

HENNEPIN COUNTY
MINNESOTA

2022 Budget



HENNEPIN COUNTY
MINNESOTA

2022 BUDGET

As approved on December 14, 2021 by the

**Hennepin County Board of
Commissioners**

Jeffrey Lunde, 1st District

Irene Fernando, 2nd District

Chair: Marion Greene, 3rd District

Angela Conley, 4th District

Vice-Chair: Debbie Goettel, 5th District

Chris LaTondresse, 6th District

Kevin Anderson, 7th District

Hennepin County Administrator

David J. Hough

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I. Budget Message

HENNEPIN COUNTY

MINNESOTA

January 3, 2022

Honorable Board of County Commissioners:

Hennepin County's North Star, our directional path, is to serve residents. Over the last twenty-four months that has been more pronounced than ever in our history. Despite an improved economic outlook for the state, serious challenges remain. Economic recovery is projected to be slow as we move forward- further extending the challenges faced by our residents, employees, and businesses.

The 2022 budget grounds itself in Hennepin County's core values of continuous improvement, customer service, diversity and inclusion, employee engagement and workforce development; introduces additional strategies and activities to reduce disparities; and includes actions that support the county's Climate Action Plan.

I am pleased to present the approved 2022 Hennepin County Budget. The budget totals \$2,455,784,326 billion, with a net property tax levy of \$899,372,132. This property tax levy is a 3.5 percent increase over 2021.

Excluding capital, the operating portion of the budget totals \$2.1 billion, an increase of \$13.6 million or 0.6 percent over the adjusted 2021 budget. The capital portion of the budget totals \$337 million, an increase of \$146 million or 76.5 percent over the adjusted 2021 amount, but less than the 2020 adjusted capital budget of \$461.4 million. Significant annual increases or decreases in the capital budget are common due to the ever-changing mix of capital projects, their implementation schedules, and the varying revenue sources available to fund those initiatives.

I am confident the 2022 budget demonstrates our commitment to our mission and goals and is embedded in our solid fiscal stewardship that remains evident in almost four decades of AAA bond ratings. Employees have shown great fortitude in response to the pandemic and this budget demonstrates our continued creativity and resilience.

I want to express my appreciation and gratitude to our employees who serve our residents with commitment and compassion and make Hennepin County a great place to work and live. Finally, I want to thank you, the Hennepin County Board of Commissioners, for your support and leadership.

Respectfully submitted,



David J. Hough
County Administrator

Hennepin County Administration

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The 2022 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 capital budget and 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 2022 operating and capital budget submissions. The schedule on page 4 identifies key stages in the formulation of the operating and capital budgets.

The ongoing global corona virus pandemic continued to impact the county, along with its residents and businesses. Despite improved state fiscal conditions, serious challenges remain, and the economic recovery is projected to be slow as we move forward. The County's CARES money distribution has provided residents and businesses significant help with housing stability, food supports, non-profit and small business relief. These substantial investments will continue in the months ahead even when the pandemic is finally contained.

For 2022, the operating budget guidelines directed departments to submit a budget request that required no more than 98 percent of each department's 2021 adjusted property tax requirement and to prepare a prioritized reduction schedule that reduced the department's property tax requirement by 2.0 percent from the requested level.

Personnel remain a significant driver of budget expenses. Departments were asked to scrutinize each position as it became vacant to reevaluate the tasks and consider innovative alternatives to filling the position. Only positions that were deemed critical or essential were considered for hiring approval.

Additional issues for department consideration as they developed their 2022 budget request included:

- Federal and state government funding levels are uncertain
- Non-property tax revenues are expected to decline
- Transformational change in how we do business must continue
- Rapidly changing environment may require different services and service levels
- Innovative, collaborative partnerships and shared service opportunities must be developed
- Contracted service needs should be reassessed
- Requests for new positions should be minimized in favor of reallocating vacant positions

Organizational considerations:

- Strategies and activities toward achieving the county goal of reducing disparities in the seven domains (education, employment, health, housing, income, justice and transportation) should influence budget requests.
- Hennepin County core values – continuous improvement, customer services, diversity and inclusion, employee engagement and workforce development should support department decisions.

On March 16, 2020, the county declared a State of Emergency related to the COVID-19 pandemic that included temporarily closing the Hennepin County Government Center and that State of Emergency remains in effect. All budget related meetings and hearings were held virtually in 2021.

Departments submitted budget requests to the Office of Budget and Finance on June 25, 2021. During July and August, department staff met with County Administration and the Office of Budget and Finance to clarify and resolve areas of concern.

On September 14, 2021, the county administrator presented a proposed budget within the context of the current state of the economy, a public health crisis, the county board's mission and vision statements and the organization's core values.

"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 of every year. On September 21, the county administrator recommended, and the Hennepin County Board of Commissioners approved a maximum levy of \$899 million – and increase of 3.5 percent when compared to the 2021 adopted property tax levy.

During early October through November, the county board held a series of public hearings in which Hennepin County citizens, contracted service providers, taxpayers and clients were given the opportunity to comment on the proposed budget.

The "Truth-in-Taxation" statutes require that the county send out proposed property tax notices to all taxpayers in November based on the maximum proposed levy set by the county board in September. In addition, the statutes require 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 virtually at 6:00 p.m. on November 30, 2021. On December 14, the county board adopted the 2022 budget by resolution, authorizing appropriations and establishing staffing complements for county departments.

The final approved property tax levy for 2022 is \$899 million – and increase of 3.5 percent when compared to the 2021 approved 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 2022 budget is \$30,711,288, with a property tax levy of \$31,000,000.

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 2022 budget is \$20,797,447, with a property tax levy of \$17,908,995.

Hennepin Healthcare System, Inc. is a public subsidiary corporation of the county which does business under the name Hennepin Healthcare. Although the Hennepin Healthcare 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 their annual budget. The approved Hennepin Healthcare 2022 operating budget is \$1,282,188,000.

2021 Fiscal Year	2022 Operating Budget	2022 - 2026 Capital Improvement Program	Related Activities
January			2021 Fiscal Year begins
February		2022 - 2026 CIP instructions distributed	
March		Departmental preliminary capital project requests submitted to Facility Services or Public Works Administration	Recap of FY 2020 Financials completed and distributed
April	2022 Operating Budget instructions & targets distributed		
May	Departments develop 2022 budget requests consistent with property tax targets and other budget guidelines	Capital project descriptions and cost estimates returned to departments. departments finalize capital project requests; and departments meet with County Administration regarding CIP as required	
June			
July	2022 department budget requests due to Office of Budget and Finance (OBF) County Administration and OBF Office review and discuss budget requests with departments	Capital Budgeting Task Force (CBTF) meets with departments to review 2022 - 2026 project requests	2nd Quarter 2021 Financials/Year-end Projections completed and distributed
August			
September	County Board Briefing on 2022 budget and tax levy; County Administrator presents Proposed 2022 Budget; and County Board adopts maximum proposed property tax levy for 2022	County Administrator finalizes the proposed 2022 Capital Budget; CBTF finalizes its recommended 2022 - 2026 CIP	
October	Beginning in October, the County Board holds a series of public hearings to review and discuss proposed 2022 operating and capital budgets, and proposed fee schedule revisions		
	Truth-in-Taxation notices mailed to all property owners		
November	The County Board holds public meeting for budget and levy discussion and holds public hearings to consider amendments to the proposed 2022 operating and capital budgets; and holds a public meeting for budget and levy discussion.		3rd Quarter 2021 Financials/Year-end projections completed and distributed
December	County Board approves a final 2022 property tax levy and adopts a 2022 Operating and Capital Budget; and Budget Office finalizes property tax levy certifications and reporting to State agencies.		2021 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 IV-2 of this document.
- The five-year Capital Improvement Program (CIP), which includes the 2022 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 11-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: **2022 Capital Budget and 2022-2026 Capital Improvement Program**.
- The Office of Budget and Finance prepares interim financial reports at the fund and departmental level to increase participation and accountability throughout the organization. These reports provide the county board and county administrator critical financial information needed for sound fiscal management as the 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 expenditures. 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 several other short-term or ad-hoc planning groups to study and make recommendations on a variety of discussion issues.

The 2022 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, which is set by county or local assessors. The amount of value that is actually used in computing taxes is Taxable Market Value. 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 and the homestead market value exclusion.

Property taxes in Minnesota are ultimately based on a local jurisdiction's Net 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(s). 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 primarily commercial or industrial use. These rates are set in statute and are uniform throughout the state.

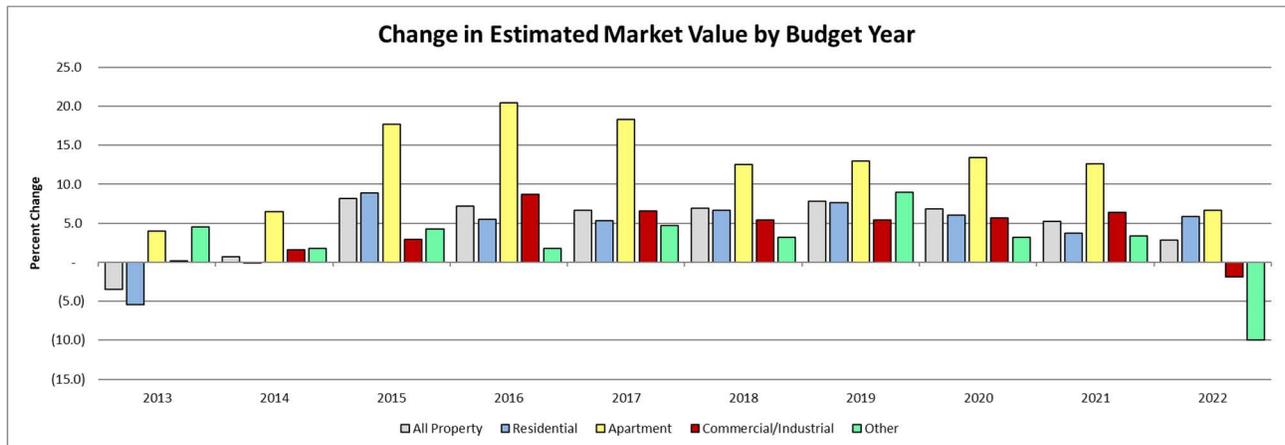
Estimated Market Value

Estimated Market Value (EMV) represents the estimated selling price of a property, given a willing buyer and seller. In the assessment year 2021, for taxes payable in 2022, Hennepin County's total EMV was \$206.7 billion, an increase of \$8.0 billion, or 4.0 percent, from taxes payable in 2021. In Minneapolis, property values increased by \$1.3 billion, or 2.1 percent. Suburban property values rose by \$6.7 billion, or 4.8 percent.

