the Hennepin County Medical Center (HCMC) Secure Unit but were offset by the reduction in Minneapolis jail fees and per-diems contract.

License and Permits

In 2013 policy discussions on both the state and federal level have increased attention on gun ownership issues. These discussions have been a contributing factor to the growth in the number of applications for a permit to carry. Since then, the number of permits has been slowly declining to historical values and the 2016 gun permit revenue has been realigned to the projected activity of \$601,000.

Other Revenue

In 2016, Other Revenue has been budgeted at \$3.4 million and accounts for 1.2 percent of total revenues. The majority of this revenue falls in the Sheriff's Office for reimbursement for personnel services for the Sheriff's Radio Communications (Fund 38), detective work for other Hennepin County departments, court security, and jail commissary sales. Another contributor is the use of fund balance in Sheriff's Radio Communications fund for upgrade of the Motorola Interoperable Radio System, which is a part of the Allied Radio Matrix for Emergency Response (ARMER) 800 Megahertz radio network.

2016 BUDGET

Adopted

Department Expenditure Summary:	2014 Actual	2015 Budget	2016 Budget
Public Safety Administration & Integration	\$5,894,179	\$7,687,377	\$8,005,554
County Attorney's Office	45,934,919	47,096,906	50,045,618
Court Functions	1,803,472	2,192,000	1,910,000
Public Defender's Office	15,077,819	16,016,754	14,922,898
Sheriff's Office	92,089,224	94,887,942	100,178,133
Dept. of Community Corrections and Rehabilitation	102,637,824	108,607,846	112,171,653
Sheriff's Radio Communications	2,160,854	3,087,073	4,281,840
Total Expenditures	\$265,598,291	\$279,575,898	\$291,515,696

Program Highlights by Department:

Public Safety Administration & Integration

To enhance the alignment of public safety and its initiatives, several areas from Operations were realigned into a new department within in the Public Safety Line of Business and called Public Safety Administration & Integration and consists of four new divisions: Public Safety Administration, Emergency Management, Hennepin Justice Integration Program, and Criminal Justice Coordinating Committee.

In 2016, Public Safety Administration & Integration will increase 5 FTEs, 4 of which will occur in Hennepin Justice Integration Program to reduce the reliance on consultants and utilize permanent positions and one FTE in Public Safety Administration to perform administrative activities, project management, along with the managing of contracts and grants. As an offset, there is a reduction in service expenditures for less consulting and capital outlay due to a one-time purchase of emergency management vehicles in 2015.

Some of the top 2016 initiatives that this area will oversee are the Adult Detention Initiative, Hennepin/ Ramsey Joint Juvenile Correctional Residential Treatment Facility, Employee Engagement, Diversity and Inclusion, along with a collaboration with the Sheriff's Office to implement the identified outcomes from the 2015 Sheriff's Office Staffing Study.

County Attorney's Office

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 for critical work in the office. While the HCAO works hard to hold the line on property tax, the approved 2016 operating budget and property tax reflects an increase of 6.3 percent. The increase stems from cost of living adjustment (COLA), merit increases with the associated taxes and benefits, the increase for 6.5 full-time equivalents (FTEs), Information Technology rate increases, and the transfer of ProCase from the Hennepin Justice Integration Program.

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 budgeted expenditure authority is funded 100 percent by property taxes and will decrease by \$282,000 when compared with the 2015 adjusted budget of \$2.2 million.

The driver for the decrease stems from services related to Family Court were transferred to the Public Defender's Office. These are services that provide legal assistance in defense of indigent people involved in Hennepin County Court Family Court parentage matters where custody and visitation are contested.

Public Defender's Office

In 2016, the Public Defender's Office has an appropriation of \$14.9 million, offset by expected non-property tax revenues of \$7.6 million and property tax of \$7.3 million. The Public Defender's Office was also approved to operate with 64.9 FTEs. When compared to the 2015 adjusted budget of \$16 million, the authorized operating budget reflects a decrease with a correlated decrease in revenues from the State of Minnesota. The number of authorized Hennepin County FTEs for 2016 are also down by 7.6 FTEs from the 2015 adjusted budget for an authorized count of 64.9 FTEs and is the driver behind the overall reduction in expenditure authority. As an offset, the Public Defender's Office has increased their budget for the anticipated increase in the number of CHIPS cases from the Governor's Task Force on the Protection of Children and their recommendations. Other off-sets pertain to the transfer of Family Court service Court Functions along with increasing the contracted attorneys' to maintain current service levels as the number of Hennepin County FTEs continue to decline.

Program Highlights by Department Continued:**Sheriff's Office**

In 2016, the Sheriff's Office will have an appropriation of \$100.2 million which will be funded by expected non-property tax revenues of \$12.9 million and property tax of \$87.3 million. When compared to the 2015 adjusted budget of \$94.9 million, the operating budget has increased by \$5.3 million; property tax revenues have increased by \$5 million; and non-property tax revenues have increased by \$322,100. In 2016, the Sheriff's Office was approved to operate with 799 FTEs. The 2016 operating budget reflects funding for 768 Full-Time Equivalents (FTEs), which is an increase of 26 FTEs from the 2015 adjusted budget of 742 FTEs.

Of the \$5.3 million operation increase, \$3.8 million occurs in Personal Services due to an increase associated to funding for 26 FTEs, COLA, a merit, and health insurance rate increases. Other increases are seen software maintenance and storage; Central Mobility Equipment Division (CMED) asset replacement; forensic equipment; the Hospital Sheriff Enforcement Unit; and the nursing contract in the Adult Detention Center.

Department of Community Corrections and Rehabilitation

The Department of Community Corrections and Rehabilitation (DOCCR) established a strategy map in 2008 to guide change initiatives department-wide. The strategy map has led the department down a multi-year transformation to become a results-oriented and data-driven organization, creating an organization that is sustainable and aligned with correctional evidence-based practices (EBP). The department's goal is to help its clients move from being offenders involved with the criminal justice system to being good neighbors in their communities.

The 2016 budget maintains the investments made in past years for client assessment, motivational interviewing and cognitive behavioral interventions, and furthers this journey by focusing resources on the highest risk clients. A tenet of EBP is to focus correctional resources on the highest risk clients. The best results for correctional clients come when staff are skilled in effective practices and caseloads are of a reasonable size. Currently, high risk caseloads in adult are above the desired caseload size of 50:1 and in 2016, the budget has allocated additional probation officers to adult to reduce the high-risk caseload size and support ongoing implementation of evidence-based probation practices.

Over the past five years, juvenile services have engaged in extensive system reform like Juvenile Detention Alternatives Initiative (JDAI) which has resulted in significant reduction in juvenile probation caseloads and clients are limited to moderate and high risk youth. This success has lead the public safety partners to introduce a new initiative for adults called Adult Detention Initiative (ADI). The mission of the ADI is to use data-driven and best practice strategies system-wide to find ways to safely reduce county-wide detention, with a particular focus on addressing disproportionate impact on poor people and communities of color. ADI is committed to achieving a system that works across all agencies to ensure that its citizens receive equal justice. In the long term, public safety is best served by ensuring safe rehabilitation and reintegration into the community.

In 2016, Hennepin County will continue with its collaboration with Ramsey County Department of Corrections for a joint juvenile correctional residential treatment facility. Currently, Hennepin and Ramsey counties each operate separate facilities, the Hennepin County Home School and Ramsey County's Boys Totem Town, where the buildings and programming are aging. They either require significant ongoing preservation and maintenance efforts, or complete renovations. This goal for the two counties is to develop a shared, single-site, juvenile correctional residential treatment center with a governance structure that will enable the collaboration to succeed. The 2016 budget advances this project by authorizing a 1.0 DOCCR division manager to coordinate this project on behalf of the county and a capital improvement project for \$37.7 million, which is funded by the State of Minnesota and Hennepin County, for the construction of this facility.

Sheriff's Radio Communication

In 2016, the Radio Communication Fund will have an expenditure and revenue authority of \$4.3 million. When compared to the 2015 adjusted budget, the majority of the increase pertains to an upgrade for the Motorola Interoperable Radio System which is a part of the ARMER 800 Megahertz radio network along with additional funding for two Communications Technician's and the countywide Cost Allocations Plan.

Budgeted Positions:	2014 Actual	2015 Budget	2016 Budget
Public Safety Administration & Integration	25.0	30.0	35.0
County Attorney's Office	347.0	353.0	359.5
Court Functions	0.0	0.0	0.0
Public Defender	77.9	72.5	64.9
Sheriff's Office	808.0	778.0	799.0
Dept. of Community Corrections and Rehabilitation	910.0	924.5	936.5
Sheriff's Radio Communications	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	2,167.9	2,158.0	2,194.9

Public Safety Administration & Integration
Public Safety

2016 BUDGET
Adopted

Mission:

To administer and coordinate public safety endeavors, while working the with justice partners to identify and promote best management practices.

Department Description:

To enhance the alignment of public safety agencies and their initiatives, several areas from Operations were realigned into a new department within in the Public Safety Line of Business and called Public Safety Administration & Integration and consists of four new divisions: Public Safety Administration, Emergency Management, Hennepin Justice Integration Program, and Criminal Justice Coordinating Committee.

The Public Safety Administration responsible for advising the Hennepin County Board and Hennepin County Administrator on policies and issues related to and involving the Hennepin County justice partners as well as overseeing the strategic and fiscal management of the departments. The office provides leadership and fosters collaboration on strategic initiatives that promote efficiencies, innovative practices and policies that enhance public safety which are fiscally responsible.

Emergency Management protects communities by coordinating and integrating all activities to build, sustain, and improve capabilities to prevent, mitigate, prepare for, respond to and recover from threatened or actual natural disasters, acts of terrorism, or other man-made disasters.

Hennepin Justice Integration Program (HJIP) was formed in 2005 to support local efforts to improve the sharing of critical criminal justice information between Hennepin County agencies as well as the state. HJIP mission is to leverage opportunities for new electronic data exchanges in order for the agencies to have accurate, real time information.

Criminal Justice Coordinating Committee (CJCC) was established in 1986 and meets on a regular forum where city and county policy makers meet to discuss issues and initiative that require cooperation across jurisdictional lines and among many parts of the criminal justice system.

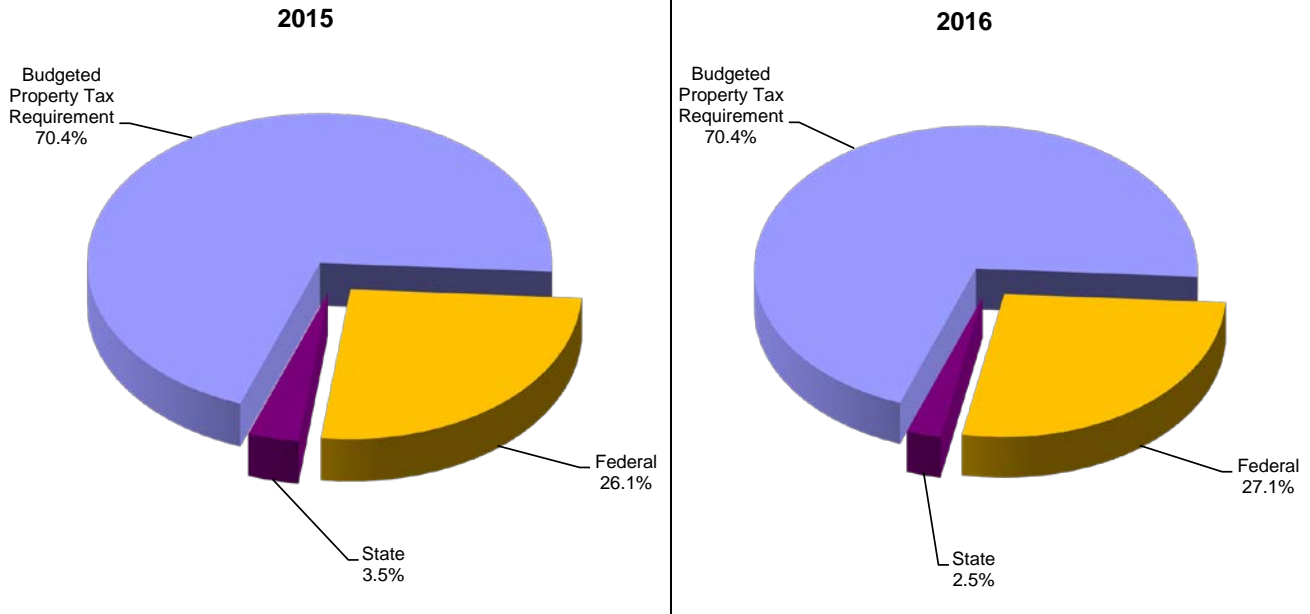
Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$3,791,863	\$5,410,141	\$5,633,332
Other Taxes			
Federal	1,821,129	2,006,236	2,172,223
State	66,448	271,000	199,999
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$5,679,440	\$7,687,377	\$8,005,554
Personal Services	\$2,726,944	\$4,008,005	\$4,378,449
Commodities	328,225	422,274	474,164
Services	2,754,262	3,073,048	2,967,687
Public Aid			
Capital Outlay	32,819	119,900	82,176
Other Charges	51,929	64,150	103,078
Total Expenditures	\$5,894,179	\$7,687,377	\$8,005,554

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

Budgeted Positions (Full-time Equivalents)	25.0	30.0	35.0
--	-------------	-------------	-------------

Revenue Comparison:



Significant Budget Changes:

In 2016, Public Safety Administration & Integration will have an appropriation of \$8.0 million which will be funded by expected property tax revenue of \$5.6 million and non-property tax revenue of \$2.4 million. When compared to the 2015 adjusted budget, the operating budget has increased by 4.1 percent or \$318,200. Property tax revenues have increased by 4.1 percent or \$223,200, with non-property tax revenues showing a slight increase of \$95,000. The department will operate with 35 Full-Time Equivalent (FTEs) which is an increase of 5 FTEs over the 2015 adjusted budget.

The majority of the increase in 2016 occurs in personnel services for the 5 additional FTEs, 4 of which will occur in HJIP to reduce the reliance on consultants and utilize permanent positions and one FTE in Public Safety Administration to perform administrative activities, project management, along with the managing of contracts and grants. As an offset, there is a reduction in service expenditures for less consulting and capital outlay due to a one-time purchase of emergency management vehicles in 2015.

Division Budgets:

	2014 Actual	2015 Budget	2016 Budget
Public Safety Administration	\$0	\$645,157	\$817,659
Emergency Management	1,844,046	2,013,496	1,965,135
Hennepin Justice Integration Program	3,479,751	4,238,429	4,291,350
Criminal Justice Coordinating Committee	570,382	790,295	931,410
Total Expenditures	\$5,894,179	\$7,687,377	\$8,005,554

Budget Commentary:

Some of the top initiatives for 2016 for the Public Safety Line of Business are Adult Detention Initiative, Hennepin/ Ramsey Joint Juvenile Correctional Residential Treatment Facility, Employee Engagement, Diversity and Inclusion, along with a collaboration with the Sheriff's Office to implement the identified outcomes from the 2015 Sheriff's Office Staffing Study.

Adult Detention Initiative (ADI)-The mission of the Hennepin County Adult Detention Initiative (ADI) is to use best practice strategies system-wide to find ways to safely reduce unnecessary detention. Our jail population is larger than it needs to be, and this unnecessary incarceration wastes taxpayer dollars, damages families, divides communities, and often does not work to reduce crime. ADI is committed to working across all agencies to build a smarter and fairer criminal justice system.

Hennepin-Ramsey Joint Treatment Facility project is a solution for issues facing both counties. The Hennepin-Ramsey Joint Treatment Facility would replace the Hennepin County Home School and Ramsey County's Boys Totem Town. Both these facilities physical plants are aging and require significant on-going preservation and maintenance efforts, or complete renovations. The proposed joint Regional Treatment Center would provide cost-efficient, safe, secure, evidence-based residential services for at-risk youth and their families in the Twin Cities.

Employee Engagement - The largest expense in the 2016 Public Safety Line of Business is personal services which account for 76.6 percent of total approved expenditure authority. Public Safety Administration will continue to expand best practices and strategies that support timely and meaningful performance management, teambuilding and other tailored strategies that increase employee engagement and satisfaction.

Diversity and Inclusion- The Assistant Administrator's Office for Public Safety will continue to encourage recruitment, hiring and retention strategies that expand diversity and practices that encourage inclusion.

Sheriff's Office Staffing Study-In 2015, an external consultant's study on staffing practices in the Sheriff's Office resulted in over 40 recommendations. In 2016, the Assistant Administrator's Office for Public Safety will work with the County Board and Sheriff's Office to identify priorities from the study and develop an implementation plan.

Additional Resources:

Public Safety Line of Business Information:
www.hennepin.us/residents#public#safety

Emergency Management:
Phone: 612-596-0250
email: emergency.mgmt@hennepin.us
web-site: www.hennepin.us/residents/emergencies/emergency-management

Criminal Justice Coordinating Committee
web-site: <http://www.hennepin.us/your-government/leadership/criminal-justice-coordinating-committee>

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.

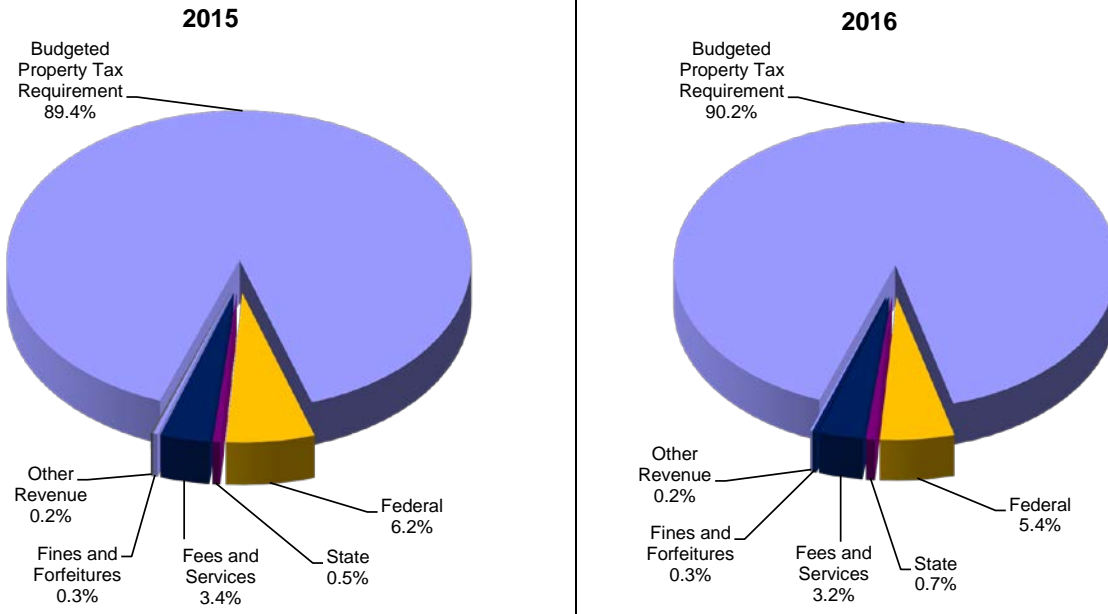
Budget Summary:	2014 Actual**	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$40,304,765	\$42,114,276	\$45,158,889
Other Taxes			
Federal	2,613,753	2,896,693	2,711,545
State	185,972	249,371	336,804
Local	53,000		
Investment Earnings			
Fees for Services	1,582,479	1,616,566	1,612,000
Fines and Forfeitures	185,445	150,000	150,000
Licenses and Permits			
Bond Proceeds			
Other Revenue	62,774	70,000	76,380
Total Revenues	\$44,988,188	\$47,096,906	\$50,045,618
Personal Services	\$38,384,415	\$39,914,992	\$42,159,711
Commodities	193,668	292,703	243,800
Services	7,207,481	6,759,788	7,456,494
Public Aid			
Capital Outlay			50,000
Other Charges	149,355	129,423	135,613
Total Expenditures	\$45,934,919	\$47,096,906	\$50,045,618

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

**In 2014, Restricted Fund Balance was utilized.

Budgeted Positions (Full-time Equivalents)	347.0	353.0	359.5
--	--------------	--------------	--------------

Revenue Comparison:



Significant Budget Changes:

In 2016, the Hennepin County Attorney's Office (HCAO) will have an appropriation of \$50 million which will be funded by expected property tax revenue of \$45.1 million and non-property tax revenue of \$4.9 million. When compared to the 2015 adjusted budget, the operating budget has increased by 6.3 percent or \$2.9 million. Property tax revenues have increased by 7.2 percent or \$3 million, with non-property tax revenues showing a slight decrease of \$95,900.