Suburban properties account for 70.7 percent of Hennepin County's estimated market value with the remaining 29.3 percent in the City of Minneapolis. Residential property accounts for most of the property value in both Minneapolis (59.0 percent) and suburban Hennepin County (71.5 percent).

Residential values in suburban Hennepin rose 5.8 percent and in the City of Minneapolis residential properties increased about 4.3%. Residential properties comprise 67.8 percent of all property value in the county.

Apartments comprise 12.6 percent of Hennepin County's total EMV, making up 9.4 percent of the total EMV in Suburban Hennepin County, and 20.3 percent of total EMV in Minneapolis. Commercial and industrial property values account for 18.2 percent of Hennepin County's total EMV (20.3 percent of EMV in Minneapolis and 17.4 percent of EMV in suburban areas).



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 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 67.8 percent of the EMV, but after the conversion to (unadjusted) tax capacity, residential properties comprise 56.7 percent of tax capacity. Similarly, commercial/industrial property represents 18.2 percent of the countywide EMV, but the tax capacity of those commercial/industrial properties accounts for 29.7 percent of the county’s 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 growth in the commercial/industrial tax base among municipalities in the seven-county metropolitan area. In 2022, approximately \$33.9 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 2022, approximately \$33.6 million in taxes will be used to pay for improvements in TIF districts located throughout the county and will be 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	67.8%	56.7%	60.9%
Commerical/Industrial	18.2%	29.7%	24.4%
Apartment	12.6%	12.4%	13.3%
Other/Personal	1.4%	1.2%	1.4%
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 2022, the total adjusted tax capacity of taxable property in Hennepin County is estimated to be \$2.3 billion, a 3.3 percent increase from taxes payable in 2021.

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 2022, local governments were required to adopt a maximum property tax levy by September 30, 2021, 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 could speak, and the 2022 budget and levy were discussed. The final 2022 tax levy had to be adopted and certified to the County Auditor by December 30, 2021. Hennepin County met all statutory requirements for establishing the 2022 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 2022 is 98.5 percent and therefore, an additional 1.5 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.

II. Revenue and Expenditures

2022 BUDGET

COMPUTATION OF LEVIES BY FUND

	TOTAL BUDGET	INCOME FROM OTHER SOURCES	PROPERTY TAX REQUIREMENT	COLLECTION RATE	GROSS PROPERTY TAX LEVY
County Revenue	\$821,050,303	\$281,571,633	\$539,478,670	98.5%	\$547,694,082
Human Services	663,351,563	376,794,354	286,557,209	98.5%	290,921,024
Hennepin Health	357,113,804	357,113,804	0	0.0%	0
Transportation Sales Tax	28,200,000	28,200,000	0	0.0%	0
Solid Waste Enterprise Fund	83,344,472	83,344,472	0	0.0%	0
Glen Lake Golf Course	1,047,442	1,047,442	0	0.0%	0
Radio Communications	<u>4,168,124</u>	<u>4,168,124</u>	0	0.0%	0
Total Operating	<u>\$1,958,275,708</u>	<u>\$1,132,239,829</u>	<u>\$826,035,879</u>		<u>\$838,615,106</u>
Debt Retirement - Countywide	157,609,111	63,456,118	94,152,993	100.0%	94,152,993
Debt Retirement - Suburban	347,007	0	347,007	100.0%	347,007
Ballpark Sales Tax Revenue	2,538,000	2,538,000	0	0.0%	0
Capital Improvements	<u>337,014,500</u>	<u>334,860,500</u>	<u>2,154,000</u>	98.5%	2,186,802
Total Non-Operating	<u>\$497,508,618</u>	<u>\$400,854,618</u>	<u>\$96,654,000</u>		<u>\$96,686,802</u>
GRAND TOTAL	<u>\$2,455,784,326</u>	<u>\$1,533,094,447</u>	<u>\$922,689,879</u>		<u>\$935,301,908</u>
Less County Program Aid			<u>(\$35,929,776)</u>		<u>(\$35,929,776)</u>
County Property Tax Levy			<u>\$886,760,103</u>		<u>\$899,372,132</u>

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2022 BUDGET

TAX CAPACITY TAX CAPACITY RATES

	2020 Actual	2021 Budget	2022 Budget
ESTIMATED MARKET VALUE			
Minneapolis	\$56,339,969,336	\$59,353,035,536	\$60,615,089,528
Suburban	<u>132,581,123,049</u>	<u>139,431,469,500</u>	<u>146,131,156,000</u>
TOTAL ESTIMATED MARKET VALUE	<u>\$188,921,092,385</u>	<u>\$198,784,505,036</u>	<u>\$206,746,245,528</u>
NET TAX CAPACITY			
Minneapolis	\$625,162,153	\$696,691,201	\$703,853,801
Suburban	<u>1,487,545,247</u>	<u>1,564,015,754</u>	<u>1,631,179,765</u>
TOTAL NET TAX CAPACITY	<u>\$2,112,707,400</u>	<u>\$2,260,706,955</u>	<u>\$2,335,033,566</u>
TAX CAPACITY RATE (OPERATING)	2020 Actual	2021 Budget	2022 Budget
County Revenue	19.240%	21.750%	22.466%
Human Services	13.871%	12.396%	11.936%
Library	<u>3.541%</u>	<u>0.000%</u>	<u>0.000%</u>
OPERATING RATE SUBTOTAL	36.652%	34.146%	34.401%
Countywide Debt Retirement	4.238%	3.959%	4.035%
Capital Improvements	<u>0.145%</u>	<u>0.084%</u>	<u>0.094%</u>
TOTAL TAX CAPACITY RATE: Minneapolis	41.035%	38.189%	38.530%
Suburban Debt Retirement	0.049%	0.021%	0.021%
TOTAL TAX CAPACITY RATE: Suburban Hennepin	41.084%	38.210%	38.552%

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.

2022 BUDGET

2022 Expenditures and Revenues

By Fund

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Governmental Funds

	County Revenue	Human Services	Transportation Sales Tax	Ballpark Sales Tax Revenue	Capital Improvement	Debt Retirement	Governmental Subtotals
BUDGETED EXPENDITURES							
Public Works	\$68,097,921		\$28,200,000				\$96,297,921
Law, Safety and Justice	343,884,843						343,884,843
Health	83,413,764						83,413,764
Human Services		663,351,563					663,351,563
Disparity Reduction	11,154,979						11,154,979
Operations	314,498,796			2,538,000		157,956,118	474,992,914
Capital Improvements					337,014,500		337,014,500
TOTAL EXPENDITURES	\$821,050,303	\$663,351,563	\$28,200,000	\$2,538,000	\$337,014,500	\$157,956,118	\$2,010,110,484
BUDGETED REVENUES							
Property Taxes							
Current Collections	539,478,670	\$286,557,209			\$2,154,000	\$94,500,000	\$922,689,879
Less County Program Aid	(23,507,652)	(12,422,124)					(35,929,776)
Net Property Tax Total	515,971,018	274,135,085	0	0	2,154,000	94,500,000	886,760,103
Sales and Other Taxes							
Wheelage Tax	20,800,000						20,800,000
Sales and Use Taxes			125,800,000	39,995,180			165,795,180
Miscellaneous Taxes	9,224,100						9,224,100
Sales and Other Taxes Total	30,024,100		125,800,000	39,995,180	0		195,819,280
Total Taxes	545,995,118	274,135,085	125,800,000	39,995,180	2,154,000	94,500,000	1,082,579,383
Intergovernmental-Federal	27,518,130	195,556,288			14,174,000	1,330,066	238,578,484
Intergovernmental-State							
County Program Aid	23,507,652	12,422,124					35,929,776
Highway Maintenance	20,184,249				23,232,000		43,416,249
Community Corrections	19,822,746						19,822,746
Community Health		2,040,118					2,040,118
Human Services		98,387,611					98,387,611
Public Defender	5,100,000						5,100,000
Other	10,719,296				22,000,000		32,719,296
Total State	79,333,943	112,849,853	0	0	45,232,000	0	237,415,796
Intergovernmental-Local	3,191,004	3,178,992	0		16,365,000	12,155,388	34,890,384
Total Intergovernmental	110,043,077	311,585,133	0	0	75,771,000	13,485,454	510,884,664
Fees for Services	61,258,880	53,885,532					115,144,412
Fines and Forfeitures	192,700						192,700
Other Revenue							
Investment Earnings	5,215,000						5,215,000
Licenses and Permits	6,495,544	2,209,320					8,704,864
Bond Proceeds					239,839,500		239,839,500
Indirect Cost Allocation	24,640,849						24,640,849
Miscellaneous	33,529,636	2,354,000	(38,088,250)	(25,212,950)	18,750,000	49,970,664	41,303,100
Total Other Revenue	69,881,029	4,563,320	(38,088,250)	(25,212,950)	258,589,500	49,970,664	319,703,313
Total Current Revenue	787,370,804	644,169,070	87,711,750	14,782,230	336,514,500	157,956,118	2,028,504,472
Fund Balance / Assets							
Decrease / (Increase)	33,679,499	19,182,493	(59,511,750)	(12,244,230)	500,000		(18,393,988)
Total Revenue	\$821,050,303	\$663,351,563	\$28,200,000	\$2,538,000	\$337,014,500	\$157,956,118	\$2,010,110,484

2022 BUDGET

2022 Expenditures and Revenues By Fund (Page 2 of 2)

Enterprise Funds

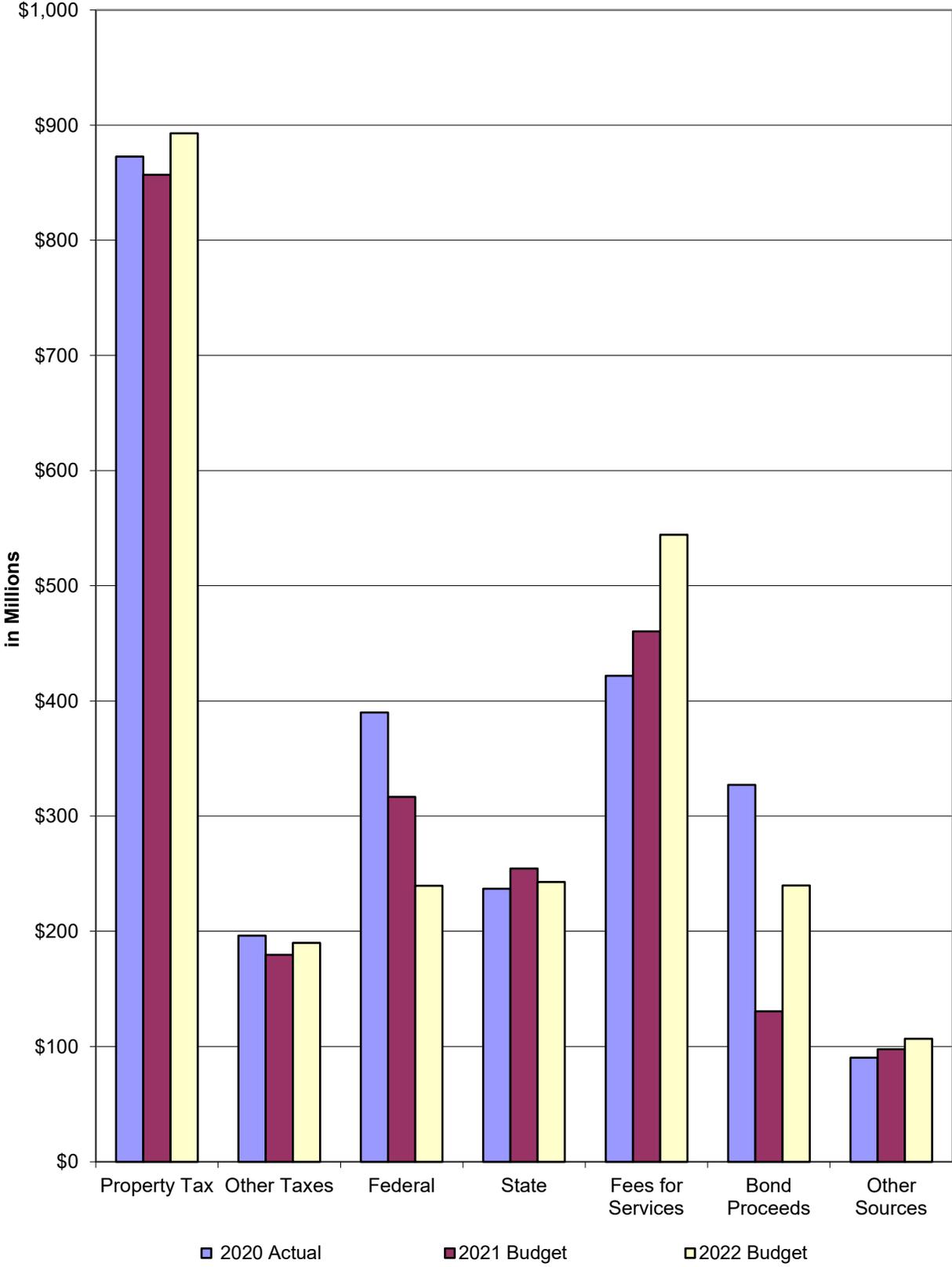
	Hennepin Health	Solid Waste Enterprise	Radio Comm.	Glen Lake Golf Courses	Governmental & Enterprise Totals
BUDGETED EXPENDITURES					
Public Works		\$83,344,472		\$1,047,442	\$180,689,835
Law, Safety and Justice			4,168,124		348,052,967
Health	357,113,804				440,527,568
Human Services					663,351,563
Disparity Reduction					11,154,979
Operations					474,992,914
Capital Improvements					337,014,500
TOTAL EXPENDITURES	\$357,113,804	\$83,344,472	\$4,168,124	\$1,047,442	\$2,455,784,326
BUDGETED REVENUES					
Property Taxes					
Current Collections					\$922,689,879
Less County Program Aid					(35,929,776)
Net Property Tax Total	0	0	0	0	886,760,103
Sales and Other Taxes					
Wheelage Tax					20,800,000
Sales and Use Taxes					165,795,180
Miscellaneous Taxes					9,224,100
Sales and Other Taxes Total					195,819,280
Total Taxes	0	0	0	0	1,082,579,383
Intergovernmental-Federal					
		1,000,000			239,578,484
Intergovernmental-State					
County Program Aid					35,929,776
Highway Maintenance					43,416,249
Community Corrections					19,822,746
Community Health					2,040,118
Human Services					98,387,611
Public Defender					5,100,000
Other		5,441,577			38,160,873
Total State	0	5,441,577	0	0	242,857,373
Intergovernmental-Local					
					34,890,384
Total Intergovernmental	0	6,441,577	0	0	517,326,241
Fees for Services	357,586,045	67,170,699	4,333,693		544,234,849
Fines and Forfeitures		30,000			222,700
Other Revenue					
Investment Earnings	525,000	435,000			6,175,000
Licenses and Permits		1,121,400			9,826,264
Bond Proceeds					239,839,500
Indirect Cost Allocation					24,640,849
Miscellaneous	30,469	813,667		1,047,442	43,194,678
Total Other Revenue	555,469	2,370,067	0	1,047,442	323,700,362
Total Current Revenue	358,141,514	76,012,343	4,333,693	1,047,442	2,468,063,535
Fund Balance / Assets					
Decrease / (Increase)	(1,027,710)	7,332,129	(165,569)		(12,255,138)
Total Revenue	\$357,113,804	\$83,344,472	\$4,168,124	\$1,047,442	\$2,455,784,326

2022 BUDGET

SOURCES OF REVENUE

Revenues:	2020 Actuals	2021 Budget	2022 Budget
Property Tax	\$871,820,677	\$856,740,381	\$886,760,103
Sales and Other Taxes	196,960,050	179,607,061	195,819,280
Federal	390,205,568	316,637,795	239,578,484
State	236,934,760	254,416,141	242,857,373
Local	24,351,987	20,330,788	34,890,384
Investment Earnings	11,893,471	6,040,000	6,175,000
Fees for Service	421,745,684	460,474,855	544,234,849
Fines and Forfeitures	396,096	407,200	222,700
Licenses and Permits	7,794,311	9,617,309	9,826,264
Other Revenue	70,272,618	63,635,559	58,717,063
Other Financing	66,121,855	1,590,206	9,118,464
Bond Proceeds	250,000,000	130,621,870	239,839,500
Subtotal Revenue	\$2,548,497,077	\$2,300,119,165	\$2,468,039,464
Use of Fund Balance	0	(3,947,575)	(12,255,138)
Total Revenue	\$2,548,497,077	\$2,296,171,590	\$2,455,784,326