The HCAO continues to manage ongoing budget challenges by pursuing innovative cost saving measures, growing community partnerships and seeking outside funding for critical work in the office. While the HCAO works hard to hold the line on property tax, the approved 2016 operating budget and property tax reflects an increase of 6.3 percent. The increase stems from cost of living adjustment (COLA), merit increases with the associated taxes and benefits, the increase for 6.5 full-time equivalents (FTEs), Information Technology rate increases, and the transfer of ProCase from the Hennepin Justice Integration Program.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Criminal	\$24,763,038	\$25,204,893	\$26,930,931
Civil and Administration	21,171,881	21,892,013	23,114,687
Total Expenditures	\$45,934,919	\$47,096,906	\$50,045,618

Budget Commentary:

After Governor Mark Dayton put together a special task force to look into what appeared to be failures of the child protection system in counties across the state, the Hennepin County Board requested an outside review of child protection services. As a result, recommendations were made, and at the state level, money was appropriated to at least partially fund needed improvements to the system. For Hennepin County, which will lead to the hiring of nearly 100 new social workers and support staff to investigate allegations of abuse and develop case plans. This means more cases referred to the HCAO for Child in Need of Protection or Services petitions and other court actions. Already, our review and consultation responsibilities have grown considerably as a result of the recommendations. This additional work requires three new attorneys and two professional staff members in our Child Protection Division.

During the past year, the Juvenile Prosecution Division has been leading a work group of police departments throughout the county to try to enhance diversion. Their recommendations included an enhanced role for the HCAO in screening cases for possible diversion and making the referrals to the proper programs and services for the wayward child. We believe this will result in a standard, consistent screening process, increase the opportunities for diversion and keep hundreds, or more, additional youth out of the court system for low-level offenses.

Nothing wears down the people in a neighborhood faster than a house on the block where constant parties, drug dealing or other crimes occur on a daily or weekly basis. Through enforcement of nuisance property laws, the HCAO has helped clean up dozens of these properties across Hennepin County.

We embrace enhanced technology. We have seen how it can make us more efficient and provide cost savings as we move from thick paper files to sleek digital files. Still, this change does not come easy or free. We have adapted in order to make the move to the paperless/paper on demand office and courtroom, but during the transition we must still live in the real world. Our Child Support and Adult Prosecution Divisions have been willing participants in this move to the future. What we have discovered as an office is that more people are needed to support the enhanced technology and assist in the change management during this major transition.

Key Results:

The Child Support Division and Complex Crimes unit worked together to bring both criminal charges and a civil case against a defendant for failing to pay \$165,561 in child support over the past 15 years.

The Civil Division successfully defended two county board members against a defamation lawsuit when a judge ruled earlier this year that all statements made about the property owners were either factual, hyperbole or reasonable opinion.

In another case, which represented a direct attack on our courts and the criminal justice system, three gang members already in prison were convicted of forgery, perjury and bribery charges in a scheme to develop false affidavits to get the three men released from prison for killing a man years earlier. The three men used intimidation of others serving prison time with them or bribery of people inside and outside of prison to get them to sign the sworn statements to contradict evidence in the original trial.

The Adult Prosecution Division successfully convicted four people for murder and they are serving life in prison without parole.

Additional Resources:

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

Court Functions
Public Safety

2016 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:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$2,192,000	\$2,192,000	\$1,910,000
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$2,192,000	\$2,192,000	\$1,910,000
Personal Services			
Commodities			
Services	\$1,803,472	\$2,192,000	\$1,910,000
Public Aid			
Capital Outlay			
Other Charges			
Total Expenditures	\$1,803,472	\$2,192,000	\$1,910,000

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

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

Significant Budget Changes:

The 2016 Court Functions authorized operating budget will decrease by \$282,000 or 12.9 percent when compared to the 2015 adjusted budget. The majority of the reduction stems from the Family Court contracts moving from Court Functions to the Public Defender's Office. These contracts provide legal representation to the indigent who are involved in Hennepin County Family Court parentage matters where custody and visitation are contested.

The 2016 budget is comprised of:

- \$1,155,000 for Mental Health Court legal representation
- \$200,000 for the Temporary hospital confinement of Mental Health Court clients
- \$425,000 for Probate Court, appointed legal representation of minor children, incapacitated or incompetent indigent adults
- \$60,000 for Housing Court, appointed legal representation for legal advice to low-income tenants and landlords
- \$70,000 for legal assistance for indigent clients in criminal cases

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:

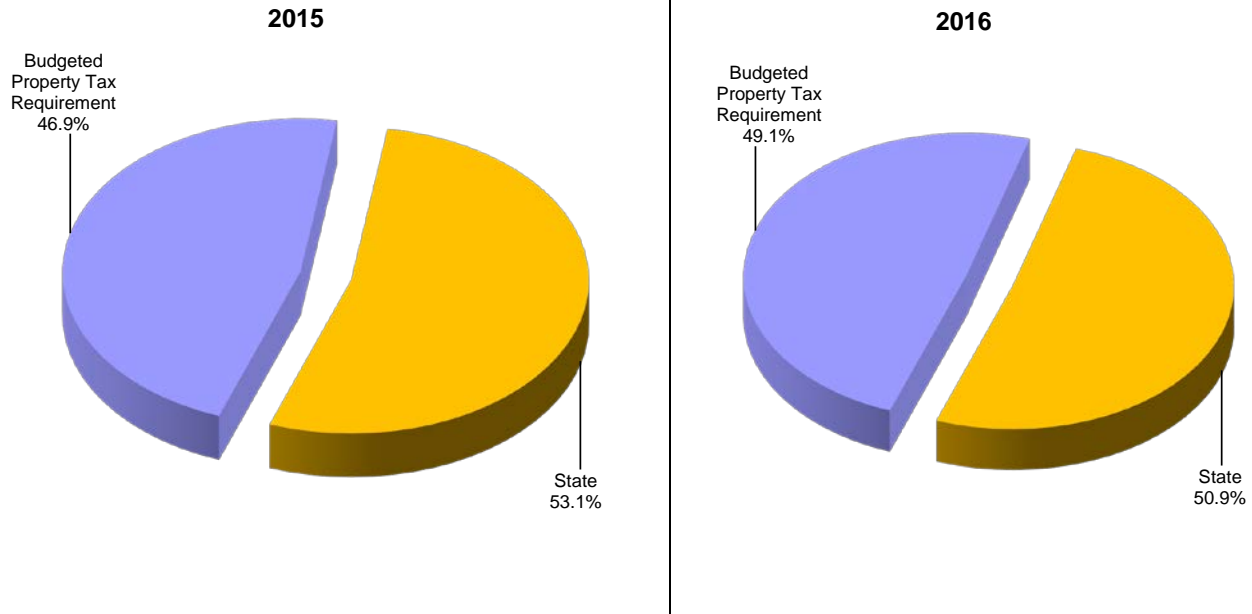
According to Gideon v. Wainwright (decided 50 years ago), the United States Supreme Court held an indigent defendant is entitled to assistance of counsel in a criminal trial. In subsequent cases, the Supreme Court has further established right to counsel in any case where the accused may be imprisoned 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 (PDO) is entrusted with these responsibilities for the majority of criminal cases prosecuted in Hennepin County. The PDO is also responsible to represent children in juvenile delinquency petitions as well as children and parents involved in child protection and termination of parental right matters.

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$7,562,656	\$7,511,170	\$7,319,928
Other Taxes			
Federal			
State	7,515,931	8,505,584	7,602,970
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$15,078,587	\$16,016,754	\$14,922,898
Personal Services	\$10,296,607	\$10,537,307	\$8,876,910
Commodities	176,022	478,550	245,000
Services	4,580,154	4,946,897	5,740,488
Public Aid			
Capital Outlay	381	10,000	10,000
Other Charges	24,655	44,000	50,500
Total Expenditures	\$15,077,819	\$16,016,754	\$14,922,898

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

Budgeted Positions (Full-time Equivalents)	77.9	72.5	64.9
--	-------------	-------------	-------------

Revenue Comparison:



Significant Budget Changes:

In 2016, the Hennepin County Public Defender's Office has an appropriation of \$14.9 million, off-set by expected non-property tax revenues of \$7.6 million and property tax of \$7.3 million. When compared to the 2015 adjusted budget of \$16 million, the authorized operating budget will decrease by \$1.1 million or 6.8 percent, and will operate with 64.9 Hennepin County full-time equivalents (FTEs).

When compared to the 2015 adjusted budget, the majority of the decrease in the Public Defender's Office will occur in personal services due to the retirement of 7.6 Hennepin County FTEs. As an offset, service expenditures will increase to accommodate the current demand of services in Children In Need of Protective Services (CHIPS) and Termination of Parental Rights (TPR) cases; the transfer of Family Court cases from Court Functions; and overall growth in clients that require representation.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Adult Criminal Court	\$10,403,695	\$10,953,297	\$9,785,760
Adult CHIPS and Appeals	2,487,840	2,658,781	2,552,901
Juvenile Delinquency	2,186,284	1,073,122	983,800
Juvenile CHIPS Children		1,249,307	1,265,437
Father's Project		82,247	85,000
Family Court			250,000
Total Expenditures	\$15,077,819	\$16,016,754	\$14,922,898

Budget Commentary:

The Public Defender’s Office (PDO) remains committed to developing processes that allow staff to provide zealous representation of our clients. In 2016, we will focus on technology, child protection case volume, the restructure of District Court felony cases, along with being an active member of the Problem Solving Courts Mental Health Services team.

Technology: The PDO will continue to collaborate with justice partners on integration projects and program developments that will create efficiencies in our daily operational duties. An example would be the Public Defender's work with the County Attorney’s Office and District Court to exchange documents in an effective, timely and paperless way that will yield noticeable efficiencies.

Child Protection: The PDO remains committed to providing outstanding representation to parents involved in CHIPS and TPR petitions and will increase resources to support the increased volume.

District Court Changes: This year, the court restructured the way in which felony cases were handled. The result has been a dramatic increase in the work required by staff. We remain committed to working with court leadership to offer our input and to negotiate changes to help our clients and our staff.

Problem Solving Courts Mental Health Services: Since a majority of our clients have addictions and mental health issues, the PDO will continue to be a strong advocate for services by representing their interest on various committees and workgroups, which includes the Hennepin County Behavioral Health Initiative.

Key Results:	2014	2015 Est.	2016 Est.
Murder	36	41	44
Felony	5,427	6,303	6,681
Gross Misdemeanor	4,738	5,022	4,922
Misdemeanor	22,304	20,680	20,200
Juvenile Delinquency	2,585	2,740	2,685
Juvenile Welfare	1,491	1,946	2,062
Probation Violations	6,467	8,408	8,240
Extraditions	192	224	220
Other	157	166	163

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

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
- Pursuit and apprehension of all felons

Budget Summary:

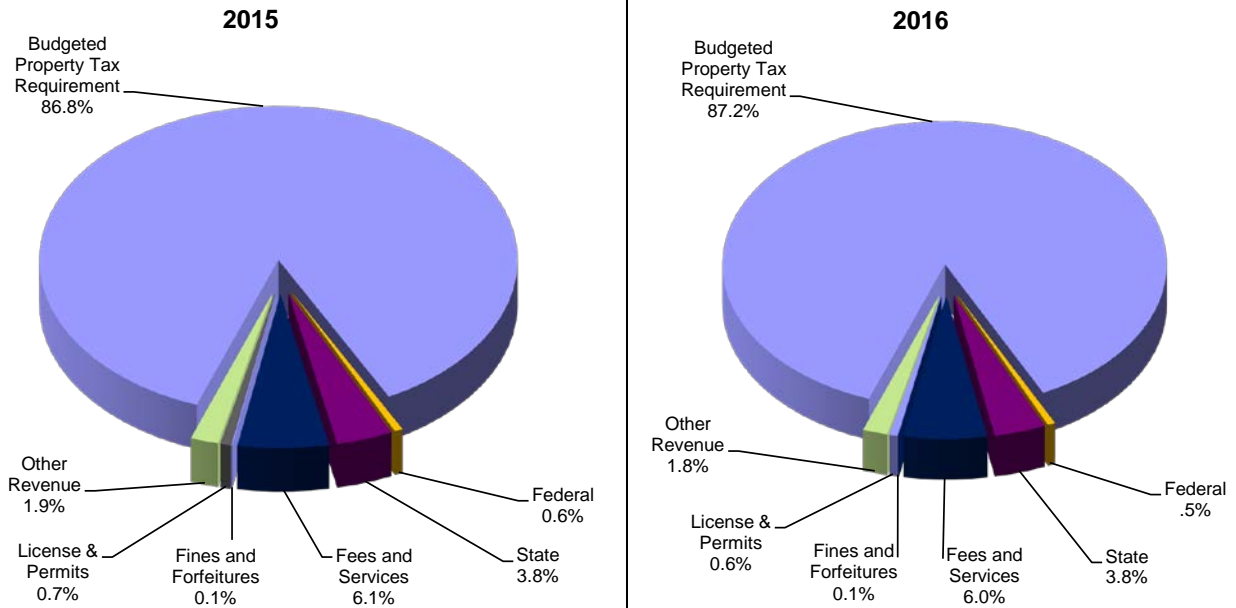
	2014 Actual	2015 Budget **	2016 Budget
Budgeted Property Tax Requirement*	\$79,018,651	\$82,364,869	\$87,332,987
Other Taxes			
Federal	449,304	523,951	551,950
State	3,763,057	3,628,823	3,761,283
Local			
Investment Earnings			
Fees for Services	5,595,991	5,834,705	6,036,739
Fines and Forfeitures	120,181	73,000	75,000
Licenses and Permits	536,765	664,600	601,000
Bond Proceeds			
Other Revenue	1,993,179	1,797,994	1,819,174
Total Revenues	\$91,477,128	\$94,887,942	\$100,178,133
Personal Services	\$74,725,098	\$75,911,620	\$79,742,365
Commodities	4,285,049	4,612,299	4,979,433
Services	11,962,012	13,028,063	13,700,004
Public Aid			
Capital Outlay	101,165	228,500	624,107
Other Charges	1,015,900	1,107,460	1,132,224
Total Expenditures	\$92,089,224	\$94,887,942	\$100,178,133

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

**The 2015 budget does not include a \$500,000 contingency transfer.

Budgeted Positions (Full-time Equivalents)	808.0	778.0	799.0
--	--------------	--------------	--------------

Revenue Comparison:



Significant Budget Changes:

In 2016, the Sheriff's Office will have an appropriation of \$100.2 million which will be funded by expected property tax revenue of \$87.3 million, and non-property tax revenue of \$12.9 million. When compared to the 2015 adjusted budget, the operating budget has increased by \$5.3 million; property tax revenues have increased by \$5.0 million; and non-property tax revenues have increased by \$322 thousand.

The majority of the items that impact the Sheriff's Office 2016 operating budget include: increased funded staffing levels closer to board authorized levels; a cost of living adjustments (COLAs) and merit increase, a county-wide health insurance rate increase; and Hennepin County Medical Center (HCMC) nursing contract in the Adult Detention Center.

The overall increase in non-property tax revenues pertains to providing security to the Hennepin County Medical Center but was offset by a decrease in the Minneapolis jail fees and per diem contract.

The 2016 operating budget reflects funding for 768 Full-Time Equivalents (FTEs), which is a increase of 26 FTEs from the 2015 adjusted budget of 742 FTEs.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Administrative	\$12,052,490	\$12,533,005	\$13,553,923
Adult Detention	32,876,674	33,750,416	35,612,294
911 Dispatch	9,004,601	6,091,355	6,419,345
Court Services	7,133,201	6,910,453	7,443,334
Enforcement Services	12,370,184	12,884,635	13,443,201
Forensic Sciences	4,045,434	4,349,855	4,594,515
Information Technology	7,282,111	10,631,634	11,756,755
Investigative	7,041,823	7,676,589	7,354,766
Grants/Other	282,706	60,000	
Total Expenditures	\$92,089,224	\$94,887,942	\$100,178,133

Budget Commentary:

Nationwide, several large metro areas are experiencing significant increases in violent crimes in 2015. The increase in violent crime in Hennepin County has not been as sizable as similar metro areas. Overall, Hennepin County remains one of the nation's safest large metro areas with historically low violent crime rates in recent years. Even so, the crime statistics are a red-flag and the Sheriff's Office has re-directed and re-dedicated agency resources to target violent offenders and address this increasing crime.

One example includes the Hennepin County Violent Offender Task Force (VOTF), led by the Sheriff's Office, which is a multi-agency task force that investigates active offenders who are suspects in felony-level crimes. Since VOTF's inception in 2007, more than 940 illegal firearms have been recovered. For the first six months of 2015, the number of VOTF recoveries of illegal guns has increased 54.2 percent compared to the same time frame last year. In 2014, a major multi-agency VOTF investigation resulted in the federal indictment of 11 known gang members and associates involved in gang warfare.

The Hennepin County Sheriff's Office Community Engagement Team (CET) leads efforts to build communities of trust in diverse communities across the county. The CET responds to residents' concerns and provides crime prevention information in their language or in a culturally-specific manner. In October, 2015, the Sheriff's Office was awarded a grant from the US Department of Justice to expand the CET by two sworn officers. This will occur in the first quarter of 2016.

In February 2015, the Hennepin County Sheriff's Office established a new unit at the Hennepin County Medical Center (HCMC) to provide full-time law enforcement services. This unit is called the Sheriff's Office HCMC Enforcement Unit and maintains a visible presence on the hospital campus 24/7 by conducting routine patrols and responding to emergency incidents.

Key Results:	2014	2015 Est.	2016 Est.
Number of police/fire/medical calls dispatched	624,339	639,916	645,000
Number of jail bookings	34,116	34,343	35,000
Number of court security escorts	35,042	34,743	35,000
Number of crime scene responses	2,556	2,385	2,600
Number of mortgage foreclosure sales	1,752	1,545	1,800

Additional Resources:

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

Department of Community Corrections & Rehabilitation
Public Safety

2016 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 community corrections system in Minnesota, with an annual supervision of approximately 27,000 adult and juvenile offenders in institutions, on probation or parole, and in the Sentencing to Service programs on a typical day. There are approximately 1,300 juveniles and 25,600 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 booked into the facility per year;
- Juvenile Detention Center provides custody and care for approximately 1,780 juveniles per year pending court disposition; and
- County Home School provides custody and treatment for approximately 140 juvenile offenders in a year.

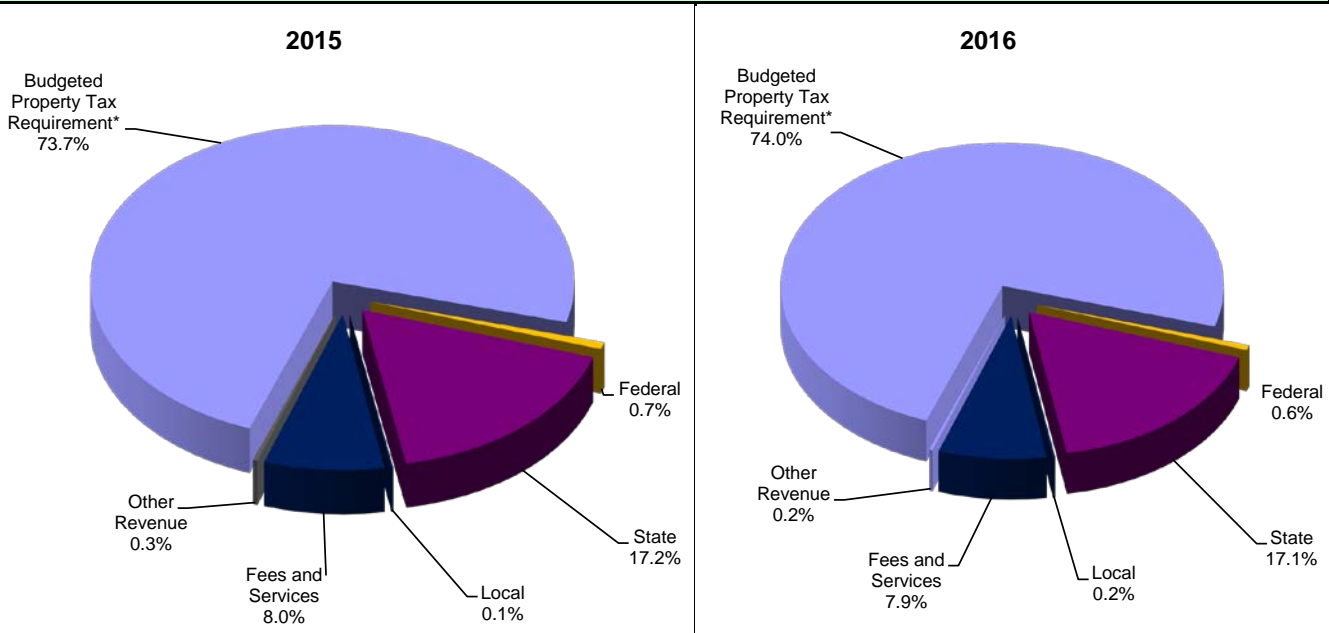
Family Court Services performs custody evaluation and mediation services; 1,400 families received services in 2015.

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$77,324,124	\$79,985,712	\$83,027,920
Other Taxes			
Federal	557,240	782,180	639,100
State	18,360,361	18,667,285	19,214,699
Local	100,517	131,400	176,000
Investment Earnings			
Fees for Services	8,152,681	8,709,769	8,835,414
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	73,755	331,500	278,520
Total Revenues	\$104,568,678	\$108,607,846	\$112,171,653
Personal Services	\$78,293,659	\$84,667,612	\$86,799,680
Commodities	3,499,120	2,948,567	3,076,346
Services	19,509,087	20,508,656	21,751,516
Public Aid			
Capital Outlay	841,280	123,530	107,500
Other Charges	494,678	359,481	436,611
Total Expenditures	\$102,637,824	\$108,607,846	\$112,171,653

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

Budgeted Positions (Full-time Equivalents) **910.0** **924.5** **936.5**

Revenue Comparison:



Significant Budget Changes:

The 2016 DOCCR budget will have an appropriation of \$112.2 million which will be funded by expected property tax revenues of \$83 million, and non-property tax revenues of \$29.2 million. When compared to the 2015 adjusted budget, the operating budget has increased by 3.3 percent or 3.6 million; property tax revenues have increased by 3.8 percent or \$3 million; and non-property tax revenues have increased by 1.8 percent or \$521,600.

In 2016, the property tax and the Community Corrections Act (CCA) Subsidy account for 90.5 percent of all revenues. In 2015, the Minnesota legislative session has changed the allocation to Hennepin County for the Community Corrections Act (CCA) Subsidy which has increased by 3.8 percent increase or \$676,400 for a total of \$18.5 million.

For 2016 expenses, as similar to other county departments, the majority of the increase pertains to cost-of-living adjustment and merit increases; health insurance rates, county-wide information technology rates, and additional staffing.

Field Services Staffing and Caseloads: The 2016 budget emphasized allocating resources to the highest risk correctional clients and moving toward targeted caseloads of 25:1 in juvenile probation and 50:1 in adult probation, as recommended by the American Parole and Probation Association. Due to the increase in the number of adults on probation, the 2016 budget has allocated 10.5 probation officers (POs) to the Adult Field Services division to assist in reducing the caseload. These positions will come from reallocating 4.0 POs positions from Juvenile Probation; additional 2.5 POs in the Intensive Supervised Released as a result of new dedicated state funding; and an authorized staffing increase of 4.0 PO.

County Home School (CHS) Operational Efficiency: CHS has two residential treatment programs serving juvenile males: (1) the Short-term Adolescent Male Program (STAMP) is a 90-120 day program serving lower risk juveniles, and (2) the STAMP-Plus program which is a 4-6 month program providing more intensive services to moderate-risk juvenile males. The two programs were located in separate cottages and require 24/7 staffing. The 2016 budget will merge the two programs into one cottage resulting in improved operational and staffing efficiencies.

Juvenile Detention Center (JDC) Intake Function: The JDC 2016 budget is reclassifying 8.0 Juvenile Corrections Officers as Public Safety Records Clerks to better align the intake responsibilities at the JDC with the appropriate job classification. In addition to salary savings, it is anticipated that this reallocation will be a programming improvement by professionalizing the intake function. Previously the intake activities were provided by Juvenile Corrections Officers.

Significant Budget Changes Continued:

Information Technology: The 2016 budget includes an additional IT Business Analyst position to address the backlog of departmental IT project needs. In addition, \$200,000 has been budgeted for IT enhancement funding in 2016 to address IT projects and initiatives.

Hennepin-Ramsey Joint Juvenile Corrections Facility Planning and Construction: Hennepin and Ramsey Counties each operate separate juvenile correctional residential treatment centers, the Hennepin County Home School and Ramsey County's Boys Totem Town. In each county, the buildings used to house youth and programming are aging. They either require significant ongoing preservation and maintenance efforts, or complete renovations. This collaborative initiative's goal is the development of a shared, single-site, juvenile correctional residential treatment center with a governance structure that will enable the collaboration to succeed. The 2016 budget advances this project by authorizing a 1.0 DOCCR division manager to coordinate this project on behalf of the county. In addition, the County's capital improvement program has included \$37.7 million (Hennepin County funding and State funding) for the construction of this facility.

Adult Corrections Facility (ACF) is committed to focusing resources on individuals identified as high risk / high need to increase their chance of succeeding when they leave the facility. The ACF is expanding opportunities for participation in evidence-based programming, such as cognitive behavior programming, increasing its collaborative efforts with county agencies through the Transition from Jail to the Community program (Adult Probation, HSPHD, Community Offender Management, and community resource providers), maintaining meaningful employment opportunities for offenders, and addressing educational needs, and mental and physical health needs. Many of the residents struggle to obtain these skills or services when they are discharged.

The Adult Field Service division will increase the staffing in the Urine Analysis (U/A) Lab with 2 Community Corrections Specialists for a total of 7.0 FTEs to manage the increased volume of U/A and DNA testing over the last several years. In 2013, approximately 66,000 U/A tests were performed which has grown to 70,000 in 2014 and an estimated 80,000 tests to be completed in 2015. As for DNA, the staff collect an average of over 5 DNA samples per day, and over 100 DNA samples per month. DOCCR continues to work with Facility Services to reconfigure the existing U/A lab to more efficiently and safely accommodate the escalating testing.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Administration	\$985,377	\$1,034,544	\$974,490
Organizational Change Management	7,928,712	9,243,368	10,587,297
Adult Corrections Facility	19,852,489	19,078,370	19,907,054
Community Offender Management	6,380,363	7,561,387	7,665,260
Family Court Services	2,655,865	2,539,265	2,464,493
Adult Field Services	31,386,242	33,748,946	35,075,973
County Home School	10,526,423	11,202,135	11,402,552
Juvenile Detention Center	8,769,184	9,431,641	9,642,226
Juvenile Probation	12,288,773	12,868,190	12,516,958
State Juvenile Placements (Red Wing)	1,864,396	1,900,000	1,935,350
Total Expenditures	\$102,637,824	\$108,607,846	\$112,171,653

Budget Commentary:

Since 2008, DOCCR has been on a journey of continuous practice improvement, using evidence-based research and departmental data to guide decisions. DOCCR initiated and sustained meaningful improvements and regularly measure the impact of these changes. This 2016 budget request marks a continuation of this journey – focusing resources on the highest risk clients. The department's goal is to help its clients move from being offenders involved with the criminal justice system to being good neighbors in their communities.

To focus strategic planning work, a Strategy Map was created in 2008 and has been enhanced every other year thereafter. Goals in the strategic plan align with the map's strategic focus areas or one of three strategic themes: organizational development and growth, evidence based principles and practices, data-driven decision-making. The plan is reflective of broader Hennepin County values and goals of effective and efficient government, ensuring our citizens are protected and safe and assured due process, that we value employee engagement, workforce diversity and inclusion, customer service and continuous improvement.

Budget Commentary Continued:

DOCCR's strategic plan should lead to the following outcomes:

- Increased public safety and less recidivism
- A workplace that is welcoming, engaging, diverse and customer-centric
- Serving those at higher risk of re-offense
- Clients leave our system "better" than when they came in
- Effective programming and coordinated re-entry processes
- Increased collaboration and cooperative partnerships with stakeholders
- Alignment with corrections industry evidence based principles and practices
- Improved stewardship of taxpayer dollars.

Evidence-based practices (EBP) continue to drive DOCCR decisions. The 2016 budget maintains the investments we have made in past years for client assessment, motivational interviewing and cognitive behavioral interventions. A tenet of EBP is to focus correctional resources on the highest risk clients. The best results for correctional clients come when staff is skilled in effective practices and when high risk caseloads are of a reasonable size.

Over the past five years, juvenile services have engaged in extensive system reform. Today's juvenile probation is much smaller and limited to moderate and high risk youth. As a result, juvenile probation caseloads have been significantly reduced. Currently, high risk caseloads in adult are above the desired caseload size of 50:1. The 2016 budget allocates additional probation officer resources to adult to reduce high-risk caseload size and support ongoing implementation of evidence-based probation practices.

The Transition for Jail to Community (TJC) initiative has transformed practices at the Adult Correctional Facility (ACF) to focus resources on high risk clients and set them up for success upon reentry to the community. The 2016 budget sustains this investment in TJC and maintains a sufficient probation officer complement at the ACF to support our residents.

The department is committed to providing mental health services at its three correctional institutions. The 2016 budget increases mental health services with a full-time psychiatrist and increased hours for a mid-level mental health practitioner. In compliance with licensing regulations, DOCCR has begun to provide healthcare for ACF work release residents.

DOCCR continues to work extensively with its partners across the county.

County Home School (CHS) and Nexus Program: DOCCR has collaborated with Property Services, Human Services and Public Health Department (HSPHD) and Nexus (an HSPHD contract vendor) to locate its intensive residential treatment program for adolescent females in Cottage 1 on the CHS campus. The Nexus program is designed to meet the needs of difficult to place adolescent females who have a history of serious psychological, psychiatric and behavioral issues. These females have not been adjudicated as delinquent but have typically failed multiple placements in Minnesota facilities. To date, they have had to be placed out-of-state with very limited contact or access to their families. The Nexus program is licensed by the State Department of Human Services as a secure mental health program.

Workforce Development: DOCCR is partnering with the National Institute of Corrections to provide training designed to improve employment outcomes for correctional clients. Unemployment is a criminogenic risk factor for many of our clients, and research indicates that offenders who have satisfying, stable employment are less likely to re-offend.

Key collaborative initiatives in 2016 will include:

- Human Services Line of Business - Facilitating access and provision of social services for corrections clients through on-site HSPHD social workers at the Adult Correctional Facility and establishing healthcare coverage prior to release from the facility.
- Health Line of Business - Improving continuity of care for corrections clients through the enhanced use of the EPIC shared electronic health record.
- Public Safety Line of Business – The 2016 budget programs staff and funding for the Adult Detention Initiative (ADI) to advance this criminal justice system reform effort.
- County-wide Children's Review - DOCCR reallocated a support staff position to a Principal Planning Analyst in Juvenile Probation to focus on improving educational outcomes for juveniles on supervision.

Department of Community Corrections & Rehabilitation
Public Safety

2016 BUDGET
Adopted

Key Results:	2014	2015 Est.	2016 Est.
1st Year Recidivism Rate - all clients referred in last month of year (delayed by 24 months)	22.4% Actual 2012 Cohort	22.6% Est. 2013 Cohort	20.0 % Goal 2014 Cohort
Juveniles in Correctional Out-of-Home Placements (at year-end)	182	194	200
Total Sentencing-to-Service and Community Work Service hours completed	242,539	238,000	243,000
DOCCR Institutions Percent Capacity (at year end)	83.8%	83.1%	90.0%
JDC Average Length of Stay (at year end)	8.3 days	8.1 days	6.0 days

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@hennepin.us
 Website: www.hennepin.us/residents#public-safety

Sheriff's Radio Communications
Public Safety

2016 BUDGET
Adopted

Mission:

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

Department Description:

The 800 MHz Radio Lease Program 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 Minnesota Regional Public Service Communications System. Users include county departments and police, fire and emergency medical service agencies in Hennepin County.

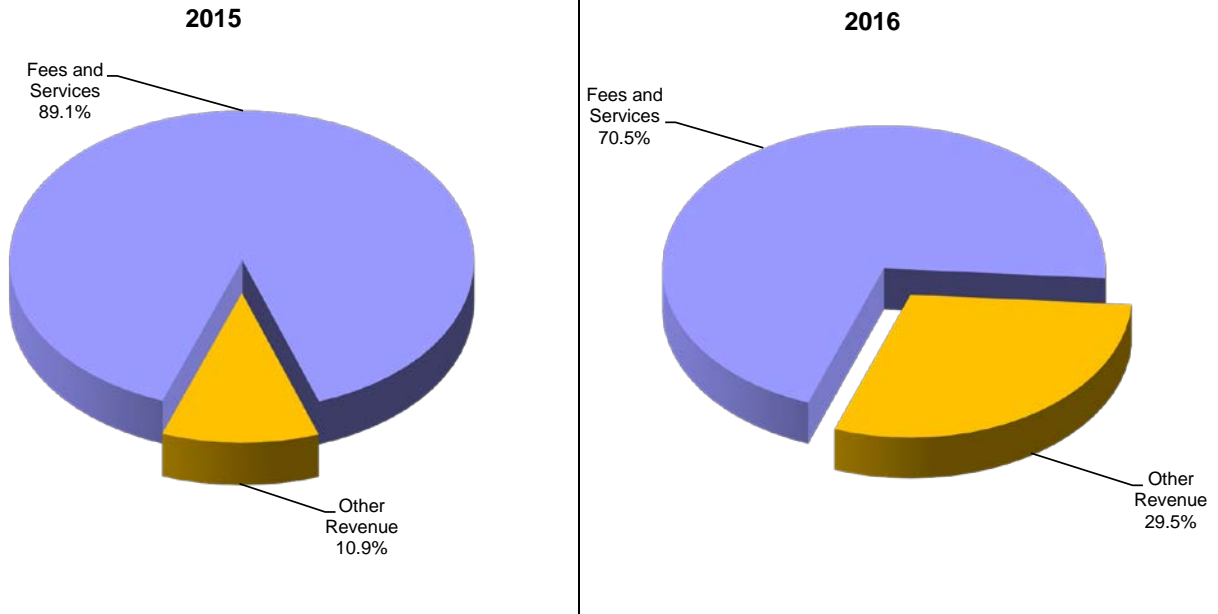
Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*			
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services	\$2,334,289	\$2,750,788	\$3,020,543
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	(489,497)	336,285	1,261,297
Total Revenues	\$1,844,792	\$3,087,073	\$4,281,840
Personal Services	\$988,339		\$1,365,860
Commodities	128,248	160,000	155,000
Services	332,814	1,787,039	1,603,935
Public Aid			
Capital Outlay			
Other Charges	711,453	1,140,034	1,157,045
Total Expenditures	\$2,160,854	\$3,087,073	\$4,281,840

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

Budgeted Positions (Full-time Equivalents) **0.0** **0.0** **0.0**

Revenue Comparison:



Significant Budget Changes:

The 2016 budget increase is due primarily to an upgrade of the radio base stations. In addition, the 2016 budget reflects two additional Sheriff's Office Communication Technicians for on-going operational service at the Emergency Communications Facility and will be covered by rental fees.

Also, in 2016 the Radio Communications fund balance will be utilized to support the upgrade of the base stations and the countywide increase in the Cost Allocation Plan. All of which will be partially offset by the recommended adjustment in depreciation.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Radio Leases	\$1,143,406	\$2,265,680	\$2,509,495
Mobile Data Computer Leases	985,846	485,108	522,663
Infrastructure	31,602	336,285	1,249,682
Total Expenditures	\$2,160,854	\$3,087,073	\$4,281,840

Additional Resources:

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

Hennepin County

2016 BUDGET
Adopted

Major Program: Health

- NorthPoint Health and Wellness Center
- Hennepin Health Plan
- Health Administration
- Medical Examiner
- Uncompensated Care
- HCMC Sexual Assault Resources Service (SARS)



NorthPoint Health and Wellness Center

Program Description:

The Health program encompasses the county's health care activities. The county is the principal public agency responsible for providing services to the indigent. This major program consists of the following departments: Health Administration, Hennepin Health Plan*, NorthPoint Health and Wellness Center, and the Medical Examiner. In addition, health related costs are included in the Uncompensated Care and Sexual Assault Resource Service (SARS) cost centers.

Prior to 2016, the Health Program was also responsible for Intergovernmental Transfers (IGTs) between the county, Hennepin County Medical Center (HCMC), and the Minnesota Department of Human Services (DHS). In agreement with DHS, Hennepin County will no longer be involved with IGTs. HCMC will continue to work directly with DHS to manage the intergovernmental transfers.

Program Budget Highlights:

The Health program's budget for 2016 is \$294.8 million which is 13.8 percent more than the 2015 adjusted budget. The program will operate with 379.3 FTE positions in 2016 which is 35.4 more than authorized in 2015. All of the departments, except for Hennepin Health Plan, are included in the County Revenue Fund. Hennepin Health Plan operates as a separate enterprise fund of the county.

Revenue and Expenditure Information:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$30,475,923	\$29,464,683	\$29,680,566
Other Taxes	0	0	0
Federal	2,085,701	2,160,294	2,026,830
State	1,210,369	19,987,000	2,071,385
Local	43,723,600	23,338,776	1,980,842
Investment Earnings	464,101	507,264	1,078,249
Fees and Services	177,260,467	183,112,463	258,382,558
Fines and Forfeitures	0	0	0
License and Permits	244,930	249,529	259,000
Bond Proceeds	0	0	0
Other Revenue	261,923	211,515	(685,344)
Total Revenues	\$255,727,014	\$259,031,524	\$294,794,086
Personal Services	\$35,590,339	\$38,676,233	\$43,587,939
Commodities	2,134,871	2,451,552	2,572,204
Services	210,014,699	210,672,556	239,884,685
Capital Outlay	315,289	1,010,530	437,000
Other Charges	7,081,591	6,220,653	8,312,258
Total Expenditures	\$255,136,790	\$259,031,524	\$294,794,086

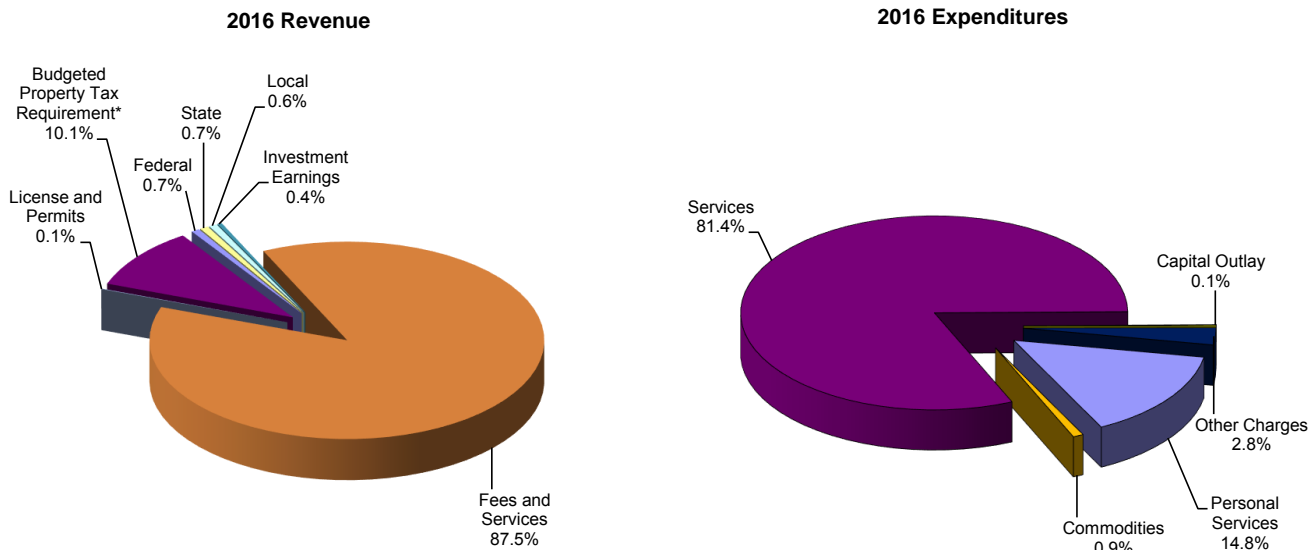
**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Budgeted Positions (Full-time Equivalents)	331.3	343.9	379.3
---	--------------	--------------	--------------

Hennepin County

2016 BUDGET
Adopted

Revenue and Expenditure Comparison:



Revenue Highlights:

Budgeted 2016 revenues total \$294.8 million, a 13.8 percent increase from the 2015 adjusted budget. The previous page contains a summary comparing major revenue categories for the years 2014 - 2016.

Property Tax Revenues

In 2016, property taxes comprise 10.1 percent of the Health program's total estimated revenue compared to 11.4 percent in 2015. Total property taxes are increasing by \$215,000 or .7 percent. The increase is primarily due to an increase in the NorthPoint Health and Wellness Center budget for 2016 and by an increase in the Medical Examiner's budget for 2016 as both departments have increased expenses with partial reliance on property taxes. As in past years, the budget for Metropolitan Health Plan (MHP) and Hennepin Health (HH), now known as Hennepin Health Plan (HHP), does not include any property tax revenue.

Non-Property Tax Revenues

The Health program relies to a large extent on non-property tax revenue to finance its budget. Some of the major sources of non-property tax revenue and their relative impact on the county's 2016 budget are:

Federal

Federal sources consist of \$2.0 million in federal grants for health care programs at NorthPoint Health and Wellness Center. These grants are reduced by nearly \$133,500 from the 2015 due to additional expansion grants in 2015 and timing of these.