SOURCES OF REVENUE 2020 - 2022

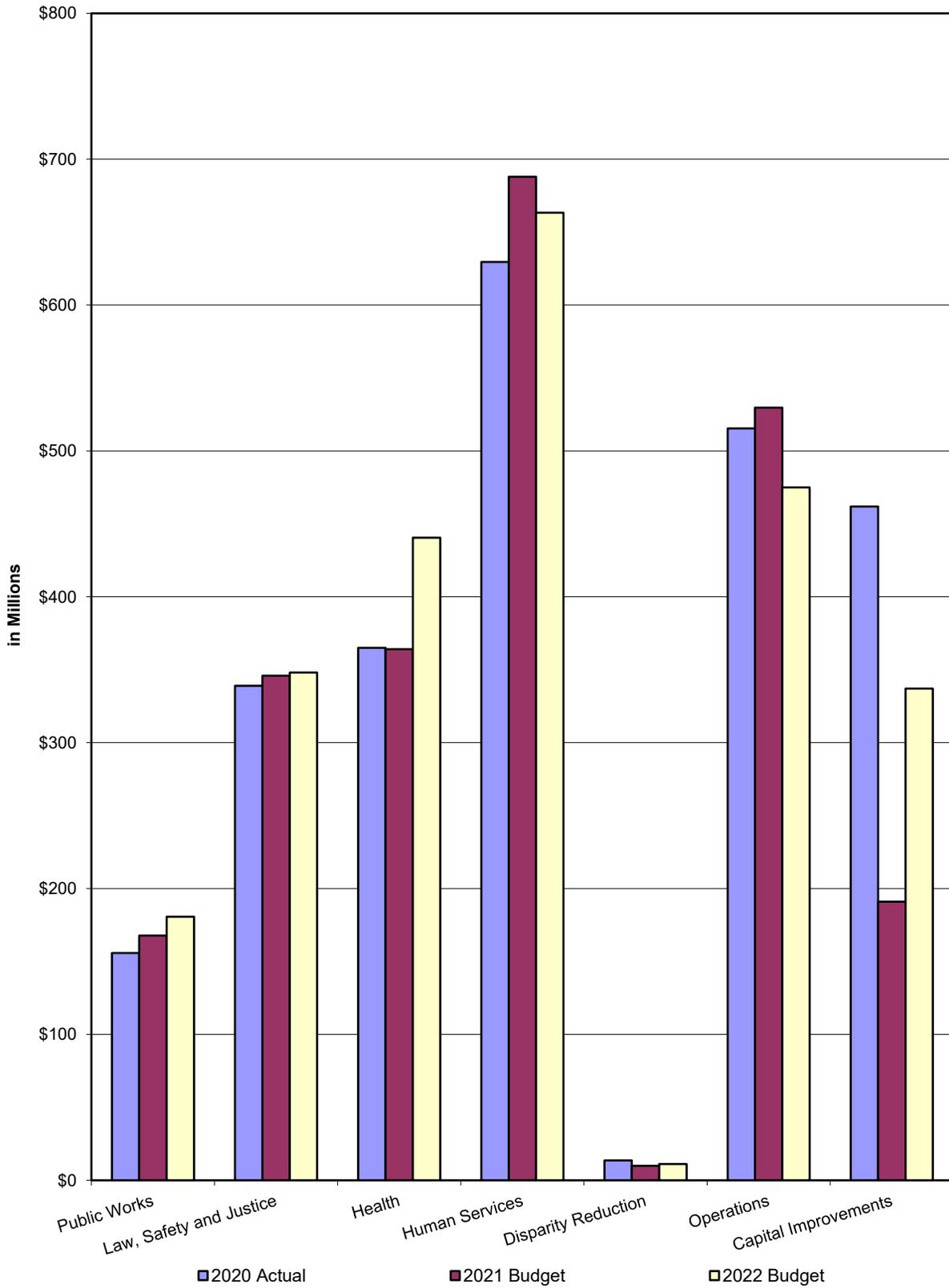


2022 BUDGET

EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM	2020 ACTUAL		2021 BUDGET		2022 BUDGET	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
Public Works	\$155,766,982	436.4	\$167,717,116	410.6	\$180,689,835	420.5
Law, Safety and Justice	338,989,847	2,453.0	345,867,377	2,401.3	348,052,967	2,469.0
Health	365,009,905	436.6	364,152,660	420.3	440,527,568	456.0
Human Services	629,564,177	3,291.3	687,911,811	3,339.3	663,351,563	3,567.9
Disparity Reduction	13,582,692	51.0	9,868,890	62.0	11,154,979	89.0
Operations	515,457,401	1,652.3	529,689,276	1,643.7	474,992,914	1,754.3
Capital Improvements	461,945,185	0.0	190,964,460	0.0	337,014,500	0.0
Internal Service Funds	<u>0</u>	<u>452.4</u>	<u>0</u>	<u>458.6</u>	<u>0</u>	<u>501.4</u>
Total	<u>\$2,480,316,189</u>	<u>8,773.0</u>	<u>\$2,296,171,590</u>	<u>8,735.8</u>	<u>\$2,455,784,326</u>	<u>9,258.1</u>

EXPENDITURES BY MAJOR PROGRAM 2020 - 2022



PERSONNEL COMPARISON BY DEPARTMENT
 FULL-TIME EQUIVALENTS (FTEs)

PROGRAM / DEPARTMENT	2020 BUDGET	2021 BUDGET	2022 BUDGET	Chg 2021-2022
PUBLIC WORKS				
Public Works Services.....	343.0	314.0	325.5	11.5
Environment and Energy.....	93.4	96.6	95.0	(1.6)
Glen Lake Golf Course.....	0.0	0.0	0.0	0.0
Transportation Sales Tax & Development.....	0.0	0.0	0.0	0.0
TOTAL	436.4	410.6	420.5	9.9
LAW, SAFETY AND JUSTICE				
Public Safety & Justice.....	52.5	50.5	72.5	22.0
County Attorney's Office.....	475.5	476.0	511.0	35.0
Adult Representation Services.....	28.0	33.0	52.0	19.0
Court Functions	0.0	0.0	0.0	0.0
Public Defender's Office.....	36.8	32.8	28.3	(4.5)
Sheriff's Office.....	819.0	822.0	853.0	31.0
Dept of Community Corrections & Rehabilitation	1041.2	987.0	952.2	(34.8)
Radio Communications.....	0.0	0.0	0.0	0.0
TOTAL	2,453.0	2,401.3	2,469.0	67.7
HEALTH				
Hennepin Health.....	136.0	120.5	123.5	3.0
NorthPoint Health and Wellness.....	251.6	251.6	276.9	25.3
Medical Examiner's Office.....	44.0	45.2	52.6	7.4
Hennepin Uncompensated Care.....	0.0	0.0	0.0	0.0
Health Administration.....	5.0	3.0	3.0	0.0
Sexual Assault Resources Services.....	0.0	0.0	0.0	0.0
TOTAL	436.6	420.3	456.0	35.7
HUMAN SERVICES AND PUBLIC HEALTH				
TOTAL	3,291.3	3,339.3	3,567.9	228.6
DISPARITY REDUCTION				
Purchasing and Contract Services.....	23.0	23.0	33.0	10.0
Center of Innovation and Excellence (CIE).....	21.0	17.0	24.0	7.0
Disparity Reduction Administration.....	1.0	1.0	10.0	9.0
Diversity, Equity and Inclusion.....	6.0	6.0	7.0	1.0
Education Support Services.....	0.0	15.0	15.0	0.0
TOTAL	51.0	62.0	89.0	27.0
OPERATIONS				
Commissioners.....	25.0	25.0	25.0	0.0
County Administration.....	17.0	17.0	18.0	1.0
Housing and Economic Development.....	37.0	38.0	42.0	4.0
Office of Budget and Finance.....	83.4	84.1	90.1	6.0
Facility Services.....	274.6	272.7	298.3	25.6
Central Information Technology.....	31.1	25.1	25.1	0.0
Real Property Group.....	385.2	395.6	461.6	66.0
Human Resources.....	115.1	112.8	115.0	2.2
Audit, Compliance, and Investigation Services..	27.2	27.3	27.3	0.0
Libraries.....	559.9	542.3	543.1	0.8
Operations Administration.....	96.8	103.8	108.8	5.0
General County Purposes.....	0.0	0.0	0.0	0.0
Debt Retirement.....	0.0	0.0	0.0	0.0
Ballpark Sales Tax Revenues.....	0.0	0.0	0.0	0.0
TOTAL	1,652.3	1,643.7	1,754.3	110.6
INTERNAL SERVICE FUNDS				
Fleet Services.....	28.0	29.2	29.0	(0.2)
Energy Center.....	1.0	1.0	1.0	0.0
Employee Health Plan Self Insurance.....	6.0	6.0	6.0	0.0
Information Technology Internal Services.....	410.4	414.4	457.4	43.0
Self Insurance.....	7.0	8.0	8.0	0.0
Other Employee Benefits.....	0.0	0.0	0.0	0.0
TOTAL	452.4	458.6	501.4	42.8
GRAND TOTAL	8,773.0	8,735.8	9,258.1	522.3

III. Fund Summaries

2022 BUDGET

COUNTY REVENUE FUND SUMMARY (Page 1 of 2)

Basis of Accounting: Modified Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$888,702,779</u>	<u>\$870,198,548</u>	<u>\$821,050,303</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	\$504,488,933	\$509,478,377	\$545,478,670
Less County Program Aid	(22,432,352)	(22,529,761)	(23,507,652)
Market Value Homestead Credit	(46,688)	0	0
Total Property Taxes	<u>482,009,892</u>	<u>486,948,616</u>	<u>521,971,018</u>
<u>Nonproperty Taxes</u>			
Mortgage Registry/Deed Tax	2,934,913	2,500,000	3,100,000
Tax Increment Financing	14,331,127	0	0
Wheelage Tax	19,305,219	20,800,000	20,800,000
Other	<u>531,977</u>	<u>96,100</u>	<u>124,100</u>
Total Nonproperty Taxes	<u>37,103,236</u>	<u>23,396,100</u>	<u>24,024,100</u>
Total Taxes	<u>519,113,128</u>	<u>510,344,716</u>	<u>545,995,118</u>
<u>Intergovernmental Revenue</u>			
Federal	<u>177,448,674</u>	<u>80,652,559</u>	<u>27,518,130</u>
State - County Program Aid	22,432,352	22,529,761	23,507,652
State - Market Value Homestead Credit	46,688	0	0
State - Highway Maintenance	19,613,081	16,982,183	20,184,249
State - Community Corrections	19,481,969	19,389,535	19,822,746
State - Public Defender	6,400,000	5,775,000	5,100,000
State - Other	<u>10,992,392</u>	<u>34,919,824</u>	<u>10,719,296</u>
Total State	<u>78,966,482</u>	<u>99,596,303</u>	<u>79,333,943</u>
Local - Intergovernmental Transfers	1,772,295	1,092,300	746,700
Other	<u>3,289,644</u>	<u>2,265,785</u>	<u>2,444,304</u>
Total Local	<u>5,061,939</u>	<u>3,358,085</u>	<u>3,191,004</u>
Total Intergovernmental Revenue	<u>261,477,095</u>	<u>183,606,947</u>	<u>110,043,077</u>
<u>Investment Income</u>	<u>9,987,077</u>	<u>5,025,000</u>	<u>5,215,000</u>