State / Other Intergovernmental (Local)

Revenue from the State of Minnesota is estimated at \$2.1 million and makes up 0.7 percent of total Health program revenue for 2016. Revenues in this category are approximately \$17.9 million lower than in 2015, and is mostly due to the elimination of intergovernmental transfer payments from the Minnesota Department of Human Services (DHS). Prior to 2016 this department was responsible for county payments between amongst the county, HCMC, and DHS, however, now these payments are between HCMC and DHS.

Fees and Services

Revenues from fees charged for services are \$258.4 million for 2016 and comprise 87.6 percent of the Health program's total revenues. Nearly all of the fees and services revenue comes through as payments for healthcare services provided by NorthPoint and Hennepin Health Plan. Total 2016 fees and services revenue is budgeted to be 41.1 percent more than budgeted for 2015 primarily due to HHP having been awarded a managed care organization contract with the state of Minnesota Department of Human Resources. The revenue amounts are departmental estimates based on historical data, current reimbursement rates and expected changes in patient volume.

Other Revenues

Other revenues of negative \$0.7 million consists mostly of reinsurance premiums for HHP.

Hennepin County

2016 BUDGET Adopted

Department Expenditure Summary:	2014 Actual	2015 Budget	2016 Budget
Health Administration	\$0	\$447,883	\$495,788
Hennepin Health Plan*	159,247,706	159,526,897	232,164,029
Medical Examiner	5,311,525	5,721,216	5,878,401
NorthPoint Health and Wellness Center	30,223,326	33,851,828	36,825,868
Uncompensated Care	20,000,000	18,500,000	18,500,000
HCMC Intergovernmental Transfers and Sexual Assault Resources	40,354,233	40,983,700	930,000
Total Expenditures	\$255,136,790	\$259,031,524	\$294,794,086

Program Highlights by Department:

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.

Hennepin Health Plan (HHP)

HHP, consisting of Metropolitan Health Plan (MHP) and Hennepin Health (HH) is Hennepin County's health maintenance organization (HMO) and offers Medicaid Expansion and Special Needs Basic Care plans to its members. HHP also provides administrative and claims management services for Hennepin Health. Hennepin Health is the integrated health delivery network which provides services to Medicaid participants under a contract with the Minnesota Department of Human Services.

Health Administration

Health Administration is responsible for all departments in the Health line of business. This department has been transferred out of MHP as of January 1, 2015.

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. Since January 1, 2013, the office has been providing Medical Examiner services to Dakota County and Scott County in addition to Hennepin County. The other counties fully reimburse Hennepin County for the cost of those services.

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.

Hennepin County Medical Center Intergovernmental Transfers (IGT) and Sexual Assault Resource Services (SARS)

Hennepin County has eliminated Intergovernmental Transfers effective in 2016. These payments are now between HCMC and the state 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.

Budgeted Positions:	2014 Actual	2015 Budget	2016 Budget
Health Administration	0.0	3.0	3.0
Hennepin Health Plan*	102.0	91.0	112.0
Medical Examiner	34.0	33.0	34.9
NorthPoint Health and Wellness Center	195.3	216.9	229.4
Uncompensated Care	0.0	0.0	0.0
Sexual Assault Resources Services	0.0	0.0	0.0
Total Full Time Equivalent (FTE)	331.3	343.9	379.3

*Hennepin Health Plan represents the combination of Metropolitan Health Plan and Hennepin Health

Hennepin County

NorthPoint Health and Wellness Center

Health

2016 BUDGET

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:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$6,339,853	\$5,948,422	\$6,034,628
Other Taxes			
Federal	2,085,701	2,160,294	2,026,830
State	1,210,369	612,000	2,071,385
Local	1,377,378	659,000	438,566
Investment Earnings			
Fees for Services	19,845,769	23,377,917	26,254,459
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	31,815	1,094,195	
Total Revenues	\$30,890,885	\$33,851,828	\$36,825,868
Personal Services	\$22,479,527	\$25,038,282	\$28,118,761
Commodities	2,015,995	2,088,481	2,430,386
Services	4,826,819	4,978,162	5,248,772
Public Aid			
Capital Outlay	288,158	1,010,530	437,000
Other Charges	612,827	736,373	590,949
Total Expenditures	\$30,223,326	\$33,851,828	\$36,825,868

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

Budgeted Positions (Full-time Equivalents)	195.3	216.9	229.4
--	--------------	--------------	--------------

Hennepin County

NorthPoint Health and Wellness Center
Health

2016 BUDGET
Adopted

Significant Budget Changes:

The 2016 adopted budget includes the following highlights:

- Increased patient fee revenues of 11.5 percent due to projected growth plus new satellite operations at West Broadway Education & Career Center (WBECC), Heritage Park and expanded volume at school sites. Overall projected revenue of \$30,089,998 is an increase of 8.5 percent over 2015.
- An increase of 6.5 FTEs to support WBECC operations to open mid-year 2016.
- An increase of 4.0 FTEs to a new site at Heritage Park, operations to begin late 2015.
- An increase of 2.0 FTEs for expanded Dental services at the main campus and additional Behavioral Health services at Anwatin and Harrison/Riverbend schools. The Federal program, Health Resources and Services Administration (HRSA), will fund the additional 2.0 FTEs.
- Expenditures total \$36,825,868 which is an increase of 8.8 percent primarily due to expanded services.
- Property Tax of \$6,034,628 which is 1.4 percent increase from 2015 budget.

Division Budgets:

	2014 Actual	2015 Budget	2016 Budget
Admin Services	\$7,133,981	\$8,418,085	\$8,075,040
Medical Operations	9,571,302	10,104,333	11,721,915
Dental Operations	4,198,592	5,206,182	5,686,298
Behavioral Health	3,557,843	3,884,202	4,559,913
Pharmacy	2,101,065	2,076,986	2,265,785
Other Professional	402,758	635,272	634,102
Enabling Services	3,257,785	3,526,768	3,247,942
Workforce Center			634,873
Total Expenditures	\$30,223,326	\$33,851,828	\$36,825,868

Budget Commentary:

NorthPoint's growth in 2016 is mostly due to the new satellite operation at West Broadway Education & Career Center, Heritage Park, additional Dental services at the main campus, and expanded services at community schools. Increased reimbursements achieved by enrolling patients into third-party programs and out of self-pay is expected to continue with a favorable payor mix in 2016. Hennepin Health recently received the contract bid for 2016 from the State Department of Human Services for an expanded population. Partnership in the Hennepin Health patient care model continues to be an important aspect of operations.

Key Results:

	2014	2015 Est.	2016 Est.
Medical Visits	48,611	52,079	55,004
Behavioral Health Visits	17,267	20,941	22,836
Dental Visits	20,535	23,942	25,192

Additional Resources:

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

Hennepin County

Hennepin Health Plan
Health

2016 BUDGET
Adopted

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 Plan (HHP) is a not-for-profit, state certified health maintenance organization. HHP serves Medical Assistance and Special Needs Basic Care (SNBC) participants residing in Hennepin County. Funding for these services is provided through a contract with the Minnesota Department of Human Services (DHS).

HHP serves Medical Assistance members through its Hennepin Health product line. This is an integrated health delivery network which began January 1, 2012 and is funded by a contract with the Minnesota Department of Human Services (DHS). NorthPoint Health and Wellness Center, Hennepin Health Plan, Hennepin County Medical Center, the county Human Services and Public Health Department, and other local healthcare providers integrate medical, behavioral health, and human services in a patient-centered model of care. Using a total cost-of-care model Hennepin Health seeks to improve health outcomes and lower the cost of medical care.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local	1,231,398	517,742	
Investment Earnings	464,101	507,264	1,078,249
Fees for Services	157,262,229	159,612,571	232,006,124
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue		(1,110,680)	(920,344)
Total Revenues	\$158,957,728	\$159,526,897	\$232,164,029
Personal Services	\$8,868,464	\$8,867,388	\$10,410,102
Commodities	35,673	260,057	39,385
Services	143,949,455	145,031,372	214,093,433
Public Aid			
Capital Outlay			
Other Charges	6,394,113	5,368,080	7,621,109
Total Expenditures	\$159,247,706	\$159,526,897	\$232,164,029

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

Budgeted Positions (Full-time Equivalents)	102.0	91.0	112.0
--	-------	------	-------

Hennepin County

Hennepin Health Plan
Health

2016 BUDGET
Adopted

Significant Budget Changes:

The increases reflected in the 2016 budget are the result of a small increase in the SNBC product line and Hennepin Health being awarded one of three managed care organization contracts in Hennepin County. In 2016 Hennepin Health will no longer be a demonstration project but will operate under an awarded contract with the state of Minnesota. This risk-based contract is anticipated to bring a large increase in Hennepin Health membership. Enrollment is anticipated to nearly triple the number of members in Hennepin Health. However revenue and the Medical Loss Ratio will not proportionately increase as the membership growth will be mostly families and children who have a significantly lower risk score than the current population of adults without children.

Current contracts for claims and benefits processing are volume based and the increased enrollment will cause a proportional increase in Services. The increased membership will also require additional customer service, quality improvement and credentialing resources which are driving the increases in FTE's. The reduction in the Medical Loss Ratio is due to the elimination of the dual eligible line of business. Other expenses are increasing due to a membership-driven surcharge increase, amortization of leasehold improvements, and volume-driven increases in allocated expenses from Hennepin County.

Budget Commentary:

The 2016 budget continues with rapid change in the Hennepin Health line of business. In 2015 Hennepin Health experienced a small but steady increase in membership under the demonstration project. The success of the model over the past year was a major factor in Hennepin Health being awarded a 2016 full managed care contract. The 2016 increase in membership will cause a large increase in revenue and expenses, a small increase in FTE's, and a decrease in the administrative overhead percentage.

Key Results:	2014	2015 Est.	2016 Est.
Enrollment (Average)	13,290	13,734	32,932
Administrative Cost Ratio	12.9%	15.5%	12.8%
Medical Loss Ratio	85.0%	83.4%	85.6%
Net Change in Capital and Surplus	(289,979)	(407,504)	325,066
RBC Ratio	501.0%	498.5%	500.0%

Additional Resources:

HHP provides additional information related to the health plan under its internet site. The website includes information to assist our members and providers with resources that easily connect them to all that HHP has to offer in the way of a health plan. The following website has this information: <http://www.hennepinhealth.org>.

Hennepin County

Health Administration
Health

2016 BUDGET
Adopted

Mission:

Health Administration is responsible for the Health line of business.

Department Description:

The Health Administration department is responsible for the Health line of business which includes NorthPoint Health & Wellness Center, Medical Examiner, Hennepin Health Plan, Uncompensated Care and Sexual Assault Resources Service (SARS). This department has a total of 3.0 FTEs including an Assistant County Administrator, a Business Information Officer (BIO), and support staff.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*		\$447,883	\$495,788
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues		\$447,883	\$495,788
Personal Services		\$423,870	\$464,588
Commodities		2,013	2,000
Services		17,000	19,200
Public Aid			
Capital Outlay			
Other Charges		5,000	10,000
Total Expenditures		\$447,883	\$495,788

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

Budgeted Positions (Full-time Equivalents)	3.0	3.0
--	-----	-----

Hennepin County

Medical Examiner
Health

2016 BUDGET
Adopted

Mission:

To investigate and determine cause and manner of death in all cases within the jurisdiction of the office in compliance with Minnesota statutes, and to advance the knowledge of death investigative professional and partnering agencies through training and education to improve health, safety, and quality of life.

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. This jurisdiction includes the counties of Hennepin, Dakota and Scott. The office is also required to investigate all deaths under this jurisdiction of the Medical Examiner who are to be cremated. In addition, the Medical Examiner assists families, law enforcement agencies, and the legal system by determining a scientifically unbiased and logical cause and manner of death. Furthermore, the Medical Examiner's Office provides autopsy and consultation services to several Minnesota and Wisconsin counties on a referral basis.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$3,376,570	\$3,609,678	\$3,720,150
Other Taxes			
Federal			
State			
Local	1,482,386	1,512,034	1,542,276
Investment Earnings			
Fees for Services	152,469	121,975	121,975
Fines and Forfeitures			
Licenses and Permits	244,930	249,529	259,000
Bond Proceeds			
Other Revenue	230,108	228,000	235,000
Total Revenues	\$5,486,463	\$5,721,216	\$5,878,401
Personal Services	\$4,242,348	\$4,346,693	\$4,594,488
Commodities	83,203	101,001	100,433
Services	884,192	1,162,322	1,093,280
Public Aid			
Capital Outlay	27,131		
Other Charges	74,651	111,200	90,200
Total Expenditures	\$5,311,525	\$5,721,216	\$5,878,401

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

Budgeted Positions (Full-time Equivalents)	34.0	33.0	34.9
--	-------------	-------------	-------------

Hennepin County

Medical Examiner

2016 BUDGET

Health

Adopted

Significant Budget Changes:

The 2016 operating budget experienced a 5.7 percent increase in personal services due to reasons that include a market rate adjustment and health insurance. Services decreased by 5.9 percent, with the largest decreases in lab services at 18.9 percent and other services at 22.2 percent. These decreases offset a 44.2 percent increase in rental equipment costs due to the need for new vehicles through Hennepin County. Medical Examiner chose to balance the vehicle increase by reducing its budget for Lab Services and aligning with projected volumes for 2016. Another strategy to balance expenses for the 2016 budget is to reduce the amount of dollars to be budgeted for its transport agency. Medical Examiner will continue to move towards a mobile workforce of investigative staff, but will phase it through the course of three years (2015-2018) with the goal of having specific sites where investigators can deploy within Hennepin, Dakota, and Scott County. It needs to continue moving towards this model due to the critical need to reduce workforce injuries and will continue to set incremental goals and monitor outcomes periodically.

Budget Commentary:

The Medical Examiner's office continues to successfully meet or exceed all requirements pertaining to its core mission of death investigation for all counties in its jurisdiction, in addition to its focus on the core values of Hennepin County: customer service, continuous improvement, employee engagement, workforce development, and diversity and inclusion.

In addition to the customer service that it provides to its partners and families on a daily basis, the office provides all administrative support to the Minnesota Coroner's and Medical Examiner's Association. This includes facilitation of a highly regarded and growing annual two-day educational conference attended by coroners, medical examiners, physicians, and industry personnel from across the Midwest.

For continuous improvement, the office focuses 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); also it continues the education of medical students, residents and forensic pathology fellows through its long-standing relationships with both Hennepin County Medical Center (HCMC) and the University of Minnesota Medical School and other interested schools.

The Medical Examiner's Office is also moving forward with a regionalization of services through partnerships with Dakota and Scott counties. The next step for the regionalization strategy is to move forward with services and support of a state-of-the-art medical examiner facility which will meet the needs of its partners and its growing community through the year 2040.

There will also be continued use of a transport system for decedents. The office is dedicated to moving towards a more mobile investigative work force and will continue to gradually move towards process changes and improvements. This will be done while keeping the level of operational quality that the examiner's office is known for.

The Medical Examiner's office faces intense challenges with recruiting talented forensic pathologists during a time of shortage in this field. Continuing education, maintaining and developing its strong specialized workforce in death investigation is a critical component for continued success in providing quality service. In addition, by continuing to strategically use its leadership team to develop initiatives for career pathways, the Medical Examiner's office is beginning the journey to engage its leaders in initiatives that focus on diversity and inclusion.

Key Results:	2014	2015 Est.	2016 Est.
Number of cases reported	6,763	6,900	7,000
Number of autopsies performed	1,060	1,100	1,120

Additional Resources:

Useful and educational information about the Medical Examiner's Office and the services it provides is available by visiting our department's website at www.hennepin.us/me. The information includes the Minnesota statutes that govern our work and data practices, the Medical Examiner's Office Annual Report containing statistics and outcomes for counties within our jurisdiction, a downloadable department fact sheet, a downloadable brochure offering information for families, and links to various affiliated partners, organizations and forms.

Hennepin County

Uncompensated Care
Health

2016 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:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$20,000,000	\$18,500,000	\$18,500,000
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$20,000,000	\$18,500,000	\$18,500,000
Personal Services			
Commodities			
Services	\$20,000,000	\$18,500,000	\$18,500,000
Public Aid			
Capital Outlay			
Other Charges			
Total Expenditures	\$20,000,000	\$18,500,000	\$18,500,000

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

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

Hennepin County

Sexual Assault Resources Service (SARS)

Health

2016 BUDGET

Adopted

Mission:

The Sexual Assault Resources Service (SARS) provides assistance to victims of assault through area hospital emergency departments 24 hours a day.

Department Description:

This department is responsible for county payments to Hennepin County Medical Center (HCMC) for examinations made by the Sexual Assault Resources Service (SARS) program at HCMC. A county, in which the assault occurred, is required by Minnesota Statutes section 609.35 to pay for forensic examinations of assault victims.

Prior to 2016, this department was also responsible for Intergovernmental Transfers (IGTs) between the county, HCMC, and the Minnesota Department of Human Services (DHS) pursuant to Minnesota Statutes sections 256B.196 and 256B.197. In agreement with DHS, Hennepin County will no longer be involved with IGTs. HCMC will continue to work directly with DHS to manage the intergovernmental transfers.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$759,500	\$958,700	\$930,000
Other Taxes			
Federal			
State		19,375,000	
Local	39,632,438	20,650,000	
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$40,391,938	\$40,983,700	\$930,000
Personal Services			
Commodities			
Services	\$40,354,233	\$40,983,700	\$930,000
Public Aid			
Capital Outlay			
Other Charges			
Total Expenditures	\$40,354,233	\$40,983,700	\$930,000

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

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

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."



Veterans' Services Officer



Public Health Quality Improvement Recognition Award Recipients

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
4. Build self-reliant communities and individuals

Program Highlights:

The Human Services and Public Health 2016 budget is \$534.8 million, an increase of 6.0 percent or \$30.4 million when compared to the adjusted 2015 budget of \$504.4 million. The program will operate with 3,199.7 authorized Full Time Equivalents (FTEs) which is 138.8 FTEs more than authorized in 2015. Additional staff are being added to address critical issues or shortages in staff.

The Human Services and Public Health Department (HSPHD) as a county department is unique in that it spans two of the county's lines of business. The county's public health function as part of the health line of business is integrated within the Human Services budget.

In addition to financial, medical, training and employment programs, the department collects child support, provides services to people who are disabled, provides aid to the elderly, inspects restaurants, works with communities to reduce chronic disease, investigates disease outbreaks and protects our most vulnerable populations of children and adults.

HSPHD continues to locate offices where clients live and work in the community. The South Minneapolis Regional Human Service Center design plans were completed and the ceremonial groundbreaking for the new five story facility occurred on November 2, 2015. This facility is expected to be completed in the 2nd quarter of 2017. The Central and Northeast Minneapolis Human Service Center opened for client service in the Health Services Building on November 16, 2015. Construction of the HSPHD satellite facilities in Richfield and North Minneapolis began in December 2015. These locations are expected to be operational in 2016.

Veterans' Service opened veterans claims by appointment at the Westonka Library in Mound and the Maple Grove Community Center. This joint venture with the Hennepin County Library in Mound is the first time HSPHD will deliver services in a library. With the addition of these two new locations, approximately ninety five percent of the population of Hennepin County is now within a 15 minute drive of one of the Veterans' Service regional sites.

Program Highlights, continued:

HSPHD developed two new Intensive Residential Treatment Services (IRTS) programs that opened in the fall of 2015. Each facility has 16 beds and serves people who are male or female, at least eighteen years of age, with a primary diagnosis of a serious mental illness or serious and persistent mental illness, and with significant functional impairments. Both programs include 24-hour supportive supervision, and the length of stay may be up to 90 days, unless an extension is approved. The length of stay is predicated upon individual medical necessity with an active individualized rehabilitation plan in place. The addition of these 32 beds is a significant increase from the 108 IRTS beds previously available in the county. The new beds will help expedite discharges from the Anoka Regional Treatment Center and Hennepin County Medical Center (HCMC).

Due to the intense and combined efforts of both HSPHD and the Office to End Homelessness, shelter use by families dropped significantly. The Stable Families Initiative focuses on an intentional and targeted response to repeat shelter users. The model focuses on supporting families beyond traditional Rapid Rehousing Services, acknowledging that standard services had been insufficient to stabilize their housing before. The initiative integrates employment services, social services case management, housing search and subsidies, and coordination of eligibility service. Project efforts continue to focus on younger families and long-term shelter staying families to help them exit shelters into more stable settings. The budget need for 2016 was reduced significantly due to these efforts, and the federal government is interested in Hennepin's efforts that have resulted in these dramatic results.

Statewide Health Improvement Program (SHIP) healthy eating and physical activity initiatives were implemented in 44 elementary and secondary schools impacting 32,571 students from six districts (Anoka-Hennepin, Brooklyn Center, Hopkins, Osseo, Robbinsdale and St. Louis Park).

HSPHD received a DHS grant to help it's staff who provide services for people with disabilities be more person centered in their day to day practices. Person Centered Thinking is part of the state effort to support organizations in becoming more efficient in their work while also helping the people who use their services have lives of their own choosing in their communities, particularly as the courts look at the requirements of DHS in the Olmstead and Jensen Settlements. HSPHD has two partners in the grant work: Support Development Associates, LLC and the University of Minnesota Center on Community Integration. HSPHD has staff from four service areas involved in this cross-departmental effort.

The department took several steps in 2015 related to making changes to the child protection system. In July, the county board accepted state funding to increase staffing and adopt recommendations from the Governor's Task Force on the Protection of Children and the Casey Family Programs Assessment. The board identified specific tasks to be carried out related to child protection and established an oversight committee to provide oversight and direction for changes in the delivery of services.

The Early Childhood Scholarship program has grown substantially with the added resources allocated by the county board. Over 300 young foster children and other children under Child Protection are now attending high quality child care in any given month. The program is supporting stable placements for young children as well as addressing their development and providing high quality learning opportunities.

The microfarm on the grounds of The Food Group in New Hope, together with the gleaning project for community gardens and farmers' markets, gathered 84,097 pounds of fresh produce for distribution to Hennepin County food shelves during the 2015 growing season, thanks in large part to the 1500 hours of volunteer time from over 600 individuals.

Better Together Hennepin, the county's teen pregnancy prevention effort received a \$7.5 million federal grant to continue its work for another five years. Better Together Hennepin works with schools, clinics and community-based organizations to provide a variety of activities that research shows all young people need to delay parenthood until they become adults.

Emergency Mental Health and Maternal Child Health receive national recognition in 2015. The National Association of Counties' Achievement Awards were given to the Emergency Mental Health unit for its Safer Home suicide prevention video series and to our Maternal Child Health unit for its ongoing early childhood development work.

In 2015, the department launched the first-of-its-kind local public health website, www.healthyhennepin.org. The website provides biweekly real-life stories about the wide range of county-based resources available to support healthy living choices by residents. Subscribers are alerted when new stories are posted. As the number of followers increase, so too will the site's impact in raising local awareness of our community's priority health issues.

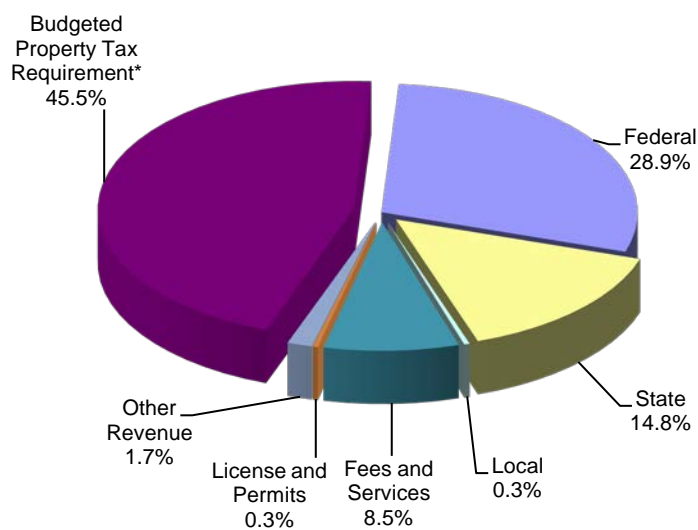
**2016 BUDGET
Adopted**

Revenue and Expenditure Information:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$225,343,641	\$231,609,791	\$243,542,559
Other Taxes	158,604		
Federal	141,636,334	147,956,228	154,517,279
State	70,924,957	70,589,404	79,416,485
Local	1,540,153	1,939,083	1,845,910
Investment Earnings			
Fees and Services	45,708,002	45,179,757	45,500,316
Fines and Forfeitures			
License and Permits	1,548,320	1,529,000	1,700,000
Bond Proceeds			
Other Revenue	3,892,220	5,630,000	8,351,000
Total Revenues	\$490,752,231	\$504,433,263	\$534,873,549
Personal Services	\$240,131,185	\$256,964,210	\$277,260,610
Commodities	1,915,234	2,262,000	2,179,281
Services	43,045,274	47,729,353	48,498,449
Public Aid	176,629,038	184,348,400	191,985,775
Capital Outlay	40,166	50,000	65,120
Other Charges	18,570,533	13,079,300	14,884,314
Total Expenditures	\$480,331,430	\$504,433,263	\$534,873,549

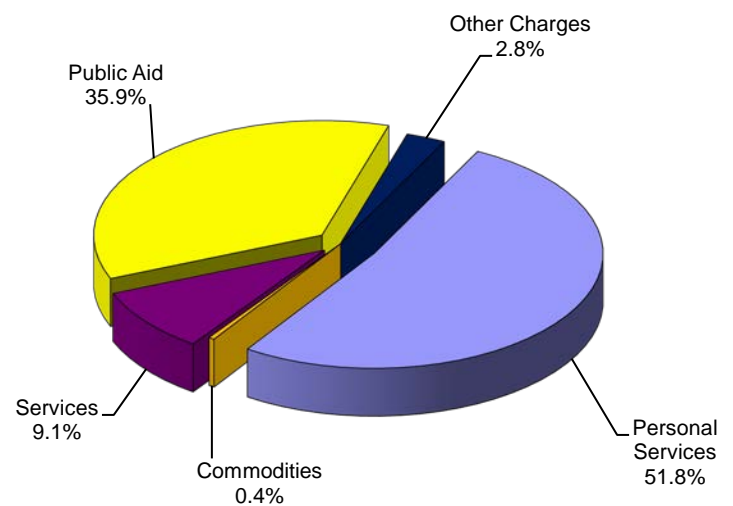
*Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison:

2016 Revenue



2016 Expenditures



Revenue Highlights:

Budgeted 2016 revenues for the Human Services program total \$534,873,549, an increase of \$30.4 million or 6.0 percent from the 2015 adjusted budget of \$504,433,263. The following summary compares revenue by major category in 2015 and 2016.

Property Tax Revenues

County property tax support totals \$243.5 million for 2016, an increase of \$11.9 million from the 2015 adjusted budget of \$231.6 million. Property tax support accounts for 45.5 percent of the Human Services program, flat when compared to 45.9 percent in 2015.

Federal Revenues

Federal revenue sources, estimated at \$154.5 million are up 4.4 percent when compared to the 2015 adjusted budget of \$148.0 million.

Federal revenues consist primarily of reimbursements for the administrative costs of Human Services programs including financial, medical, training and employment programs. The reimbursements are based upon the county's costs as well as federal rates. In 2016, the Human Services program will receive approximately \$56.8 million in federal reimbursement for the administrative costs of the Temporary Assistance for Needy Families (TANF) program, Supplemental Nutrition Assistance Program (SNAP) and medical assistance programs. The TANF program is administered within Minnesota as the Minnesota Family Investment Program, or MFIP.

The federal portion of the 2016 revenue budget accounts for approximately 28.9 percent of the Human Services program revenue, compared to 29.3 percent in 2015.

State Revenues

State monies are used to fund human services programs, training and employment programs, financial and medical assistance programs. In 2016, revenues from the state make up 14.9 percent of total Human Services program revenue. Revenues from the State of Minnesota to Hennepin County are estimated at \$79.4 million, an increase of \$8.8 million when compared to the 2015 adjusted budget of \$70.6 million.

Local Grants

Local grant revenue comes from private parties, nonprofit institutions, local governments, and private foundations. In 2016, local grants are budgeted at \$1.8 million.

Fees and Services

A major portion of fee revenue is payments from third party payers and state and federal reimbursements for patient fees and services. Revenues from fees charged for services are estimated at \$45.5 million for 2016, flat when compared to \$45.2 million in 2015.

Other Revenues

Other revenues account for less than one 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 2016, the budget includes a planned use of fund balance.

2016 BUDGET
Adopted

Department Expenditure Summary:	2014 Actual	2015 Budget	2016 Budget
HSPHD Hennepin Health	\$583,633	\$476,590	\$571,644
Accelerating Graduation by Reducing Disparities	81,209	729,666	-
Public Health	43,931,536	47,781,261	48,478,313
Children and Family Services	84,708,518	96,372,903	107,571,052
Eligibility and Child Support	133,718,447	142,436,405	145,323,147
Assessment and Case Management	127,097,648	138,164,470	153,473,053
Administrative and Community Based Services	33,109,645	32,112,719	32,717,890
Veterans' Services	997,630	1,065,022	1,089,034
Internal Services	56,103,164	45,294,227	45,649,416
Total Expenditures	\$480,331,430	\$504,433,263	\$534,873,549

Budgeted Positions:	2014 Budget	2015 Budget	2016 Budget
Full Time Equivalentents (FTEs)	2,859.0	3,060.9	3,199.7

Key Results:	2014	2015 Est.	2016 Est.
Percent of children in open IV-D cases, born out of wedlock, with paternity established	98.8%	98.2%	100.0%
Number of cases of children in open IV-D cases, born out of wedlock, with paternity established	43,442	42,574	41,700
Percent of health care program applications processed in less than 60 days	65.0%	64.0%	64.0%
Percent of cash applications processed in less than 45 days	86.0%	88.0%	88.0%
Annualized work participation rate for MFIP clients	38.0%	38.2%	50.0%

Additional Resources:

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

Major Program: Libraries

The Libraries program is comprised of two areas that provide library services to Hennepin County citizens: 1) the county's award-winning public library system, which is comprised of 41 library locations, a substantial online presence and additional outreach services, and 2) the Law Library, which prior to 2014, was included as part of the Public Safety and Judiciary program and continues to provide legal information services pursuant to Minnesota Statutes Chapter 134A to judges, government officials, practicing attorneys and citizens from a location within the Hennepin County Government Center.

**Program Highlights:****Library:**

Hennepin County Library continues to serve patrons by providing access to library buildings and resources including books, and other materials, technology and staff. The library has 840,000 active library card holders and 64 percent of all Hennepin County residents are active card holders.

Starting in January, 2014, the Library increased open hours by 249 per week, resulting in approximately 10,000 additional open hours for patrons in 2014. Visits to the library's 41 locations increased to an estimated 5.6 million in 2014.

The library renovated Hopkins and Wayzata libraries in 2015, in partnership with Hennepin County Facility Services. An extensive renovation of the Golden Valley Library began in September, 2015 with an estimated completion in January, 2016.

Residents of Hennepin County value library materials for educational and recreational purposes: the public borrowed over 15.8 million items in 2014 (up from 15.3 million in 2013). This figure includes more than 1.5 million downloads of eBooks and other digital content (up from 1.1 million in 2013). The library's business system, used in 41 libraries and on www.hclib.org, manages the selection, acquisition, cataloging, reservation, loaning and inventory of over 5 million items — books, movies, music and subscription services in all formats.

Hennepin County Library continued to invest in its collection, offering greater access to both popular materials and special and historical collections in various formats. The library responded to patrons and increased the number of items patrons can check out and put on hold. Downloadable content, including books, movies and music, continued to increase as a percentage of overall library circulation, increased in 2015 to 15.8 million items checked out and renewed or 13.2 items per capita.

Annual visits to Hennepin County Library's public website (www.hclib.org) exceeded 15.9 million in 2014. More than 100 librarians and other staff contribute their expertise to the website, extending library staff expertise to online patrons as well as in-person patrons. The library's business system is designed to integrate the library's public catalog data into all areas of the website. Adding star ratings and reviews in the catalog has allowed the public to be participants and contributors. Using online chat to interact with library staff to find information or to apply for a library card online removes barriers of place and time, and extends library service to patrons who can't, or don't need to, come to a library building for service.

Across the system, library staff hosted free programs and classes that engaged 201,000 patrons. Staff answered approximately 1.4 million reference questions in 2014. The library's 1,900 public computers supported 2.2 million sessions in 2014. About 30,000 meeting room reservations were made at Hennepin County Libraries in 2014.

For 2015, staff in every Hennepin County Library location and section developed an action plan for patron service. These plans are based on three service priorities: reach out and partner, spark learning, and discover and use technology. The plans will help to ensure the library continues to serve patrons well and remains a leading U.S. public library system.

Law Library:

Staff at Hennepin County Law Library also engaged in strategic planning in 2014, with a new mission that states: "In support of access to justice, the Hennepin County Law Library ensures access to the body of law and legal materials for all." Hennepin County Law Library will implement several action plans to include staff exchanges, programs for the public and other collaborative projects between the libraries. These projects will set the stage for vital and integrated law library service to the community into the future.

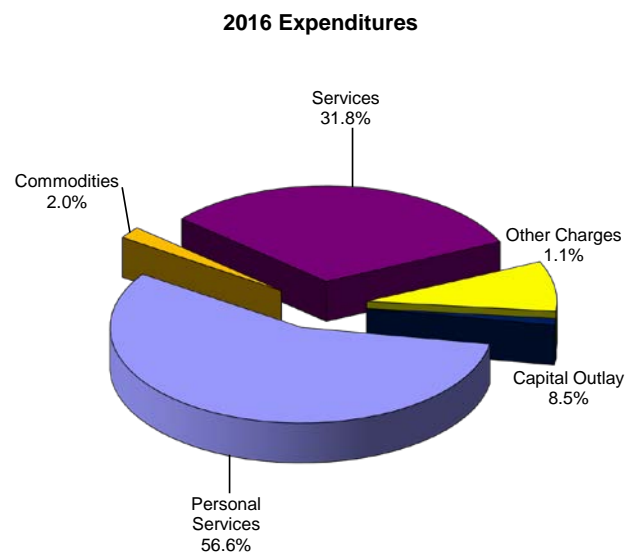
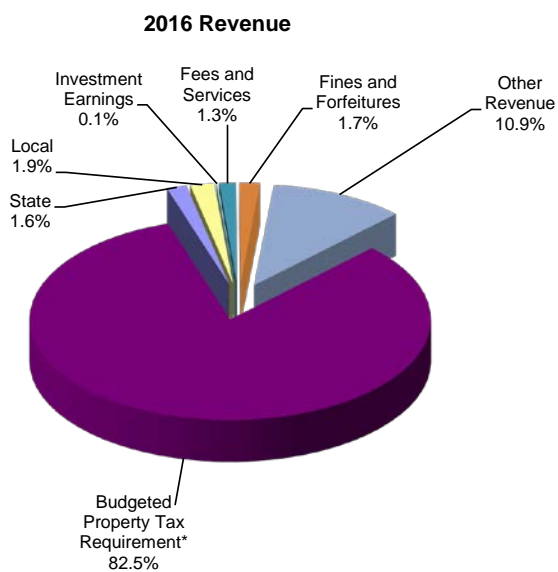
2016 BUDGET

Adopted

Revenue and Expenditure Information:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$60,376,144	\$63,132,495	\$67,322,167
Other Taxes	41,994		
Federal			
State	1,148,217	1,160,000	1,310,000
Local	3,238,244	2,363,131	1,560,000
Investment Earnings	79,081	75,000	80,000
Fees and Services	1,089,929	1,108,000	1,084,000
Fines and Forfeitures	1,356,732	1,310,750	1,360,700
License and Permits			
Bond Proceeds			
Other Revenue	3,673,529	8,633,300	8,911,700
Total Revenues	\$71,003,870	\$77,782,676	\$81,628,567
Personal Services	\$40,679,867	\$44,424,714	\$46,214,086
Commodities	1,153,350	1,709,125	1,638,125
Services	23,066,786	24,406,151	25,950,852
Public Aid			
Capital Outlay	6,543,441	6,275,337	6,921,465
Other Charges	478,941	967,349	904,039
Total Expenditures	\$71,922,385	\$77,782,676	\$81,628,567

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

Revenue and Expenditure Comparison:



Revenue Highlights:

Budgeted 2016 revenues for the libraries program total 81.5 million; a \$3.7 million increase (4.8 percent) over the 2015 adjusted budget of \$77.8 million. The 2016 operating budget is funded with \$67.3 million (82.5 percent) property taxes, \$2.9 million (3.5 percent) with funding from the State of Minnesota and the City of Minneapolis, \$5.2 million (6.4 percent) through the use of library fund balance and \$6.2 million (7.7 percent) of all other remaining revenues.

Property Tax Revenues

The budgeted property tax amount of \$67.3 million for 2016 is 6.6 percent more than the adjusted 2015 budget amount of \$63.1 million. The property tax revenues are increasing mainly due to replacement of Minneapolis merger funding, cost of living, and merit increases for personnel and costs for operating the new Brooklyn Park Library.

State Revenues

Budgeted 2016 revenues from the State of Minnesota are estimated at \$1.3 million, an increase of \$0.2 million over the 2015 adjusted budget due to an increase of state eRate funding.

Local Revenues

All local revenues are received from the City of Minneapolis. 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 funding support will phase out, ending in 2017, whereas 2015, was the last year that the county received "shuttered" funding. For 2016, the city will contribute approximately \$1.6 million per the agreement, with a planned \$780,000 reduction for 2017 and no contribution in 2018.

Fees and Services

Fees and services revenue is almost exclusively related to the law library. This revenue stream is 69.8 percent of all 2016 law library revenues of \$1.6 million and is comprised of two major sources: court fees charged to convicted defendants per state statute and attorney access subscriptions to the law library. Total fees and services revenue for 2016 is \$1.1 million; which is \$26,000 reduction from the 2015 budget.

Fines and Forfeitures

Revenue from fines is estimated at \$1.4 million in 2016; up slightly from the 2015 budget of \$1.3 million and was realigned in 2016 to be consistent with 2014 actual receipts.

Other Revenue

Other Revenue includes the following major components:

Budgeted 2016 transfers from Ballpark Sales Tax collections are estimated at \$2.3 million, up \$35,000 from the 2015 budget. This revenue supplements library hours across the library system.

Budgeted Contributions and Donations are estimated at \$870,000; consistent with 2015. The majority of contributions and donations are received from the Friends of Hennepin County Library.

Budgeted use of library fund balance is \$5.2 million in 2016; a \$0.2 million increase over the 2015 budget.

2016 BUDGET

Adopted

Division Expenditure Summary:	2014 Actual	2015 Budget	2016 Budget
Administration	\$2,604,296	\$2,832,563	\$2,196,199
Operations	3,519,850	4,194,694	4,469,724
System Services	1,537,863	1,905,607	2,251,692
Resource Services	23,137,596	24,683,738	26,277,864
Library Services	39,636,258	42,536,807	43,923,959
Strategic Services		116,435	891,549
Law Library	1,486,521	1,512,832	1,617,580
Total Expenditures	\$71,922,385	\$77,782,676	\$81,628,567

Budgeted Positions:	2014 Actual	2015 Budget	2016 Budget
Administration	11.1	14.1	9.1
Operations	24.0	23.0	25.0
System Services	16.4	19.4	22.9
Resource Services	74.6	72.6	72.6
Library Services	473.9	469.9	473.4
Strategic Services		1.0	7.0
Law Library	6.7	6.7	6.7
Total Full Time Equivalent (FTE)	606.7	606.7	616.7

Key Results:	2014	2015 Est.	2016 Est.
<u>Library:</u>			
Circulated items	15,800,000	15,800,000	16,000,000
Visits to Library	5,600,000	5,700,000	5,800,000
Visits to Library Website	15,900,000	19,500,000	20,000,000
Downloaded books, movies and music	1,400,000	1,400,000	1,700,000
Percent of circulation using express checkout	85%	85%	85%
Volunteer hours supplementing service	86,000	100,000	100,000
<u>Law Library:</u>			
People entering the Law Library	31,000	28,300	28,300
Email reference questions answered	2,400	2,600	2,600
Reference and informational questions answered	10,000	10,300	10,300

Additional Resources:

Hennepin County Library's website (www.hclib.org) provides addresses and phone numbers for the library's 41 locations, as well as information about the Hennepin County Library Board and the Friends of the Hennepin County Library (www.supporthclib.org). Through the library's website, citizens can browse and download books, movies and music; place requests; pay fines; do research using online resources; reserve meeting rooms; view and register for library events; and more.

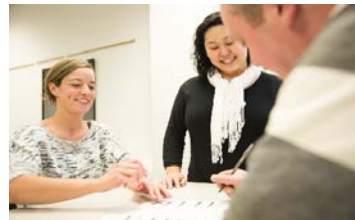
The law library's website is www.hclawlib.org. Its physical location is C-2451 Hennepin County Government Center (612-348-3022).

Major Program: Operations

- Commissioners
- County Administration
- Facility Services
- Budget and Finance
- Information Technology
- Resident and Real Estate Services
- Human Resources
- Audit, Compliance, and Investigation Services
- General County Purposes
- Debt Retirement
- Ballpark Sales Tax Revenue Programs
- Employee Health Plan Self Insurance
- Other Employee Benefits
- Self Insurance Fund



Staff Computer Support Center



Career Connections

Program Description:

The Operations 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 Operations departments include activities in the County Revenue Fund, the Debt Retirement Fund and Internal Services Funds.