2022 BUDGET

COUNTY REVENUE FUND SUMMARY (Page 2 of 2)

	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>Fees for Services</u>			
Service Center Fees	\$768,016	\$910,000	\$930,315
North Point Patient Reimbursements	18,769,556	28,093,036	28,748,041
Assessor - Services to Municipalities	3,963,328	4,348,181	4,524,700
Boarding of Prisoners	2,115,004	3,396,843	3,146,843
Correction Facility Fees	228,833	1,023,599	655,170
Public Records Fees	6,472,679	7,725,000	8,125,000
Client Fees	1,276,383	1,568,249	451,250
Sheriff Fees	3,866,105	4,377,694	5,483,549
Other Fees and Service Charges	<u>9,280,357</u>	<u>9,566,209</u>	<u>9,194,012</u>
Total Fees for Services	<u>46,740,260</u>	<u>61,008,811</u>	<u>61,258,880</u>
Total Fines and Forfeitures	<u>369,143</u>	<u>377,200</u>	<u>192,700</u>
<u>Licenses and Permits</u>			
Drivers Licenses	901,764	1,549,600	1,494,648
Vital Certificates	834,207	918,478	841,468
Motor Vehicle Licenses	717,432	2,079,931	1,617,273
Other Licenses and Permits	<u>2,175,873</u>	<u>1,783,900</u>	<u>2,542,155</u>
Total Licenses and Permits	<u>4,629,276</u>	<u>6,331,909</u>	<u>6,495,544</u>
<u>Other Revenue</u>			
Commodity, Concession and Miscellaneous	337,809	753,404	708,050
	<u>61,810,621</u>	<u>54,633,265</u>	<u>52,913,435</u>
Total Other Revenue	<u>62,148,430</u>	<u>55,386,669</u>	<u>53,621,485</u>
Total Other Financing Sources / (Uses)	(17,542,018)	4,299,000	4,549,000
<u>Total Current Revenue</u>	<u>886,922,391</u>	<u>826,380,252</u>	<u>787,370,804</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>43,818,296</u>	<u>33,679,499</u>
<u>TOTAL BUDGETED REVENUES</u>	<u>\$886,922,391</u>	<u>\$870,198,548</u>	<u>\$821,050,303</u>

2022 BUDGET

COUNTY REVENUE FUND EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM/DEPARTMENT	2020		2021		2022	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
PUBLIC WORKS						
Public Works Services	\$60,564,477	343.0	\$62,579,087	314.0	\$68,097,921	325.5
LAW, SAFETY and JUSTICE						
Public Safety and Justice	10,263,326.32	52.5	11,575,916.00	50.5	14,287,369.00	72.5
Adult Representation Services	4,116,204	28.0	5,535,357	33.0	7,743,438	52.0
County Attorney's Office	62,075,694	475.5	62,817,004	476.0	65,688,812	511.0
Court Functions	2,048,449	0.0	2,258,600	0.0	1,526,600	0.0
Public Defender's Office	10,585,828	36.8	10,061,861	32.8	9,554,943	28.3
Sheriff's Office	123,666,915	819.0	122,526,928	822.0	128,149,173	853.0
Community Corrections & Rehabilitation	<u>122,127,877</u>	<u>1,041.2</u>	<u>126,909,939</u>	<u>987.0</u>	<u>116,934,508</u>	<u>952.2</u>
Subtotal	334,884,293	2,453.0	341,685,605	2,401.3	343,884,843	2,469.0
HEALTH						
Health Administration	474,317	5.0	807,983	3.0	626,458	3.0
NorthPoint Health and Wellness	37,398,259	251.6	42,311,663	251.6	46,473,568	276.9
Medical Examiner's Office	8,005,610	44.0	7,854,054	45.2	9,113,738	52.6
Hennepin Uncompensated Care	66,544,725	0.0	40,884,356	0.0	26,000,000	0.0
Sexual Assault Resources Service	<u>630,776</u>	<u>0.0</u>	<u>1,200,000</u>	<u>0.0</u>	<u>1,200,000</u>	<u>0.0</u>
Subtotal	113,053,687	300.6	93,058,056	299.8	83,413,764	332.5
DISPARITY REDUCTION						
Purchasing and Contract Services	9,415,143	23.0	4,114,456	23.0	4,380,914	33.0
Center of Innovation and Excellence	2,687,898	21.0	2,404,720	17.0	2,290,273	24.0
Disparity Reduction Administration	206,222	1.0	252,233	1.0	1,570,458	10.0
Diversity, Equity and Inclusion	1,273,430	6.0	1,011,428	6.0	1,142,413	7.0
Education Support Services	<u>0</u>	<u>0.0</u>	<u>2,086,053</u>	<u>15.0</u>	<u>1,770,921</u>	<u>15.0</u>
Subtotal	13,582,692	51.0	9,868,890	62.0	11,154,979	89.0
OPERATIONS						
Commissioners	2,745,820	25.0	3,061,527	25.0	3,241,873	25.0
County Administration	6,390,246	17.0	5,834,268	17.0	3,805,034	18.0
Facility Services	59,553,649	274.6	68,515,126	272.7	68,359,114	298.3
Housing and Economic Development	82,504,033	37.0	73,919,332	38.0	14,037,993	42.0
Office of Budget and Finance	15,605,879	83.4	15,948,411	84.1	16,414,676	90.1
Central Information Technology	6,291,241	31.1	5,177,535	25.1	5,075,833	25.1
Real Property Group	57,131,543	385.2	54,167,238	395.6	62,046,863	461.6
Human Resources	18,978,970	115.1	20,546,820	112.8	21,460,220	115.0
Audit, Compliance, and Investigation Svcs.	3,645,284	27.2	4,215,639	27.3	4,275,830	27.3
Libraries	77,571,134	559.9	68,089,658	542.3	68,721,352	543.1
Operations Administration	20,847,667	96.8	16,550,610	103.8	15,334,375	108.8
General County Purposes	<u>15,352,163</u>	<u>0.0</u>	<u>26,980,746</u>	<u>0.0</u>	<u>31,725,633</u>	<u>0.0</u>
Subtotal	366,617,631	1,652.2	363,006,910	1,643.7	314,498,796	1,754.3
TOTAL	<u>\$888,702,779</u>	<u>4,799.8</u>	<u>\$870,198,548</u>	<u>4,720.8</u>	<u>\$821,050,303</u>	<u>4,970.3</u>

2022 BUDGET

Special Revenue Funds

HUMAN SERVICES FUND SUMMARY

Basis of Accounting: Modified Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$629,564,177</u>	<u>\$687,911,811</u>	<u>\$663,351,563</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	307,322,408	290,996,410	286,557,209
Less Program Aid	(13,399,523)	(13,479,645)	(12,422,124)
<u>Less Market Value Homestead Credit</u>	<u>(27,584)</u>	<u>0</u>	<u>0</u>
Total Property Taxes	<u>293,895,301</u>	<u>277,516,765</u>	<u>274,135,085</u>
<u>Nonproperty Taxes</u>			
Other Taxes	<u>149,493</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Administrative Grants	17,555,314	19,497,718	18,574,888
Federal - Title XX - Human Services Grants	7,348,707	7,008,349	6,723,791
Federal - Title IVE - Foster Care	9,104,897	6,766,000	5,778,000
Federal - Grants for Training and Employment Programs	17,228,025	26,406,872	26,785,943
Federal - General	19,384,806	49,976,305	25,149,741
Federal - CARES COVID 19	30,159,210	6,320,666	0
Federal - ARPA COVID 19	0	0	485,954
Federal - Title IVD - Child Support	16,112,662	17,349,231	19,123,000
Federal - Medical Assistance (MA)	55,594,360	60,808,266	62,712,811
Federal - Food Stamp (SNAP) Administration	15,334,558	15,258,536	16,244,303
Federal - TANF Administration	4,998,817	5,717,525	5,419,617
Federal - Community Health	9,639,838	8,273,022	6,633,240
Federal Incentive - Child Support and MA	<u>2,095,796</u>	<u>1,925,000</u>	<u>1,925,000</u>
Total Federal	<u>204,556,989</u>	<u>225,307,490</u>	<u>195,556,288</u>

2022 BUDGET

Special Revenue Funds

HUMAN SERVICES FUND SUMMARY

(Page 2 of 2)

	2020 ACTUAL	2021 BUDGET	2022 BUDGET
State - Grants for Human Services	39,996,724	36,822,475	37,959,843
State - County Program Aid	13,399,523	13,479,645	12,422,124
State - Market Value Homestead Credit	27,584	0	0
State - Vulnerable Children and Adults Act	12,410,153	12,976,383	12,617,812
State - Grants for Training and Employment Programs	2,592,369	5,576,000	5,910,806
State - Administrative	3,752,025	3,839,600	3,800,100
State - General Assistance	4,942,731	4,330,000	5,230,000
State - Community Health	2,873,528	2,040,188	2,040,118
State - Medical Assistance/Medicare	<u>28,393,116</u>	<u>30,531,757</u>	<u>32,869,050</u>
Total State	<u>108,387,752</u>	<u>109,596,048</u>	<u>112,849,853</u>
Local Grants	<u>1,932,088</u>	<u>1,906,584</u>	<u>3,178,992</u>
<u>Interest Income</u>	<u>\$3,963</u>	<u>0</u>	<u>0</u>
<u>Fees for Services</u>			
Patient Fees	8,209,561	9,479,041	9,389,841
Medicaid/GAMC/Targeted Case Management	31,058,410	35,345,096	32,657,945
Medicare	398,517	493,932	669,955
Other Services	<u>12,430,373</u>	<u>11,921,843</u>	<u>11,167,791</u>
Total Fees and Services	<u>52,096,861</u>	<u>57,239,912</u>	<u>53,885,532</u>
<u>Health Licenses</u>	<u>2,001,306</u>	<u>2,166,000</u>	<u>2,209,320</u>
<u>Other Revenue</u>			
Miscellaneous - Other	1,632,660	1,891,000	2,354,000
Interfund Transfers	<u>(9,488,591)</u>	<u>0</u>	<u>0</u>
Total Other Revenue	<u>(7,855,931)</u>	<u>1,891,000</u>	<u>2,354,000</u>
Total Current Revenue	<u>655,167,822</u>	<u>675,623,799</u>	<u>644,169,070</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>12,288,012</u>	<u>19,182,493</u>
<u>TOTAL REVENUES</u>	<u>\$655,167,822</u>	<u>\$687,911,811</u>	<u>\$663,351,563</u>