Program Budget Highlights:

The Operations program's 2016 budget (excluding Debt Retirement and Ballpark Sales Tax Revenue Programs) is \$177.0 million, an increase of \$6.9 million or 4.0 percent from the 2015 adjusted budget of \$170.1 million. In 2016, the Operations program will be operated with 1,202.5 full-time equivalent (FTE) positions, a net increase of 32.7 FTEs from the 2015 adjusted budget.

Highlights from the 2016 Operations budget are outlined below. Note that narrative regarding Debt Retirement and Ballpark Sales Tax Revenue activity are provided in separate sections of this document.

Facility Services

Facility Services has moved to the Operations program from the Public Works program in 2016.

Resident and Real Estate Services (RRES)

RRES, continues to perform the county Auditor, Treasurer and Recorder functions for the county.

Information Technology (IT)

The county's IT department includes activities in the County Revenue Fund and two internal services funds. The 2016 IT County Revenue Fund budget is approximately \$3.1 million and 9.4 FTEs. The internal service funds include the IT Operations Fund with a budget of \$79.0 million and 276.0 FTEs, and the Central Services Internal Services Fund is budget at \$7.0 million and 23.0 FTEs. In total, the 2016 authorized staffing complement for IT is 308.4 FTEs.

General County Purposes (GCP)

Unallocated appropriations (contingency) is increased by \$2.0 million from the adjusted 2015 budget. Online Service Delivery (Formerly BIO / Web) received the Geographic Information Systems (GIS) division from Information Technology. Communications (formerly Public Affairs) has moved to GCP in 2016. Justice Integration Grants, Emergency Management, and Public Safety Administration transferred from Operations to the Public Safety Line of Business in 2016. Workforce Development and the Office of Diversity and Inclusion transferred from GCP to Human Resources for 2016.

2016 BUDGET

Adopted

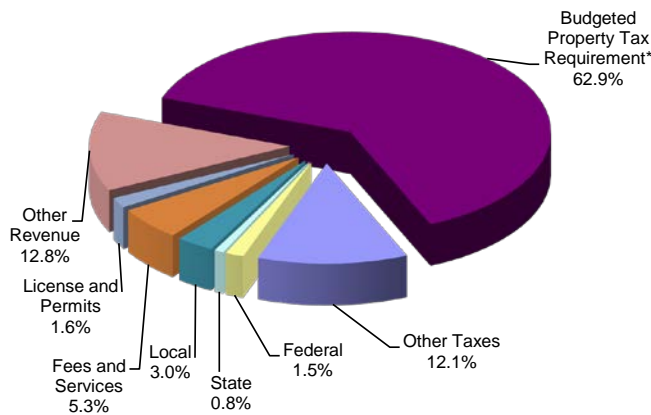
Revenue and Expenditure Information:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$176,444,735	\$183,300,725	\$197,634,859
Other Taxes	36,593,103	36,869,674	37,974,674
Federal	4,456,285	4,573,306	4,677,399
State	2,389,255	2,910,000	2,400,000
Local	12,338,801	12,614,239	9,418,013
Investment Earnings	439		
Fees and Services	15,977,634	16,208,609	16,810,483
Fines and Forfeitures			
License and Permits	4,189,636	5,049,000	5,127,000
Bond Proceeds	13,188,225		
Other Revenue	61,148,975	47,048,079	40,135,896
Total Revenues	\$326,727,088	\$308,573,632	\$314,178,324
Personal Services	\$79,911,853	\$82,745,485	\$89,299,668
Commodities	2,597,409	2,223,160	2,342,637
Services	61,324,746	70,090,627	62,967,886
Public Aid	2,221,691	2,517,000	2,717,000
Capital Outlay	915,746	31,850	1,797,850
Other Charges	142,090,766	150,965,510	155,053,283
Total Expenditures	\$289,062,211	\$308,573,632	\$314,178,324

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

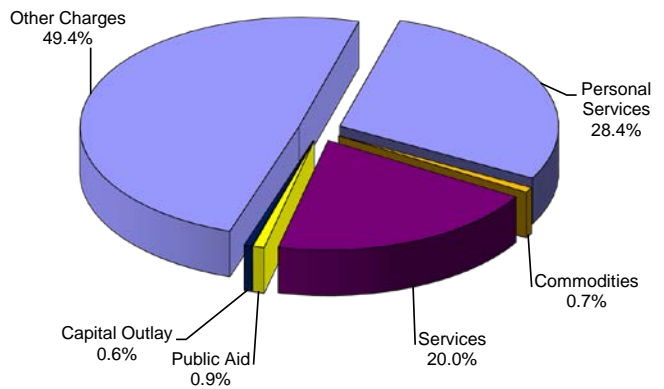
Budgeted Positions (Full-time Equivalents)	1,147.3	1,169.8	1,202.5
---	----------------	----------------	----------------

Revenue and Expenditure Comparison:
--

2016 Revenue



2016 Expenditures



Revenue Highlights:

Operations' budgeted 2016 revenues, which includes Ballpark Sales Tax and debt service, are \$314.2 million, a \$5.6 million or 1.8 percent increase from the 2015 adjusted budget of \$308.6 million. Below are descriptions of the different revenues in the Operations program.

County Property Taxes

Operations 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 62.9 percent of the 2016 Operations program.

Other Taxes

Ballpark Sales Tax Revenue Programs are estimated to generate \$35.9 million in budgeted sales tax collections for 2016, a \$0.7 million increase over the 2015 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 Minnesota Twins baseball stadium and to fund other authorized uses.

Local

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

Fees, Services, Licenses and Permits

There is \$16.8 million of revenue budgeted in 2016 from fees charged for services. Fees and services account for 5.4 percent of Operations' total revenues. Resident and Real Estate Services (RRES) budget the majority of fees and services revenue for 2016.

RRES estimates \$5.2 million will be generated in 2016 from service center activities. These fees account for 30.9 percent of all Operations fee and service revenues. Other specific RRES revenues include:

- \$9.2 million in fees for recording Torrens and Abstract certificates, and other public documents. This includes \$5.3 million reserved by state statute to provide modern information services for the records systems, support enhancements to the recording process, fund compliance efforts and for undertaking data integration and aggregation projects.
- \$1.5 million in revenues for the Record EASE web product which charges subscriber for online searches and images of real estate records.
- \$4.0 million from the county's six service centers for motor vehicle registrations and driver licenses.
- An additional \$1.1 million from the service centers from the sale of vital records.

The county Assessor generate most of its revenues by charging jurisdictions for assessment services to recover costs. The 2016 county Assessor division budget includes approximately \$3.3 million in revenues for assessments provided to 29 jurisdictions within the county which includes Fort Snelling and the Minneapolis/St. Paul Airport.

Other Revenue

Other Revenues, totaling \$40.1 million make up 12.8 percent of Operations' 2016 revenue. This is a budget decrease of approximately \$6.9 million from the 2015 adjusted budget of \$47.0 million.

The 2016 Debt Retirement budget includes \$36.4 million in other revenues which includes \$31.4 million for ballpark debt service (including optional prepayment of principal) and other authorized ballpark activities, \$2.1 million for energy center improvements, \$2.0 million transferred from the wheelage tax, \$0.7 million in interest from HCMC for the new ambulatory care clinic, and \$172,000 in revenues from Glen Lake Golf Course for debt service on bonds that finance improvements to the facility. Ballpark Sales Tax Programs offsets \$33.4 million of other revenues due to transfers which pay for for debt service, optional debt prepayment, additional library hours, and the youth sports program.

Additional Other Revenues in Operations are generated by Communications (formerly Public Affairs, now within General County Purposes) 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.

2016 BUDGET

Adopted

Department Expenditure Summary:	2014 Actual	2015 Budget	2016 Budget
Commissioners	\$2,449,674	\$2,900,755	\$2,978,585
County Administration	2,886,772	2,750,734	3,312,599
Facility Services	50,336,979	53,145,779	56,414,065
Budget and Finance	13,926,584	14,866,827	15,648,764
Information Technology (excludes Internal Service Funds)	2,991,400	2,628,479	3,097,069
Resident and Real Estate Services	33,979,766	41,445,467	44,558,804
Human Resources	12,438,568	14,511,821	15,654,502
Audit, Compliance, and Investigation Services	2,974,810	3,749,309	4,155,639
General County Purposes	27,012,569	34,146,108	31,188,800
Debt Retirement	137,796,480	135,895,353	134,669,497
Ballpark Sales Tax Revenue Programs	2,268,609	2,533,000	2,500,000
Total Expenditures	\$289,062,211	\$308,573,632	\$314,178,324

Budgeted Positions:	2014 Actual	2015 Budget	2016 Budget
Commissioners	25.0	25.0	25.0
County Administration	17.4	14.4	16.0
Facility Services	236.5	234.5	235.5
Budget and Finance	91.8	93.3	99.1
Information Technology (Includes Internal Service Fund)	293.9	296.9	308.4
Resident & Real Estate Services	332.6	335.6	336.4
Human Resources	69.1	73.1	76.1
Audit, Compliance, and Investigation Services	22.0	25.0	27.0
General County Purposes	47.5	60.5	67.5
Self Insurance (Internal Service Fund)	5.5	5.5	5.5
Employee Health Plan Self Insurance (Internal Service Fund)	6.0	6.0	6.0
Total Full Time Equivalent (FTE)	1,147.3	1,169.8	1,202.5

Note: For comparative purposes, amounts above include Hennepin Carver Workforce Services in Human Resources, which transferred from the Public Works Line of Business in 2016. Additionally, Hennepin Justice Integration Programs, Public Safety Administration, Criminal Justice Coordinating Committee, and Emergency Management, were excluded due to their transfer from General County Purposes to the Public Safety Line of Business in 2016.

Within the Operations Line of Business, Workforce Development and the Office of Diversity and Inclusion moved from General County Purposes to Human Resources and are included in the 2014 and 2015 budget numbers for comparison purposes. Geographic Information Systems transferred from Information Technology to Online Delivery Services in General County Purposes and are included in the General County Purposes 2014 and 2015 budget numbers for comparison purposes.

Hennepin County

**Commissioners
Operations**

**2016 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 seven-member board of commissioners. 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:	2014 Actual	2015 Budget	2016 Budget
------------------------	--------------------	--------------------	--------------------

Budgeted Property Tax Requirement*	\$2,829,409	\$2,900,755	\$2,978,585
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$2,829,409	\$2,900,755	\$2,978,585
Personal Services	\$2,249,235	\$2,558,683	\$2,604,897
Commodities	44,011	43,620	43,620
Services	93,668	113,941	122,632
Public Aid			
Capital Outlay	25	2,550	2,550
Other Charges	62,735	181,961	204,886
Total Expenditures	\$2,449,674	\$2,900,755	\$2,978,585

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

Budgeted Positions (Full-time Equivalents)	25.0	25.0	25.0
--	-------------	-------------	-------------

Hennepin County

County Administration
Operations

2016 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 Hennepin County Board of Commissioners determines county policy. Administrative responsibility is delegated to the county administrator. The other operations 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. Operations departments include activities in the County Revenue Fund, Debt Retirement Fund and Internal Services Funds.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$2,868,757	\$2,453,234	\$2,990,364
Fees for Services	140,000	295,000	320,000
Other Revenue	170,614	2,500	2,235
Total Revenues	\$3,179,371	\$2,750,734	\$3,312,599
Personal Services	\$2,163,843	\$1,765,968	\$2,027,748
Commodities	14,554	23,550	18,750
Services	659,907	920,316	1,215,301
Capital Outlay		4,000	2,000
Other Charges	48,468	36,900	48,800
Total Expenditures	\$2,886,772	\$2,750,734	\$3,312,599

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

Budgeted Positions (Full-time Equivalents)	17.4	14.4	16.0
--	------	------	------

Significant Budget Changes:

County Administration is being increased by 2.0 Full-Time Equivalents (FTEs). These FTEs are being transferred from Human Services to the Intergovernmental Relations division within County Administration to improve the alignment of staff working on intergovernmental relations efforts on behalf of Hennepin county.

The 2016 approved budget also includes funding for an assessment of the county's operational management and staffing needs totaling \$200,000.

Additional Resources:

<http://www.hennepin.us/your-government/leadership/county-administrator>

Hennepin County

Facility Services

Operations

2016 BUDGET

Adopted

Mission:

The Facility Services Department provides a full range of planning, design, construction, security, energy management, workplace safety and building management services for county programs and services.

Department Description:

Facility Services coordinates the capital budget process; operates and maintains buildings and utilizes effective energy conservation tools and technologies; provides space planning and project management services; protects employees, clients and property; and provides workplace safety services.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$23,368,946	\$24,679,032	\$33,048,583
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services	4,315	5,321	3,390
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	25,976,751	28,461,426	23,362,092
Total Revenues	\$49,350,012	\$53,145,779	\$56,414,065
Personal Services	\$18,406,684	\$20,058,289	\$21,009,113
Commodities	1,498,412	1,567,316	1,504,774
Services	29,688,517	30,719,550	32,074,937
Public Aid	4,538		
Capital Outlay	52,747		
Other Charges	686,081	800,624	1,825,241
Total Expenditures	\$50,336,979	\$53,145,779	\$56,414,065

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

Budgeted Positions (Full-time Equivalents)	236.5	234.5	235.5
--	-------	-------	-------

Significant Budget Changes:

Facility Services transferred from the Public Works Line of Business to the Operations Line of Business in August 2015.

Changes to the 2016 budget fall into 4 categories:

- Strategic investments
- Significant single events
- Expansion and growth of services
- Risk mitigation

Of the \$3 million increase, nearly \$1 million comes from the Nicollet Mall Reconstruction Assessment. Another \$1.3 million comes as a result of transfer of information technology services from Public Works to Operations. The remaining increases (approximately \$700,000) are largely driven by new demands based on growth in other county service areas:

- Expansion and growth: \$500,000
- Strategic: \$125,000
- Risk mitigation: \$75,000

Hennepin County

Facility Services

Operations

2016 BUDGET

Adopted

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Facility Services Admin.	\$3,820,145	\$3,856,225	\$5,068,831
Design & Construction	1,353,096	1,611,375	1,697,904
Energy & Engineering	816,432	897,369	1,048,169
Planning & Project Dev	819,757	932,290	1,145,024
Workplace Safety	929,988	1,081,180	1,126,106
Security Management	9,617,062	9,068,693	9,514,192
Facilities Management	32,980,499	35,698,647	36,813,839
Total Expenditures	\$50,336,979	\$53,145,779	\$56,414,065

Budget Commentary:

2015 Outcomes/Success:

- Met county goals for energy reduction
- Aligning staff to meet the needs of customers/departments

2016 Outlook:

- Brooklyn Park Library opening, +40,000 square feet (Q2 2016)
- South Minneapolis Hub (Lake and Hiawatha), +100,000 square feet (Q4 2016 / Q1 2017)
- HSPHD facility needs (Richfield and North Minneapolis)
- Engagement/involvement from staff on multiple multi-million dollar, complex capital projects
- Create business line facility work plan needs for future years
- Facility Services Workforce Development Plan
- Strategic Plan creation/development
- Planned phase-out / closing of Century Plaza
- Further integration of Information Technology & Facility Services

Key Results:	2014	2015 Est.	2016 Est.
Building Operation cost per square foot	\$4.55	\$5.63	5
Energy cost per square foot	\$1.68	\$1.88	2
Janitorial cost per square foot	\$1.10	\$1.50	1
OSHA incidence rate (per 100 employees)	2	3	<3.0
Construction Small Business (SBE) utilization	39%	0	0
Weapons screened	9,227	9,100	9,100

Additional Resources:

www.hennepin.us

**Budget and Finance
Operations**

**2016 Budget
Adopted**

Mission:

We work hard to ensure sound credit conditions, working capital and overall financial health within Hennepin County by supporting strategic objectives through leveraging technology, effective management of financial and human resource systems and services, as well as Hennepin County's commitment to equal opportunity, affirmative action, diversity and inclusion.

Department Description:

The Office of Budget and Finance (OBF) is organized into the following three divisions:

The Finance, Budget Analysis and Accounting division performs budget preparation and analysis, revenue and expenditure forecasting, legislative analysis, treasury services, accounting and payroll services. Additionally, OBF performs risk management in cooperation with the County Attorney's Office to monitor and control the financial and operational risk for Hennepin County.

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:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$13,583,725	\$14,225,827	\$14,907,764
Investment Earnings	15		
Fees for Services	549,674	630,000	630,000
Bond Proceeds			
Other Revenue	5,365	11,000	111,000
Total Revenues	\$14,138,779	\$14,866,827	\$15,648,764
Personal Services	\$8,703,359	\$10,277,162	\$11,285,181
Commodities	95,240	34,950	22,800
Services	4,439,757	4,183,755	3,966,783
Public Aid			
Capital Outlay	499,645	2,000	2,000
Other Charges	188,583	368,960	372,000
Total Expenditures	\$13,926,584	\$14,866,827	\$15,648,764

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

Budgeted Positions (Full-time Equivalents)	91.8	93.3	99.1
--	-------------	-------------	-------------

Significant Budget Changes:

A Peoplesoft upgrade for the Human Capital Management (HCM) system will happen in 2016. New amounts budgeted for 2016 for 4.8 Full-Time Equivalents (FTEs) will reduce consulting costs. 1.0 FTE for Accounts Payable to manage Payment Plus, 1.0 FTE in the Accounting division, 0.5 FTE to replace a retiring employee in APEX, and 2.3 FTEs for Point of Sale.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
Finance, Budget Analysis & Accounting	\$2,642,772	\$2,944,678	\$3,142,709
APEX Service Center	9,728,168	9,929,974	10,389,613
Purchasing & Contract Services	1,555,644	1,992,175	2,116,442

Additional Resources:

Budget documents - www.hennepin.us/hcbudget
 Financial reports - www.hennepin.us/cafr

Hennepin County

**Information Technology
Operations**

**2016 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 and Mainframe Decommissioning; 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:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$3,630,669	\$2,628,479	\$3,096,547
Other Revenue			522
Total Revenues	\$3,630,669	\$2,628,479	\$3,097,069
Personal Services	\$1,505,612	\$1,300,037	\$982,568
Commodities	14,115	2,313	278
Services	1,468,667	2,840,351	2,084,473
Public Aid			
Capital Outlay			
Other Charges	3,006	(1,514,222)	29,750
Total Expenditures	\$2,991,400	\$2,628,479	\$3,097,069

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

Budgeted Positions (Full-time Equivalents)	293.9	296.9	308.4
--	--------------	--------------	--------------

Note: For comparative purposes, amounts above exclude Hennepin Justice Integration Program (HJIP), which transferred to the Public Safety Line of Business, and Geographic Information Systems (GIS), which transferred to the General County Purposes in 2016.

Amounts excluded for HJIP were \$3,479,751 and 18.0 FTE's in the 2014 Actual column and \$4,238,429 and 19.0 FTE's in the 2015 Budget column. Amounts excluded for GIS were \$1,588,348 and 11.0 FTE's in the 2014 Actual column and \$2,037,016 and 11.0 FTE's in the 2015 Budget column.

Significant Budget Changes:

HJIP (Hennepin County Justice Integration Program) is being transferred to the Public Safety Line of Business and GIS (Geographic Information Systems) is being transferred to Online Service Delivery which is part of General County Purposes (GCP).

**IT Internal Services Fund
Operations**

**2016 BUDGET
Adopted**

Mission:

IT Operations division is dedicated to the delivery and integration of information technology products and services that meet the business needs of county departments and their service partners by providing the infrastructure, emerging technologies and associated services.

Department Description:

IT Operations' infrastructure and technology services are critical elements in providing effective and efficient services throughout the county. To keep pace with changing county needs, central IT provides business value throughout the county by:

- (1) Helping customers utilize the web to meet their business objectives
- (2) Creating an environment that is secure and recoverable from cyber-attack and other disasters
- (3) Supporting the workforce with anytime, anywhere access
- (4) Providing customers with collaboration tools

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services	64,772,575	67,223,650	68,897,420
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	409,753	7,084,581	10,080,956
Total Revenues	\$65,182,328	\$74,308,231	\$78,978,376
Personal Services	\$27,723,123	\$34,375,940	\$35,808,436
Commodities	7,286,008	5,071,585	9,049,627
Services	19,513,996	25,423,774	23,136,991
Public Aid			
Capital Outlay			
Other Charges	7,941,612	9,436,932	10,983,322
Total Expenditures	\$62,464,739	\$74,308,231	\$78,978,376

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

Budgeted Positions (Full-time Equivalents)	258.0	263.7	276.0
--	--------------	--------------	--------------

**Resident and Real Estate Services
Operations**

**2016 BUDGET
Adopted**

Mission:

The budget for Resident and Real Estate Services includes three separate, but closely aligned Departments with the following missions:

Resident and Real Estate Services: *provides a range of real estate, licensing and election related services united under the mission, "Valued services; satisfied customers."*

Assessor's Office: *To serve the taxpayers of Hennepin County by uniformly valuing and classifying real property in an accurate and equitable manner.*

Examiner of Titles: *To expertly, timely, and efficiently administer Minnesota's Land Title Registration Act ("Torrens") in Hennepin County.*

Department Description:

The Resident and Real Estate Services Department performs the County Auditor, Treasurer and Recorder functions for Hennepin County. The department consists of seven divisions: County Surveyor, Office of Public Records, Service Centers, Elections, Property Tax, Administration and Business Technology Solutions.