2022 BUDGET

Special Revenue Funds

TRANSPORTATION SALES TAX FUND SUMMARY
--

Basis of Accounting: Modified Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$22,347,505</u>	<u>\$25,750,000</u>	<u>\$28,200,000</u>
<u>SOURCE OF REVENUE</u>			
<u>Sales Tax Revenue</u>	<u>123,326,328</u>	<u>117,000,000</u>	<u>125,800,000</u>
<u>Other Intergovernmental</u>	<u>1,338,299</u>	<u>0</u>	<u>0</u>
<u>Transfers to Other Funds</u>	<u>(29,727,949)</u>	<u>(29,191,449)</u>	<u>(38,088,250)</u>
<u>Total Current Revenue</u>	<u>94,936,678</u>	<u>87,808,551</u>	<u>87,711,750</u>
<u>Budgeted Use / (Increase) of Fund Balance</u>	<u>0</u>	<u>(62,058,551)</u>	<u>(59,511,750)</u>
<u>TOTAL REVENUES</u>	<u>\$94,936,678</u>	<u>\$25,750,000</u>	<u>\$28,200,000</u>

2022 BUDGET

Special Revenue Funds

BALLPARK SALES TAX REVENUE FUND SUMMARY

Basis of Accounting: Modified Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$2,290,750</u>	<u>\$2,505,000</u>	<u>\$2,538,000</u>
<u>SOURCE OF REVENUE</u>			
<u>Sales Tax Revenue</u>	<u>35,561,447</u>	<u>39,210,961</u>	<u>39,995,180</u>
<u>Transfers to Other Funds</u>	<u>(29,116,883)</u>	<u>(35,802,489)</u>	<u>(25,212,950)</u>
<u>Investment Income</u>	<u>43,000</u>	<u>0</u>	<u>0</u>
<u>Total Current Revenue</u>	<u>6,487,564</u>	<u>3,408,472</u>	<u>14,782,230</u>
<u>Budgeted Use of Fund Balance</u>	<u>0</u>	<u>(903,472)</u>	<u>(12,244,230)</u>
<u>TOTAL REVENUES</u>	<u>\$6,487,564</u>	<u>\$2,505,000</u>	<u>\$2,538,000</u>

2022 BUDGET

CAPITAL IMPROVEMENTS FUND SUMMARY
--

Basis of Accounting: Modified Accrual	2020 ACTUALS	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$461,945,185</u>	<u>\$190,964,460</u>	<u>\$337,014,500</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	6,081,344	1,875,000	2,154,000
Less County Program Aid	0	0	0
Less Market Value Credits	(288)	0	0
Total Property Taxes	<u>6,081,056</u>	<u>1,875,000</u>	<u>2,154,000</u>
<u>Nonproperty Taxes</u>	<u>5,416</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal	6,679,805	8,620,900	14,174,000
State Grants - General	2,849,137	6,143,750	22,000,000
State - County Program Aid	0	0	0
State - Market Value Credits	288	0	0
State - Highway and Bridge Aids	40,433,428	33,766,111	23,232,000
Local	<u>5,571,218</u>	<u>3,035,000</u>	<u>16,365,000</u>
Total Intergovernmental Revenue	<u>55,533,876</u>	<u>51,565,761</u>	<u>75,771,000</u>
<u>Investment Income</u>	<u>981,866</u>	<u>0</u>	<u>0</u>
<u>Fees for Services</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Other Revenue</u>	<u>2,343,759</u>	<u>5,110,380</u>	<u>1,350,000</u>
<u>Total Current Revenue</u>	<u>64,945,973</u>	<u>58,551,141</u>	<u>79,275,000</u>
<u>Other Financing</u>			
Bond Proceeds	326,879,138	130,621,870	239,839,500
Building & Land Sales	312,308	0	0
Transfers (To) From Other Funds	<u>15,495,377</u>	<u>1,791,449</u>	<u>17,900,000</u>
<u>Total Other Financing</u>	<u>342,686,823</u>	<u>132,413,319</u>	<u>257,739,500</u>
<u>TOTAL REVENUES</u>	<u>\$407,632,796</u>	<u>\$190,964,460</u>	<u>\$337,014,500</u>

2022 BUDGET

DEBT RETIREMENT FUND SUMMARY

Basis of Accounting: Modified Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$146,549,019</u>	<u>\$164,177,366</u>	<u>\$157,956,118</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Current Collections	90,562,630	90,400,000	94,500,000
Less Market Value Homestead Credit	<u>(35,492)</u>	<u>0</u>	<u>0</u>
<u>Total Property Taxes</u>	<u>90,527,138</u>	<u>90,400,000</u>	<u>94,500,000</u>
<u>Nonproperty Taxes</u>	<u>45,904</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal - Interest Subsidy Payments	1,304,492	1,252,552	1,330,066
State - Market Value Homestead Credit	35,492	0	0
Other local intergovernmental	<u>10,157,315</u>	<u>12,031,119</u>	<u>12,155,388</u>
<u>Total Intergovernmental Revenue</u>	<u>11,497,299</u>	<u>13,283,671</u>	<u>13,485,454</u>
<u>Other Revenue</u>			
Interest on Investments	19,067	0	0
Bond Proceeds	152,522	0	0
Bond Redemption		0	0
Transfer From Other Funds	46,708,550	60,493,695	49,970,664
Other Revenues	<u>0</u>	<u>0</u>	<u>0</u>
<u>Total Other Revenue</u>	<u>46,880,139</u>	<u>60,493,695</u>	<u>49,970,664</u>
<u>Total Current Revenue</u>	<u>102,089,408</u>	<u>164,177,366</u>	<u>157,956,118</u>
<u>Actual/Budgeted Use of Fund Balance</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$148,950,480</u>	<u>\$164,177,366</u>	<u>\$157,956,118</u>

Notes: This fund summary shows budgets for General Obligation Debt in Fund 70 and for Ballpark Debt in Fund 79. The Ballpark debt is paid with non-property tax revenues.

In 2022, Transfer From Other Funds includes \$20.2 million for Ballpark debt, \$28.1 million for Transportation Sales Tax Debt, and \$1.7 million for Energy Center debt.

FUTURE LEVY REQUIREMENTS - GENERAL OBLIGATION PROPERTY TAX SUPPORTED DEBT

2022 Budget

Based on Actual General Obligation Debt Outstanding

Series Year	2010C-D	2014A-B	2016B-C	2017C	2018A-B	2019C	2020A-B	2021A	TOTAL DEBT SERVICE LEVY	Countywide Portion	Suburban Portion Only
2022	7,887,194	16,423,050	14,070,788	8,525,738	10,354,429	5,389,125	19,149,900	12,697,755	94,500,000	94,152,993	347,007
2023	7,837,109	16,274,475	13,900,163	8,524,688	20,671,611	5,395,950	14,333,288	6,004,005	92,943,311	92,597,664	345,647
2024	7,782,509	16,318,050	13,749,750	8,524,425	20,851,517	5,403,825	14,184,188	5,925,255	92,741,543	92,398,291	343,252
2025	7,711,949	15,977,483	13,591,725	8,524,425	21,041,508	5,401,725	14,043,488	5,846,505	92,140,833	91,799,367	341,466
2026	7,647,269	16,029,038	13,441,575	8,524,163	21,224,254	5,405,400	11,458,388	8,140,755	91,872,867	91,529,233	343,634
2027	7,575,460	12,235,335	13,277,250	8,523,113	24,569,900	5,403,563	11,459,175	8,142,855	91,188,677	91,188,677	
2028	7,495,917	7,751,888	13,130,250	8,526,000	24,647,477	5,406,450	11,459,700	8,140,230	86,559,940	86,559,940	
2029	7,421,094	7,751,363	6,247,500	8,526,788	24,729,609	5,413,275	11,464,425	8,143,118	79,699,200	79,699,200	
2030	7,817,259	7,755,825	6,090,000	8,524,950	17,212,783		11,461,800	8,140,230	67,004,877	67,004,877	
2031	7,826,532	7,753,988	5,932,500	8,525,213	17,286,763		11,461,800	8,141,805	66,930,631	66,930,631	
2032	7,740,773	7,756,088	5,775,000	8,526,788	17,361,472		8,145,375	8,141,805	63,449,333	63,449,333	
2033	7,642,268	7,756,088	7,717,500	8,523,638	17,440,977		8,145,375	8,144,955	65,372,832	65,372,832	
2034	7,530,810	7,753,463	16,033,500	8,525,738	17,523,895		8,148,000	8,145,218	73,662,657	73,662,657	
2035	7,416,696	7,752,938	16,035,075	8,526,788	17,608,847		8,147,213	8,142,068	73,631,658	73,631,658	
2036		7,753,725	16,537,500	8,526,000	17,694,449		8,147,738	8,145,480	66,806,928	66,806,928	
2037		7,755,038		8,527,838	17,795,072		8,148,788	8,145,270	50,374,042	50,374,042	
2038		7,756,088			17,892,862		8,144,325	8,140,020	41,935,332	41,935,332	
2039		7,756,088					8,149,575	8,140,020	24,047,722	24,047,722	
2040							8,147,475	8,144,640	16,294,155	16,294,155	
2041								8,190,000	8,192,041	8,192,041	
TOTALS	107,332,842	186,310,005	175,530,075	136,406,288	333,616,019	43,219,313	203,800,013	160,801,988	1,347,057,171	1,345,336,165	1,721,006

2022 BUDGET

Enterprise Funds

HENNEPIN HEALTH FUND SUMMARY

Basis of Accounting: Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$251,956,219</u>	<u>\$271,094,604</u>	<u>\$357,113,804</u>
<u>SOURCE OF REVENUE</u>			
<u>Intergovernmental & Grants</u>	<u>490,629</u>	<u>4,292</u>	<u>0</u>
<u>Fees for Services</u>			
State Premium Revenue	256,660,281	274,591,964	357,586,045
Total Fees and Services	<u>257,150,910</u>	<u>274,596,256</u>	<u>357,586,045</u>
Investment Income	<u>479,727</u>	<u>525,000</u>	<u>525,000</u>
<u>Other Revenue</u>			
Miscellaneous Revenue	2,332,351		
Total Other Revenue			
<u>Capital Contributions</u>	<u>11,000,000</u>		
<u>(Increase)/Decrease in Net Assets</u>	<u>(19,006,769)</u>	<u>(4,026,652)</u>	<u>(997,241)</u>
<u>TOTAL REVENUES</u>	<u>\$270,962,988</u>	<u>\$271,094,604</u>	<u>\$357,113,804</u>

2022 BUDGET

Enterprise Funds

SOLID WASTE ENTERPRISE FUND SUMMARY

Basis of Accounting: Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$71,939,428</u>	<u>\$78,289,969</u>	<u>\$83,344,472</u>
<u>SOURCE OF REVENUE</u>			
<u>Property Taxes</u>			
Misc. Collections	0	0	0
Less Program Aid	0	0	0
Less Market Value Homestead Credit	<u>0</u>	<u>0</u>	<u>0</u>
Total Property Taxes	<u>0</u>	<u>0</u>	<u>0</u>
<u>Nonproperty Taxes</u>	<u>75,515</u>	<u>0</u>	<u>0</u>
<u>Intergovernmental Revenue</u>			
Federal Grants	16,107	800,000	1,000,000
State Grants	6,262,181	5,313,929	5,441,577
Local Government Grants	<u>0</u>	<u>0</u>	<u>0</u>
Total Intergovernmental Revenue	<u>6,278,288</u>	<u>6,113,929</u>	<u>6,441,577</u>
<u>Investment Income</u>	<u>378,770</u>	<u>490,000</u>	<u>435,000</u>
<u>Fees and Services</u>			
Special Assessments	749,721	1,500,000	1,900,000
Solid Waste Tipping Fees	27,291,764	27,175,000	28,715,000
SW Mgmt Fees - Hauler Collected	26,255,303	26,920,000	27,290,000
Other Fees and Services	<u>8,244,276</u>	<u>7,903,865</u>	<u>9,265,699</u>
Total Fees and Services	<u>62,541,064</u>	<u>63,498,865</u>	<u>67,170,699</u>
<u>Licenses and Permits</u>			
Solid/Hazardous Waste Licenses	<u>1,163,730</u>	<u>1,119,400</u>	<u>1,121,400</u>
<u>Fines and Penalties</u>			
Solid Waste and Other Fines	<u>26,953</u>	<u>30,000</u>	<u>30,000</u>
<u>Other Revenue/Transfers</u>	<u>715,097</u>	<u>849,452</u>	<u>813,667</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>6,188,323</u>	<u>7,332,129</u>
<u>TOTAL REVENUES</u>	<u>\$71,179,416</u>	<u>\$78,289,969</u>	<u>\$83,344,472</u>

2022 BUDGET

Enterprise Funds

GLEN LAKE GOLF COURSES FUND SUMMARY

Basis of Accounting: Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$915,573</u>	<u>\$1,098,060</u>	<u>\$1,047,442</u>
<u>SOURCE OF REVENUE</u>			
<u>Other Revenue</u>	<u>1,100,321</u>	<u>1,098,060</u>	<u>1,047,442</u>
Total Current Revenue	<u>1,100,321</u>	<u>1,098,060</u>	<u>1,047,442</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$1,100,321</u>	<u>\$1,098,060</u>	<u>\$1,047,442</u>

2022 BUDGET

Enterprise Funds

RADIO COMMUNICATIONS FUND SUMMARY

Basis of Accounting: Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$4,105,554</u>	<u>\$4,181,772</u>	<u>\$4,168,124</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees for Services</u>	<u>3,707,218</u>	<u>4,135,303</u>	<u>4,333,693</u>
<u>Other Financing</u>	<u>1,449,403</u>	<u>0</u>	<u>0</u>
<u>Total Current Revenue</u>	<u>5,156,621</u>	<u>4,135,303</u>	<u>4,333,693</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>0</u>	<u>46,469</u>	<u>(165,569)</u>
<u>TOTAL REVENUES</u>	<u>\$5,156,621</u>	<u>\$4,181,772</u>	<u>\$4,168,124</u>

2022 BUDGET

INTERNAL SERVICE FUND SUMMARIES

Basis of Accounting: Accrual	2020 ACTUAL	2021 BUDGET	2022 BUDGET
FUND: Fleet Services			
Program Expenditures	<u>\$17,561,234</u>	<u>\$18,605,826</u>	<u>\$19,162,952</u>
Charges for Services	18,687,647	18,605,826	19,162,952
Net Assets (Increase)/Decrease	(1,126,413)	0	0
FUND: Energy Center			
Program Expenditures	<u>\$8,865,061</u>	<u>\$10,145,955</u>	<u>\$10,320,256</u>
Charges for Services	9,218,255	10,145,955	10,320,256
Net Assets (Increase)/Decrease	(353,194)	0	0
FUND: Employee Health Plan Self Insurance			
Program Expenditures	<u>\$118,927,635</u>	<u>\$150,680,289</u>	<u>\$160,503,013</u>
Charges for Services	122,468,243	150,680,289	160,503,013
Net Assets (Increase)/Decrease	(3,540,608)	0	0
FUND: Information Technology Internal Services			
Program Expenditures	<u>\$92,068,660</u>	<u>\$102,336,977</u>	<u>\$101,795,818</u>
Charges for Services	93,530,693	102,336,977	101,795,818
Net Assets (Increase)/Decrease	(1,462,033)	0	0
FUND: Self Insurance			
Program Expenditures	<u>\$8,964,108</u>	<u>\$13,199,003</u>	<u>\$14,342,569</u>
Charges for Services	10,399,320	13,199,003	14,342,569
Net Assets (Increase)/Decrease	(1,435,212)	0	0
FUND: Other Employee Benefits			
Program Expenditures	<u>\$22,422,321</u>	<u>\$25,000,000</u>	<u>\$25,000,000</u>
Charges for Services	22,422,321	25,000,000	25,000,000
Net Assets (Increase)/Decrease	0	0	0

IV. Major Programs

Hennepin County

Hennepin County

2022 BUDGET

Adopted

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:

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.

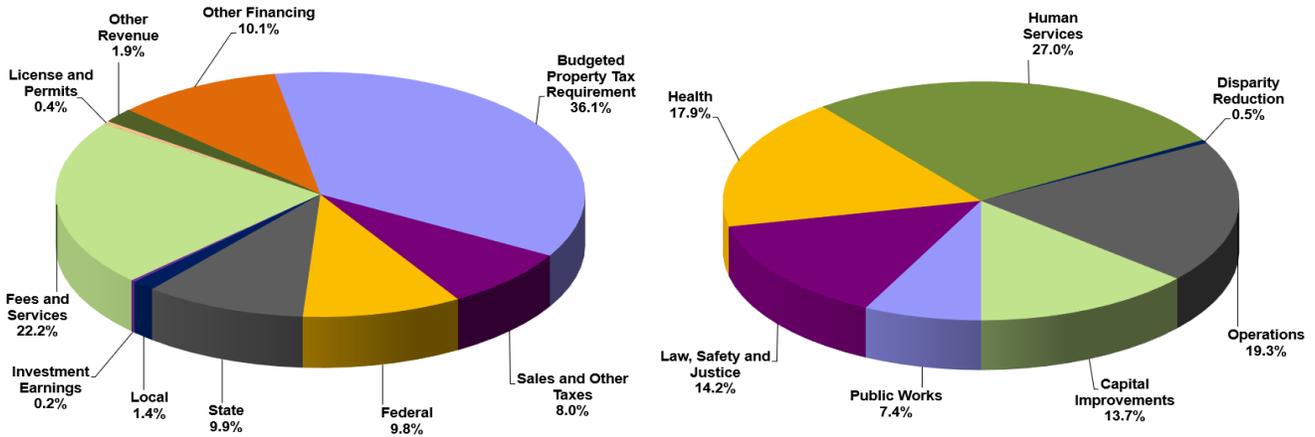
Revenue Information:	2020 Budget	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$856,743,044	\$856,740,381	\$886,760,103
Sales and Other Taxes	196,960,050	179,607,061	195,819,280
Federal	390,205,569	316,637,795	239,578,484
State	236,934,760	254,416,141	242,857,373
Local	24,351,987	20,330,788	34,890,384
Investment Earnings	11,893,471	6,040,000	6,175,000
Fees and Services	421,745,684	460,474,855	544,234,849
Fines and Forfeitures	396,096	407,200	222,700
Licenses and Permits	7,794,311	9,617,309	9,826,264
Other Revenue	70,272,618	59,687,984	46,461,925
Other Financing	316,121,855	132,212,076	248,957,964
Total Revenues	\$2,533,419,445	\$2,296,171,590	\$2,455,784,326

Expenditure Information:	2020 Budget	2021 Budget	2022 Budget
Public Works	\$155,766,982	\$167,717,116	\$180,689,835
Law, Safety and Justice	338,989,847	345,867,377	348,052,967
Health	365,009,905	364,152,660	440,527,568
Human Services	629,564,177	687,911,811	663,351,563
Disparity Reduction	13,582,692	9,868,890	11,154,979
Operations	515,457,401	529,689,276	474,992,914
Capital Improvements	461,945,185	190,964,460	337,014,500
Total Expenditures	\$2,480,316,189	\$2,296,171,590	\$2,455,784,326

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

Hennepin County

Revenue and Expenditure Comparison:



The Revenue and Expenditure Section reflects an overview of the 2022 budget by revenue category and the lines of business. The majority of Hennepin County's 2022 budgeted expenditures stem from Human Services, Operations (including debt and contingency), and the Health lines of business. In 2022, these programs account for 64.2 percent of the appropriated expenditures and 62.4 percent of the FTEs.