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.

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 and is the legal advisor to the Registrar of Titles.

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$9,731,668	\$9,739,182	\$11,890,237
Other Taxes	2,092,085	1,500,000	1,900,000
Federal			
State			
Local			
Investment Earnings			
Fees for Services	15,097,674	15,278,288	15,857,093
Fines and Forfeitures			
Licenses and Permits	4,189,636	5,049,000	5,127,000
Bond Proceeds			
Other Revenue	1,083,464	9,878,997	9,784,474
Total Revenues	\$32,194,527	\$41,445,467	\$44,558,804
Personal Services	\$24,883,433	\$28,925,659	\$31,042,907
Commodities	651,798	211,583	332,467
Services	7,877,392	12,072,215	11,089,164
Public Aid			
Capital Outlay	355,984	23,000	1,753,000
Other Charges	211,159	213,010	341,266
Total Expenditures	\$33,979,766	\$41,445,467	\$44,558,804

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

Budgeted Positions (Full-time Equivalents)	332.6	335.6	336.4
--	--------------	--------------	--------------

**Human Resources
Operations**

**2016 BUDGET
Adopted**

Mission:

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

Department Description:

Human Resources (HR) programs and services are 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."

As a strategic partner, HR assists business lines in achieving their mission, vision and overarching goals. HR programs and services are fundamental in realizing the county's core values: continuous improvement, customer service, diversity and inclusion, employee engagement and workforce development so that:

- Employees are motivated to perform their best and intend to stay
- The county has sustainable talent pipelines and the workforce is prepared to meet current and future challenges
- The workforce delivers better results and diversity and inclusion work is aligned with other county workforce initiatives
- The county thrives within a changing environment
- Customer service standards are met and exceeded
- Resources address county and employee needs
- Services are improved and efficiencies are gained

HR divisions include: Administration, Benefits, Compensation, Diversity and Inclusion*, HR APEX System Services, HR Business Partners, HR Service Center, HealthWorks, Learning and Development, Organizational Change Management, Staffing, Hennepin Carver Workforce Services* (formerly Workforce programs/transferred from Public Works), Volunteering*, and Workforce Development*.

* Divisions/Programs transferred to HR in 2016 budget process.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$7,822,678	\$8,668,147	\$9,319,735
Other Taxes	189,409	194,674	194,674
Federal	2,353,165	2,500,000	2,604,093
State	2,345,257	2,910,000	2,400,000
Local		210,000	108,000
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	32,196	29,000	1,028,000
Total Revenues	\$12,742,705	\$14,511,821	\$15,654,502
Personal Services	\$6,179,930	\$6,985,038	\$7,671,776
Commodities	158,488	93,656	97,026
Services	3,629,758	4,226,745	4,632,101
Public Aid	2,217,153	2,517,000	2,717,000
Capital Outlay	7,345	300	300
Other Charges	245,894	689,082	536,299
Total Expenditures	\$12,438,568	\$14,511,821	\$15,654,502

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

Budgeted Positions (Full-time Equivalents) **69.1** **73.1** **76.1**

Audit, Compliance, and Investigation Services
Operations

2016 BUDGET
Adopted

Mission:

The mission of Audit, Compliance, and Investigation Services is to provide independent audit and investigation services and data governance oversight using established standards and best practices to increase consistency and identify and facilitate the mitigation of risk as a service to Hennepin County management, the audit committee and the county board.

Department Description:

Audit, Compliance, and Investigation Services is an independent and objective assurance, consulting and investigation activity comprising five divisions.

- The Internal Audit Admin Division consists of the department director and staff supporting the department as a whole.
- The Audit Division conducts and supports a number of projects including compliance activities, information technology audits, vendor contract audits and risk-based assurance and consulting engagements.
- The Digital Forensics Division conducts county employee investigations, providing digital evidence to support or dismiss the allegation of a violation.
- The Data Governance Division provides oversight of the availability, usability, integrity and security of the data in Hennepin County.
- The Respectful Workplace Investigations Division conducts investigations of formal complaints resulting from alleged violations of Hennepin County's Non-Discrimination and Respectful Workplace policy.

Budget Summary:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$3,307,066	\$3,749,309	\$4,155,639
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue			
Total Revenues	\$3,307,066	\$3,749,309	\$4,155,639
Personal Services	\$2,358,468	\$2,808,569	\$3,214,323
Commodities	\$29,360	32,450	31,000
Services	\$521,789	836,865	842,966
Public Aid			
Capital Outlay			
Other Charges	\$65,193	71,425	67,350
Total Expenditures	\$2,974,810	\$3,749,309	\$4,155,639

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

Budgeted Positions (Full-time Equivalents)	22.0	25.0	27.0
--	-------------	-------------	-------------

**Audit, Compliance, and Investigation Services
Operations**

**2016 BUDGET
Adopted**

Significant Budget Changes:

The IA Admin division, new for 2016, was created to account for staff and services that support the department as a whole. These costs were previously in the Audit Division, which comprised the entire department prior to 2014.

The Vendor Compliance Division has been merged into the Audit Division effective for 2016.

Division Budgets:	2014 Actual	2015 Budget	2016 Budget
IA Admin	\$0	\$0	\$405,770
Audit	1,813,526	2,122,865	2,362,987
Digital Forensics	713,082	790,974	817,472
Vendor Compliance	448,202	506,796	
Data Governance		204,724	442,149
Respectful Workplace Investigations		123,950	127,261
Total Expenditures	\$2,974,810	\$3,749,309	\$4,155,639

Budget Commentary:

Historically, the department budget has primarily consisted of costs in three areas - staffing, external audit fees and information technology (IT). This has remained the case during the expansion of the department since 2013 to include Digital Forensics, Data Governance and Respectful Workplace Investigation functions.

The department continues to support the external auditor's procedures related to Single Audit of Federal Awards, IT controls and the Metropolitan Health Plan financial audit. Using Internal Audit staff to complete detailed testing helps keep external audit fees down and provides audit staff with valuable experience.

Key Results:	2014	2015 Est.	2016 Est.
Federal Award (Single Audit) Programs Audited	6	4	6
Assurance & Compliance Engagements	15	14	14
Information Technology Assurance & Consulting Engagements	13	15	15
Digital Forensics Investigations	62	60	60
Non-Discrimination/Respectful Workplace Investigations	35	25	25

General County Purposes**2016 BUDGET****Operations****Adopted****Budget Commentary**

The 2016 approved General County Purposes budget is \$31.2 million, which is a net decrease of \$3.0 million over the 2015 adjusted budget. The decrease stems from Hennepin County no longer acting as a third party agent for Nonfederal Medical Assistance Costs (\$6.8 million reduction). This decrease was offset by an increase to the contingency budget of \$2.0 million and a \$0.5 million increase to Countywide Tuition.

Geographic Information Systems (GIS) will be included in the Online Service Delivery (OSD) division (formerly Business Information Office/Web Team) of GCP in 2016. The total OSD budget for 2016 is \$5,470,614 and 28.0 FTE.

Countywide Tuition budget increased \$0.5 million over the 2015 budget to \$0.7 million for 2016. 2016 will be the first year all tuition dollars will exist in a central location.

There have been several division transfers out of GCP for 2016:

Workforce Development and the Office of Diversity and Inclusion will be transferred to the Human Resources department in 2016. Justice Integration Grants, Emergency Management, and Public Safety Administration all transferred to the Public Safety Line of business for 2016.

The County Fair, History Museum, and MBC all request 2% increases in property tax, which meets the assigned budget target, after several years of flat budgets.

The University of Minnesota Extension budget of \$546,009 is flat compared to 2015.

Dues and Contributions Detail:	2014 Actuals	2015	2016 Est
National Association of Counties (NACO)	\$23,014	\$23,049	\$24,000
Assoc. of Minnesota Counties (AMC)	74,425	75,914	***
St. Anthony Falls Heritage Board	31,000	31,000	***
North Metro Crossing (Hwy 610) ****	11,000	11,000	
169 Coalition		5,000	5,000
North Metro Mayors Association ****	10,000	10,000	
Youth Coordinating Board	64,803	65,000	***
Brooklyn Bridge Alliance	50,000	50,000	50,000
Greater MSP	150,000	150,000	150,000
	\$414,242	\$420,963	\$414,000***

*** \$414,000 is a place holder to account for increases to dues or contribution amounts

**** Participation in the organizations discontinued in 2016

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 and www.mnsports.org/grant_program.htm

**Debt Retirement
Operations**

**2016 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:

Monies 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:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$80,169,828	\$82,900,000	\$86,900,000
Other Taxes	56,852		
Federal	2,103,120	2,073,306	2,073,306
State	43,998		
Local	12,338,801	12,404,239	9,310,013
Investment Earnings	424		
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds	13,188,225		
Other Revenue	31,458,709	38,517,808	36,386,178
Total Revenues	\$139,359,957	\$135,895,353	\$134,669,497
Personal Services			
Commodities			
Services	1,010,570	400,000	400,000
Public Aid			
Capital Outlay			
Other Charges	136,785,910	135,495,353	134,269,497
Total Expenditures	\$137,796,480	\$135,895,353	\$134,669,497

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

DEBT RETIREMENT BUDGET HIGHLIGHTS

The debt management strategy of Hennepin County for 2016 through 2020 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 2015, Hennepin County had \$794.9 million in general obligation (GO) outstanding debt. Of this amount, there was \$693.7 million of general obligation property tax levy-supported debt outstanding. Additionally, there was \$101.2 million of general obligation revenue-supported bonds outstanding. This GO revenue supported debt category includes \$87.8 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 is \$12.9 million of bonds issued on behalf of the Minnehaha Creek Watershed District and \$540,000 for the Augsburg College Ice Arena.

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

The total amount of debt that the county could potentially issue under its general capital improvement bonding authority (Minnesota Statutes 373.40, as described below) is approximately \$1.7 billion. This amount of bonding authority varies with changes in the taxable market value of property within the county. The county has \$648.2 million in bonds currently outstanding under its general bonding authority. The current capital plan includes \$182.9 million of new debt issuance for 2016.

In general, 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 ratings.

The summary of outstanding debt and the future requirements tables at the conclusion of this section summarizes the county's outstanding debt at the end of 2014 and 2015, and future debt service property tax 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 \$4.2 billion as contrasted with total outstanding debt of \$794.9 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. \$139,594,719,287 x .03 = \$4,187,841,570.

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 estimated market value of the county. Depending on interest rates and maturity structures, this would limit the county to issuing approximately \$1.7 billion of bonds. Currently, there are approximately \$648.5 million of bonds outstanding under this authority.

M.S. 373.40 Debt Limitation Calculation

Taxable market value times .0012 = maximum annual principal and interest. This results in: \$139,594,719,287 x .0012 = \$167,513,663. 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. This amount is: \$167,513,663 divided by \$97,500 per million = \$1,718,088,851 of estimated debt authorization per M.S. 373.40.

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 taxable market value of property within the county. Assuming a 5.5 percent interest rate and 15-year maturity structure, it is estimated that the county could issue \$230.7 million of debt under this authority. Currently, there are \$45.5 million of bonds outstanding under this authority.

M.S. 383B.245 Debt Limitation Calculation

Taxable market value times .0001612 = maximum annual principal and interest. This results in: \$139,594,719,287 x .0001612 = \$22,495,415. 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. This amount is: \$22,495,415 divided by \$97,500 per million = \$230,722,205 of estimated Library debt authorization per M.S. 383B.245.

Solid Waste Bonds - 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. While the 2016-2020 capital plan anticipates completion of a number of capital projects in the environmental services area, it does not include any additional solid waste debt pursuant to this bonding authority at this time.

Ballpark Sales Tax Revenue Bonds - M.S. 473.757 and 475

The county received one-time authority in 2006 to issue a maximum of \$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 \$341.8 million issued in 2007 and 2008, there is currently \$242.5 million outstanding.

Transit Sales Tax Bonds – M.S. 287A.992, subdivision 7

The county is authorized to issue revenue bonds payable from the proceeds of a 0.25% sales and use tax and a \$20 motor vehicle excise tax to provide funds for transitway related purposes pursuant to a joint powers agreement of Hennepin, Anoka, Dakota, Ramsey, and Washington Counties (known as the “Counties Transit improvement Board” or “CTIB.”) The county may also pledge its full faith, credit, and taxing power as additional security for bonds issued pursuant to this authority. The county currently has \$87.8 million of debt outstanding that was issued on behalf of CTIB in 2010.

Capital Notes - 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 county does not have current plans to issue any debt pursuant to this authority.

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

The county has issued a total of \$14.1 million in bonds for the benefit of the Minnehaha Creek Watershed District, a separate taxing jurisdiction. As of December 31, 2015, \$12.9 million of those bonds were outstanding. 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 2016 debt service levy and the future levy requirements needed to support the both the countywide and library outstanding debt.

OUTSTANDING DEBT

	OUTSTANDING as of 12/31/2014	OUTSTANDING as of 12/31/2015	2016 DEBT SERVICE LEVY
Property Tax-Supported General Obligation Bonds	\$752,690,000	\$693,725,000	\$86,900,000
General Obligation Revenue Bonds			
Augsburg Ice Arena Bonds ⁽¹⁾	705,000	540,000	
Counties Transit Sales Tax Bonds ⁽²⁾	91,475,000	87,755,000	
Minnehaha Creek Watershed District ⁽³⁾	13,510,000	12,900,000	
Ballpark Sales Tax Revenue Bonds⁽⁴⁾	259,560,000	242,530,000	
TOTAL	<u>\$1,117,940,000</u>	<u>\$1,037,450,000</u>	<u>\$86,900,000</u>

(1) Nontax revenues of lease payments pay the debt service on these bonds.

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

(3) These bonds are payable from property taxes levied within the Minnehaha Creek Watershed District.

(4) 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
2016	\$ 86,501,939	\$ 398,061	\$ 86,900,000
2017	76,629,204	468,565	77,097,769
2018	75,524,948	513,403	76,038,351
2019	74,547,266	743,440	75,290,705
2020	71,741,116	735,021	72,476,137
2021	70,192,488	352,816	70,545,304
2022	63,258,057	347,007	63,605,064
2023	60,313,004	345,647	60,658,651
2024	56,069,291	343,252	56,412,543
2025	55,432,992	341,466	55,774,458
2026	52,309,778	343,634	52,653,412
2027	48,706,166	0	48,706,166
2028	44,064,955	0	44,064,955
2029	33,933,773	0	33,933,773
2030	28,160,694	0	28,160,694
2031-39	<u>122,716,519</u>	<u>0</u>	<u>122,716,519</u>
Total	\$1,020,102,189	\$4,932,312	\$1,025,034,501

Hennepin County

Ballpark Sales Tax Revenue Programs

Operations

2016 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:

	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*			
Other Taxes	\$34,254,757	\$35,175,000	\$35,880,000
Federal			
State			
Local			
Investment Earnings	786		
Transfer for Debt Service		(19,212,160)	(19,400,000)
Transfer for Optional debt prepayment		(15,000,000)	(12,000,000)
Transfer for Library additional hours		(2,300,000)	(2,300,000)
Transfer for Youth Sports Program		(2,200,000)	(2,300,000)
Use of Fund Balance		6,070,160	2,620,000
Other Revenue Subtotal:		(32,642,000)	(33,380,000)
Total Revenues	\$34,255,543	\$2,533,000	\$2,500,000
Personal Services			
Commodities			
Services	\$483,238	\$500,000	\$500,000
Public Aid			
Capital Outlay			
Other Charges	1,785,371	2,033,000	2,000,000
Total Expenditures	\$2,268,609	\$2,533,000	\$2,500,000

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

Budgeted Positions (Full-time Equivalents)	0	0	0
--	---	---	---

Hennepin County

Employee Health Plan Self Insurance Fund Operations

2016 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. In addition to accounting for premium revenue and claims expense, the fund accounts for the expenses of the county HealthWorks unit.

Budget Summary:

	2014 Budget	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services	6,869,140	7,200,000	7,741,145
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	76,323,277	94,160,777	98,901,039
Total Revenues	\$83,192,417	\$101,360,777	\$106,642,184
Personal Services	\$83,688,838	\$431,847	\$458,634
Commodities	8,760	2,500	2,500
Services	4,090,812	5,117,430	5,335,300
Public Aid			
Capital Outlay			
Other Charges	25,739	95,809,000	100,845,750
Total Expenditures	\$87,814,149	\$101,360,777	\$106,642,184

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

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

Hennepin County

Other Employee Benefits
Operations

2016 BUDGET
Adopted

Mission:

The Other Employee Benefits Fund is used to account for the cost of compensated absences and the cost of other post employment benefit obligations for governmental funds.

Department Description:

The Other Employee Benefits department is an internal service fund which is used to account for the cost and liquidation of compensated absences and post employment healthcare benefits relating to governmental funds on a cost-reimbursement basis.

Budget Summary:	2014 Actual	2015 Budget	2016 Budget
------------------------	--------------------	--------------------	--------------------

Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	25,456,162	26,000,000	27,200,000
Total Revenues	\$25,456,162	\$26,000,000	\$27,200,000
Personal Services	\$25,456,162	\$26,000,000	\$27,200,000
Commodities			
Services			
Public Aid			
Capital Outlay			
Other Charges			
Total Expenditures	\$25,456,162	\$26,000,000	\$27,200,000

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

Budgeted Positions (Full-time Equivalents)	0	0	0
---	---	---	---

Hennepin County

Self Insurance Fund
Operations

2016 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 Hennepin 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:	2014 Actual	2015 Budget	2016 Budget
------------------------	--------------------	--------------------	--------------------

Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes			
Federal			
State			
Local			
Investment Earnings			
Fees for Services			
Fines and Forfeitures			
Licenses and Permits			
Bond Proceeds			
Other Revenue	4,753,026	6,353,919	6,656,842
Total Revenues	\$4,753,026	\$6,353,919	\$6,656,842
Personal Services	\$6,412,434	\$5,730,075	\$5,942,738
Commodities	4,338	5,200	5,200
Services	464,306	338,024	420,364
Public Aid			
Capital Outlay			
Other Charges	331,340	280,620	288,540
Total Expenditures	\$7,212,418	\$6,353,919	\$6,656,842

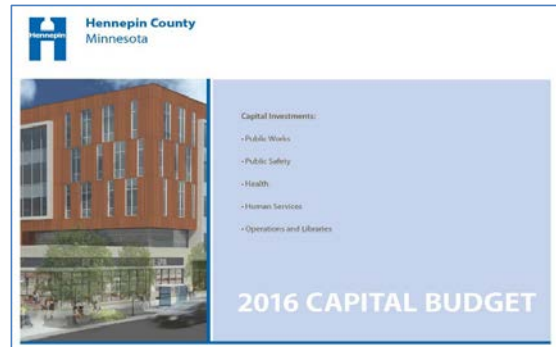
**Reflects the adjusted property tax requirement budget, not actual property tax collection.*

Budgeted Positions (Full-time Equivalents)	5.5	5.5	5.5
--	-----	-----	-----

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.



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.

FOR SPECIFIC DETAILS REGARDING THE CAPITAL BUDGET AND EACH PROJECT, REFER TO A COPY OF THE SEPARATE DOCUMENT TITLED *2016 CAPITAL BUDGET AND 2016 - 2020 CAPITAL IMPROVEMENT PROGRAM*.

Program Budget Highlights:

The Capital Improvements budget for 2016 (less debt retirement, which is discussed in the Debt Retirement section of Operations) is \$288.1 million. This represents an increase of \$25.0 million or 9.5 percent over the adjusted 2015 budget of \$263.1 million.

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 *2016 Capital Budget and 2016-2020 Capital Improvement Program*. See the Introduction section for the capital budget schedule and process.

Expenditures by Program and Department

Public Works Program:

Public Works projects comprise \$95.0 million, or 33.0%, of the 2016 Capital Budget. Of the Public Works program total, \$80.3 million is programmed for Transportation Roads and Bridges projects. Included in the \$80.3 million for roads and bridges, is \$4.7 million for 15 line item projects which give staff flexibility to quickly and efficiently respond to issues and opportunities that may arise throughout the year. For Community Works, \$2.8 million is included toward projects that are developed in partnership with other government entities to focus public and private investment to stimulate economic development, maintain and improve natural systems, strengthen community connections and enhance the tax base. With respect to Environment and Energy investments, the 2016 Capital budget includes \$11.9 million in appropriations, with \$10.7 million of that amount for improvements to the Hennepin Energy Recovery Center.

Public Safety and Judiciary Program:

Public Safety and Judiciary projects comprise \$29.7 million, or 10.3%, of the 2016 Capital Budget. \$2.3 million is for District Court related projects including \$1.1 million to relocate Family Justice Center administrative spaces and \$900,000 toward system wide courtroom communications improvements. With respect to the Community Corrections & Rehabilitation Department, \$22.6 million was approved, including \$18.7 million for a Hennepin-Ramsey County joint juvenile corrections facility, \$2.3 million for various security improvements, and \$1.8 million in support of facility preservation. With respect to the Sheriff's capital project needs, \$3.9 million was approved including \$3.2 million to upgrade the Computer Aided Dispatch (CAD) system, \$500,000 in security related improvements, and \$150,000 to examine the functionality and efficiency of the Enforcement Services facility. For the County Attorney's office space, \$1.0 million is included to restart an office space and furniture modifications and efficiency effort that had been deferred for multiple years.

Program Highlights Continued:Health Program:

Health projects comprise \$95.1 million, or 33.0%, of the 2016 Capital Budget. For the Medical Examiner's Office, \$25.6 million is included toward a new regional Medical Examiner's facility. With respect to the Medical Center, \$69.5 million is budgeted in 2016. The most significant Health project is the new \$224.6 million HCMC Ambulatory Outpatient Specialty Center, of which an additional \$60.0 million in budget authority is granted in 2016. Construction began in late 2015, with completion scheduled for 2017.

Human Services Program:

Human Services projects comprise \$14.0 million, or 4.9%, of the 2016 Capital Budget. The largest investments include an additional \$5.3 million toward satellite facilities and \$6.9 million toward a \$16.0 million seventh human service center.

Operations and Libraries Program:

Operations and Libraries projects comprise \$54.3 million, or 18.9%, of the 2016 Capital Budget. With regards to Libraries, \$13.7 million has been budgeted toward five library projects including: the final \$4.1 million for the \$12.0 million new Webber Park Library, \$3.1 million toward a \$6.5 million refurbishment of the Ridgedale library, \$5.7 million toward various library facility modifications and preservation, and \$800,000 toward library equipment and technology improvement projects.

For Facility Services projects, which typically have a countywide impact or the investment is beneficial to multiple county service areas, \$28.1 million is programmed for 2016. The county actively invests in the preservation of the county's existing assets, believing such investments should take precedence over considerations regarding new facilities and initiatives- the 2016 Facility Services projects are consistent with that philosophy, with \$14.1 million budgeted for those efforts. In addition, \$13.0 million is budgeted toward a possible Southdale courts relocation project.

For the Information Technology Department, three projects totaling \$9.5 million will receive funding in 2016: an additional \$4.0 million toward data center upgrades, an additional \$4.5 million toward staff furniture and space efficiency, and an additional \$1.0 million toward the Information Technology community connectivity initiative which leverages opportunities with other government entities to share the costs and operational benefits of installing fiber communications cables throughout the county.

For the Resident & Real Estate Services Department, the final \$1.5 million in funding has been budgeted for the \$3.2 million Government Center A-5 and A-6 space remodeling project.

With regards to the Minneapolis City Hall / Courthouse, which is jointly owned and managed with the City of Minneapolis through the Municipal Building Commission, a total of \$ 1.5 million in continued funding for three projects related to the general preservation and investment in the historic structure was approved.

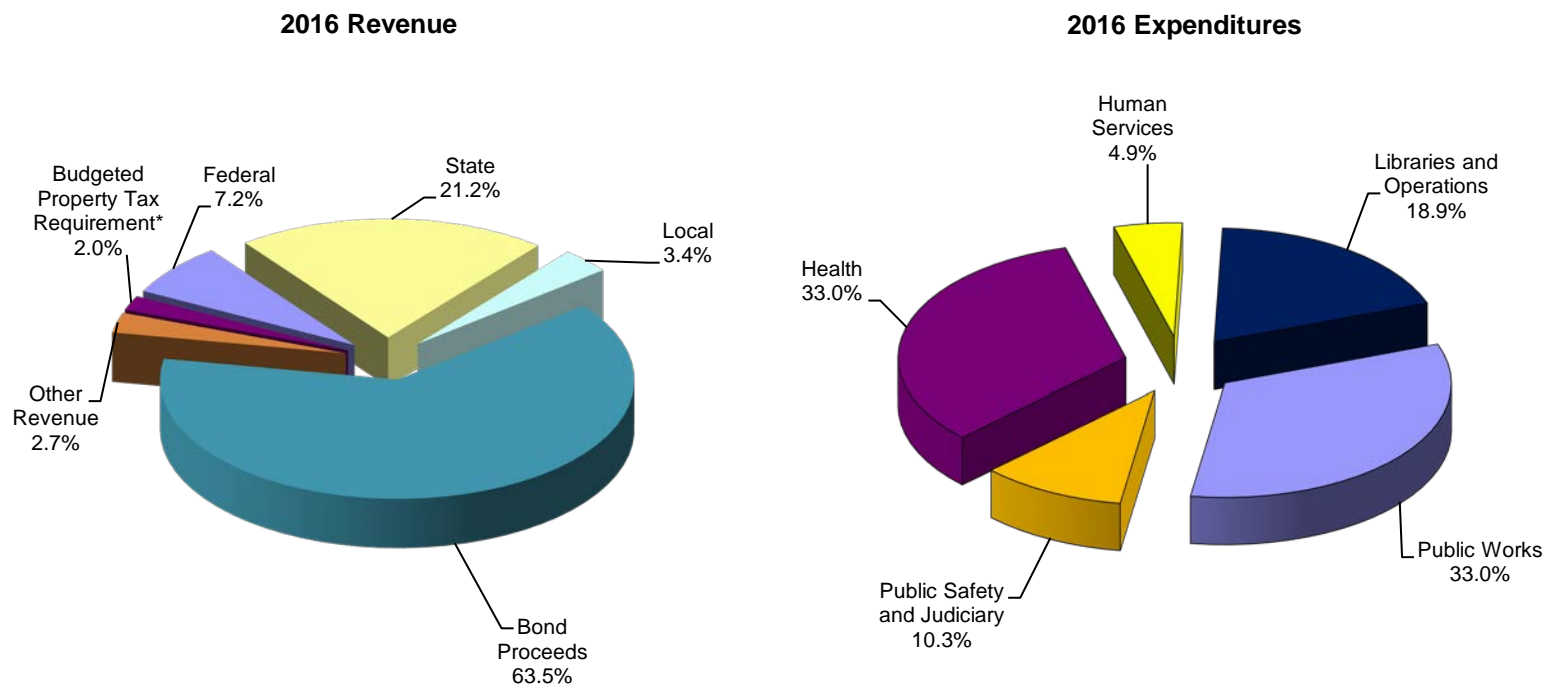
Revenue and Expenditure Information:	2014 Actual	2015 Budget	2016 Budget
Budgeted Property Tax Requirement*	\$9,744,218	\$7,846,218	\$5,730,218
Other Taxes	3,548		
Federal	14,518,538	620,233	20,646,000
State	39,625,316	76,173,536	60,983,750
Local	22,478,948	7,921,277	9,912,000
Investment Earnings	87,847		
Fees and Services			
Fines and Forfeitures			
License and Permits			
Bond Proceeds	118,284,731	124,604,000	182,936,852
Other Revenue	3,068,961	45,887,999	7,875,398
Total Revenues	\$207,812,107	\$263,053,263	\$288,084,218
Personal Services			
Commodities			
Services			
Capital Outlay	\$140,333,772	\$263,053,263	\$288,084,218
Other Charges			
Total Expenditures	\$140,333,772	\$263,053,263	\$288,084,218

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

Budgeted Positions (Full-time Equivalents)

- - -

Revenue and Expenditure Comparison:



Revenue Highlights:

Of the revenues to support the \$288.1 million capital budget, \$182.9 million comes from bonded indebtedness. The 2016 level of bonding is \$58.3 million higher than the \$124.6 million included in the adjusted 2015 budget. Most of this difference in the level of bonding is the result of a \$40.7 million increase in enterprise funded general obligation bonding for the Medical Center. Medical Center capital projects that call for long-term debt financing remain part of the county's capital program, even when the longer-term debt is financed with Hennepin Healthcare System enterprise revenues. Details concerning the county's debt retirement and debt management can be found in the debt retirement section of the Operations program.

Intergovernmental (federal, state and local) revenues of \$91.5 million are included in the 2016 capital budget, which is up from the 2015 level of \$84.7 million. Although total intergovernmental revenues are fairly consistent, the variance between federal, state and local revenues show significant changes from 2015, which is almost exclusively related to road construction projects where the funding formulas vary based on the class of road being reconstructed.

The 2016 capital budget includes \$5.7 million in property tax funding which is \$2.1 million less than the \$7.8 million budgeted in 2015. The 2015 figure is prior to a \$5.0 million adjustment due to the receipt of County Program Aid (no county Program Aid is included in the 2016 capital budget).

In addition, the 2016 capital budget includes \$1.7 million in use of Human Services Fund balance, \$2.3 million in enterprise revenues and \$2.2 million in other revenues. The 2015 adjusted budget included \$24.9 million in use of General and Human Services fund balances, \$11.4 million in enterprise revenues and \$6.6 million in other revenues.

Specific capital project budgets and detail about revenue sources relating to capital improvements can be found in the separate document titled *2016 Capital Budget and 2016-2020 Capital Improvement Program*, which is available on the County's internet site o

Program Expenditure Summary:	2014 Budget	2015 Budget	2016 Budget
Public Works	\$100,400,593	\$124,058,263	\$94,966,718
Public Safety and Judiciary	16,424,000	10,838,000	29,734,000
Health	35,539,000	31,314,000	95,057,500
Human Services	10,058,000	55,035,000	13,995,000
Libraries and Operations	35,787,000	41,808,000	54,331,000
Total Expenditures	\$198,208,593	\$263,053,263	\$288,084,218

**2016 BUDGET
Adopted**

Summary of Capital Projects by Major Program and Revenue Source

	2016 Budget	Property Tax	County Bonds	Federal & State	Enterprise & Other
Public Works Program					
Transportation Roads & Bridges					
2986402 CSAH 3 - Construct Lake St ramps at I-35W Phase II	1,501,000	0	0	1,501,000	0
2150800 CSAH 3 - Reconst Lake St fr Blaisdell to 1st & 3rd to 5th	200,000	0	0	100,000	100,000
2150900 CSAH 3 - Landscape Lake St Blaisdell to 1st & 3rd to 5th	200,000	0	0	100,000	100,000
2142600 CSAH 20 - Reconstruct Blake Road TH 7 to Excelsior Blvd	2,076,000	0	0	2,076,000	0
2961701 CSAH 24 - Reconst Rd fr CSAH 101 to 0.40 mile east	3,681,000	0	0	2,179,000	1,502,000
2141200 CSAH 28 - Participate in MnDOT I-494 Ramp reconstruct	100,000	0	0	100,000	0
2141100 CSAH 30 - Reconst 93rd N Xylon to East of Winnetka	250,000	0	0	250,000	0
2974800 CSAH 34 - Reconst Normandale 94th to Mt Normandale	2,100,000	0	0	2,100,000	0
2151100 CSAH 35 - Portland Ave Bridge over Midtown Grnwy	4,000,000	0	3,000,000	0	1,000,000
2111700 CSAH 46 - Replace bridge over Godfrey Road in Mpls	5,381,000	0	0	5,381,000	0
2101100 CSAH 53 - Reconst 66th St from Xerxes Ave S to Cedar	18,592,000	0	0	14,268,000	4,324,000
2090400 CSAH 61 - Reconst Flying Cloud Dr cnty line to Charlson	840,000	0	0	0	840,000
2020300 CSAH 81 - Reconst Bottineau Blvd 63rd Ave N to CSAH 8	10,768,000	0	0	10,444,000	324,000
2092200 CSAH 81 - Reconstruct Road from CSAH 8 to TH 169	2,520,000	0	0	2,520,000	0
2991700 CSAH 101 - Reconst fr N of CSAH 62 to N of CSAH 3	6,877,000	0	0	6,877,000	0
2100700 CSAH 102 - Reconst Douglas Dr N fr TH 55 to CSAH 70	8,338,500	351,000	0	5,278,500	2,709,000
2091101 CSAH 112 - Reconstruct Rd fr Willow to Wolf Pointe Tr	880,000	0	0	880,000	0
2091102 CSAH 112 - Reconst Rd Wolf Pointe Tr to Wayzata Blvd	107,000	0	0	104,000	3,000
2091800 CSAH 115 & CR 116 - Reconst fr TH 55 to Clydesdale	619,000	30,000	0	524,000	65,000
2111500 CSAH 146 - Replace bridge over Long Lake Creek	1,138,000	0	0	1,138,000	0
2151300 CSAH 152 - Cedar Ave Bridge over Midtown Grnwy	1,000,000	0	0	0	1,000,000
2151900 CSAH 152 - Reconst Rd fr 49th Ave N to Bass Lk Rd	809,000	0	0	809,000	0
2040800 CR 202 - Replace Bridge at Elm Creek	150,000	150,000	0	0	0
2143700 CSAH 204 - Reconst Rd within Fort Snelling Boundary	100,000	0	0	0	100,000
2150700 CR 205 - Reconst Rd within Fort Snelling Boundary	100,000	0	0	0	100,000
2155600 TH 252 Improvements from I-694 to TH 610	200,000	200,000	0	0	0
2155700 77th Street Underpass at TH 77 Cedar Avenue	1,500,000	0	1,500,000	0	0
2999957 Bikeway Development Participation	300,000	300,000	0	0	0
2999958 Bikeway Program - Discretionary	300,000	300,000	0	0	0
2999950 Consultant Services - Miscellaneous	570,000	0	0	570,000	0
2999960 Hardship Right of Way Acquisition	20,000	20,000	0	0	0
2999969 Highway Safety Improvement Program	1,146,000	0	0	1,146,000	0
2999961 Maple Grove R of W Acquisition Reimbursement	40,000	40,000	0	0	0
2999952 Minneapolis Signal Participation	275,000	30,000	0	245,000	0
2999953 MnDOT Signal Participation	150,000	10,000	0	140,000	0
2999954 Miscellaneous Structure Repair	50,000	50,000	0	0	0
2999967 Pavement Preservation Plus	300,000	300,000	0	0	0
2999965 Pedestrian Ramps	600,000	30,000	0	570,000	0
2999956 Railroad Crossing Participation	25,000	0	0	25,000	0
2999962 Roadside Enhancement Partnership Program	649,000	649,000	0	0	0
2999966 Sidewalk Participation	200,000	200,000	0	0	0
2999968 Southwest LRT Partnership Participation	1,500,000	0	1,500,000	0	0
2999955 Surface Water Management	40,000	40,000	0	0	0
2999900 Transportation County Aid to Municipalities	85,218	85,218	0	0	0

**2016 BUDGET
Adopted**

Summary of Capital Projects by Major Program and Revenue Source

	2016 Budget	Property Tax	County Bonds	Federal & State	Enterprise & Other
Community Works					
1001560 Penn Avenue Community Works	1,000,000	500,000	500,000	0	0
1002195 Economic Development Infrastructure Fund	500,000	500,000	0	0	0
0031720 Community Works Corridor Planning	250,000	250,000	0	0	0
1001648 Lowry Avenue NE Community Works	1,000,000	0	1,000,000	0	0
Environment & Energy					
1002150 HERC Pres & Improvements 2016-2020	10,689,000	0	10,689,000	0	0
1003375 Energy Center Improvement 2016-2020	1,000,000	0	1,000,000	0	0
1002151 Transfer Station Pres 2016-2020	250,000	0	0	0	250,000
Public Works Program Total	94,966,718	4,035,218	19,189,000	59,325,500	12,417,000
Public Safety and Judiciary Program					
County Attorney					
1003220 County Attorney Office Space & Furniture Mods	950,000	0	950,000	0	0
District Court					
1003219 FJC Admin Space Relocations & Remodeling	1,068,000	0	1,068,000	0	0
1003244 JJC Hearing Room Modifications	170,000	0	170,000	0	0
1003243 HCGC C-8 Court Reporter Office Remodeling	150,000	150,000	0	0	0
1002161 Courtroom Communications Syst Refurb 2016-2020	943,000	0	943,000	0	0
Community Corrections & Rehabilitation					
0031789 Community Corrections Security Modifications	1,812,000	0	1,812,000	0	0
1002162 Community Corrections Facility Pres 2016-2020	1,000,000	100,000	900,000	0	0
1002307 Hennepin-Ramsey Joint Juvenile Corrections Facility	18,677,000	0	9,339,000	9,338,000	0
1002292 DOCCR Office Safety Audit Modifications	500,000	0	500,000	0	0
1000321 Community Corrections Flooring Replacement	380,000	0	380,000	0	0
0031842 CHS Facility Modifications	200,000	0	200,000	0	0
Sheriff					
0031762 Sheriffs Holding Area Security Modifications	534,000	0	534,000	0	0
1003386 Sheriff's CAD Upgrade	3,200,000	300,000	2,900,000	0	0
1003501 Sheriff's Enforcement Services Division Office Study	150,000	150,000	0	0	0
Public Safety and Judiciary Program Total	29,734,000	700,000	19,696,000	9,338,000	0
Health Program					
Medical Examiner					
1002306 New Regional Medical Examiner's Facility	25,557,500	0	12,591,250	12,966,250	0
Medical Center					
1002163 HCMC Asset Preservation 2016-2020	6,500,000	0	6,500,000	0	0
1002512 HCMC Ambulatory Outpatient Specialty Center	60,000,000	0	58,000,000	0	2,000,000
1002293 HCMC Surgery Center Expansion & Relocation	3,000,000	0	3,000,000	0	0
Health Prgram Total	95,057,500	0	80,091,250	12,966,250	2,000,000
Human Services Program					
0031821 HSPHD Satellite Facilities	5,348,000	0	5,348,000	0	0
1003509 HSPHD 7th Human Service Center	6,947,000	0	6,947,000	0	0
1001597 HSPHD South Minneapolis Regional Service Center	1,700,000	0	0	0	1,700,000
Human Services Program Total	13,995,000	0	12,295,000	0	1,700,000

**2016 BUDGET
Adopted**

Summary of Capital Projects by Major Program and Revenue Source

	2016 Budget	Property Tax	County Bonds	Federal & State	Enterprise & Other
Operations and Libraries Program					
Library					
0030322 New Webber Park Library	4,084,000	0	3,363,602	0	720,398
1001786 Ridgedale Library Refurbishment	3,085,000	0	3,085,000	0	0
1002167 Library Facility Modifications 2016-2020	2,250,000	0	2,250,000	0	0
1002168 Library Facility Preservation 2016-2020	3,500,000	350,000	3,150,000	0	0
1002169 Library Equipment Replacement 2016-2020	804,000	100,000	704,000	0	0
Information Technology					
1002166 IT Community Connectivity 2016-2020	1,000,000	0	1,000,000	0	0
1000978 IT Furniture & Space Efficiency Modifications	4,521,000	0	4,521,000	0	0
1000979 IT Data Center Upgrades	4,000,000	0	4,000,000	0	0
Resident & Real Estate Services					
0031794 HCGC A-5 / A-6 Space Remodeling	1,531,000	0	1,531,000	0	0
Facility Services					
1002153 Environmental Health & Safety 2016-2020	350,000	50,000	300,000	0	0
1002154 Facility Preservation 2016-2020	4,000,000	100,000	3,900,000	0	0
0031730 Multi-building Critical Power	2,300,000	0	2,300,000	0	0
1002156 Accessibility Modifications 2016-2020	90,000	45,000	45,000	0	0
0031825 Southdale Regional Ctr Preservation & Remodeling	(5,000,000)	0	(5,000,000)	0	0
1003285 Southdale Redevelopment	250,000	250,000	0	0	0
1003286 Southdale Courts Relocation	13,029,000	0	13,029,000	0	0
1002308 Ridgedale Regional Center Preservation	2,000,000	0	2,000,000	0	0
1001928 HCGC Admin Space Efficiency & Security Improvements	1,718,000	0	1,718,000	0	0
1002242 Countywide Security Equipment Replacement	2,000,000	0	2,000,000	0	0
0031827 Public and Programmatic Furniture Replacement	563,000	0	563,000	0	0
1002158 Carpet Replacement Program 2016-2020	990,000	100,000	890,000	0	0
1002159 701 Building Facility Preservation 2016-2020	1,800,000	0	1,050,000	0	750,000
1000329 701 Building Office Space Modifications	2,466,000	0	2,266,000	0	200,000
1002157 General Office Space & Furniture Mods 2016-2020	1,500,000	0	1,500,000	0	0
Municipal Building Commission					
0031715 MBC Interior Court & Elevator Modifications	675,000	0	675,000	0	0
0031847 MBC Critical Power	200,000	0	200,000	0	0
1000935 MBC Exterior Improvements	625,000	0	625,000	0	0
Operations and Libraries ProgramTotal	54,331,000	995,000	51,665,602	0	1,670,398
Total 2016 Appropriation	288,084,218	5,730,218	182,936,852	81,629,750	17,787,398