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

Revenue Highlights:

The 2022 revenue budget for Hennepin County is \$2.5 billion, which is an increase of 7.0 percent or \$159.6 million from the 2021 adjusted budget. The 2022 capital improvement component totals \$337.0 million, which is an increase of \$146.1 million or 76.5 percent when compared to the 2021 adjusted capital budget. When capital is excluded, the 2022 operating portion of the budget reflects an increase of \$13.6 million or 0.6 percent when compared to the 2021 adjusted budget. Both the operating and capital expenditures will be offset by approximately \$1.6 billion in non-property tax revenues and \$886.8 million in property taxes. The county will operate with 9,258.1 authorized full-time equivalents (FTEs), 522.3 more than the 2021 adjusted budget.

Property Tax Revenues:

Property tax revenue contributes \$886.8 million or 36.1 percent of the 2022 budgeted revenues of \$2.5 billion and when compared to the 2021 adjusted budget, it will increase by \$30.0 million. Information on the property tax computation can be found on page II-1.

The State of Minnesota provides property tax relief to Minnesota counties and taxpayers through local aid programs. For example, 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 County Revenue and Human Services funds. CPA for 2022 is budgeted at \$35.9 million, which is relatively flat with the 2021 adjusted budget.

Sales and Other Taxes:

In 2022, Sales and Other Taxes are budgeted at \$195.8 million, or 8.0 percent of total 2022 budget revenue, with the major components being \$125.8 million in Transportation Sales Tax revenue for transit projects; \$40.0 million in Ballpark Sales Tax revenue which is used to pay debt service on the ballpark bonds and other uses as allowed by legislation; and \$20.8 million from a Wheelage Tax that is used for the preservation, efficiency, safety and modernization of bridges, roads, and equipment.

Federal Revenues:

In 2022, federal revenues are programmed at \$239.6 million, or 9.8 percent, of all county revenues and represents an decrease of \$77.1 million or 24.3 percent from the 2021 adjusted budget. Of the decrease, \$34.4 million of the decrease is associated to one-time monies for services related to the Federal CARES Act that the Housing and Economic Development department used for emergency housing assistance.

Human Services has programmed \$195.6 million and consists of reimbursements for the medical assistance, food stamps, human service grants, training and employment, administrative costs of health, child support, foster care, economic assistance, and community health. Another driver is the County Revenue Fund which programmed \$27.5 million and support activities in the Operations, Public Safety, and Health lines of business'.

Hennepin County

Revenue Highlights Continued:

In the Operations line of business, the majority of federal revenues support housing grants, workforce services, and activities related to emergency management/services. In the Law, Safety and Justice line of business, the federal revenues consist of reimbursement for administrative costs related to child support collection, child protection, housing stability, guardianship/conservatorship matters, victim emergency funds, welfare fraud, reimbursement for breakfast and lunch programs at the Juvenile Detention Center and County Home School, and grants for drug trafficking and reduce the DNA backlog. In the Health program, the federal monies represent grants that support services like medical, dental, and behavioral health for indigent patients.

State Revenues:

The revenues from the State of Minnesota are budgeted at \$242.9 million, or 9.9 percent of all county revenues.

State funding is based on criteria such as caseloads, statewide funding formulas, approved plans, and particular service requirements. In general, state monies are used to fund activities and services related to community health, financial assistance, vulnerable children and adults, medical assistance, along with training and employment programs in human services; highway construction and maintenance projects; correctional subsidy to assist with correctional services and programs; partial reimbursement for expenses in the Public Defender's Office; and police state aid and grants related to peace officers training and public safety.

Overall State revenues have decreased \$11.6 million or 4.5 percent when compared to the 2021 adjusted budget of \$254.4 million. The majority of the decrease is attributed to a \$25.3 million COVID-19 relief state grant to assist eligible Hennepin County organizations to survive/recover from the pandemic. To offset this, increases are programmed in transportation state aids and projects, public safety answering points activities, police state aid, Auto Theft grants, and Community Corrections Act funding.

Local Revenues:

The 2022 local revenue budget of \$34.9 million has increased by \$14.6 million from the 2021 adjusted budget of \$20.3 million. The driver for the increase occurs in the Capital Improvement and is from local governments/municipalities for roads & bridges and grants from private entities.

Fees for Services Revenues:

User fees are established charges borne by those individuals that utilize specific government services and activities. This source of revenue provides a proportional method to fund governmental services without charging the general population. Minnesota Statute 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.

In 2022, the total revenues generated from fees charged for services are programmed at \$544.2 million, representing 22.2 percent of the total county revenue budget, and reflects an increase of \$83.8 million or 18.2 percent from the 2021 adjusted budget.

Hennepin County provides a wide range of services for which fees are charged. The most significant portion of this revenue 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 Hennepin Health. In 2022, these revenues are programmed at \$386.5 million or 71.0 percent of total Fees for Services revenues. This is an increase of \$83.8 million, or 27.7 percent, from the 2021 adjusted budget of \$302.7 million. The increase is due an overall increase in the base premium for Prepaid Medical Assistance Program (PMAP) and enrollment which is driven by the continuation of the Federal Health Emergency.

Another major source of fee revenue is the Solid Waste program, which collects fees for services associated with management of solid waste. In 2022, \$67.2 million is budgeted as revenue from tipping fees, ordinances, and solid waste fees.

The Human Services fund has programmed \$53.9 million in fees for services revenue in 2022. A major portion of fee revenue is payments from third party payers and state and federal reimbursements for patient fees and services. When compared to the 2021 adjusted budget, revenues will decrease by \$3.4 million driven by a lower volume of targeted case management and reimbursement rates which is partially offset by increased patient charges paid by and insurance carrier.

The Law, Safety and Justice program, which includes the Radio Communication Fund, has budgeted \$18.5 million in 2022 fee revenue. Each department or office provides services in which fees are charged and/or fines assessed. The majority of the revenue stems from charges to other jurisdictions or clients for processing, boarding or monitoring pre- and post-adjudications of clients; professional service fee, civil fees, court fees, program participation fees, leased antenna space along with leased Mobile Data Computers (MDC) and radios. In 2022, the fee revenue will decrease by \$1.2 million with the driver being the elimination of fees in the institutions and field services to assist in the removal of barriers and disparities to the clients. This was offset by an increase in contract security provided to Hennepin Healthcare System.

Hennepin County

Revenue Highlights Continued:

The Operations program has budgeted \$18.1 million in fee for service revenue with \$16.3 million from sources like property assessment, public records, service centers, the recording of abstract and torrens properties and fall within the county's Real Property Group budget, which includes the County Assessor's Office.

Other Revenue:

A wide variety of sources contribute to the \$46.5 million categorized as Other Revenue in 2022. Other revenue includes book fines, building rental, parking revenue, vital records (e.g. birth and death certificates), and fund balance.

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.

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. In the 2022 budget, the overall utilization of fund balance in the governmental funds and net assets in the enterprise funds is set to increase/added to by \$12.3 million.

Other Financing:

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 new GO bonds to refund outstanding bonds to realize debt service savings when interest rates are favorable. Bond proceeds budgeted for 2022 are \$239.8 million, an increase of \$109.2 million from the \$130.6 million in the 2021 adjusted budget. Details concerning the county's debt retirement and debt management can be found in the Debt Retirement section of the Operations program.

Budgeted Positions:	2020 Budget	2021 Budget	2022 Budget
Public Works	436.4	410.6	420.5
Law, Safety and Justice	2,453.0	2,401.3	2,469.0
Health	436.6	420.3	456.0
Human Services	3,291.3	3,339.3	3,567.9
Disparity Reduction	51.0	62.0	89.0
Operations	1,652.3	1,643.7	1,754.3
Capital Improvements	0.0	0.0	0.0
Internal Service Funds	452.4	458.6	501.4
Total Full-time Equivalents (FTEs)	8,773.0	8,735.8	9,258.1

Major Program: Public Works

Public Works Services
 Environment and Energy
 Glen Lake Golf Courses
 Transportation Sales Tax & Development



Program Description:

Public Works connects people to places through planning, designing, engineering, and constructing roads, bridges, and transit lines. Using innovative technologies, Public Works maintains, operates, and preserves the county's highway system. Public Works also manages solid waste, delivers clean energy, and protects the environment. Staff seeks opportunities to reduce disparities in the Transportation Domain and supporting connectivity and activities with the other six domains (education, employment, health, housing, income and justice).

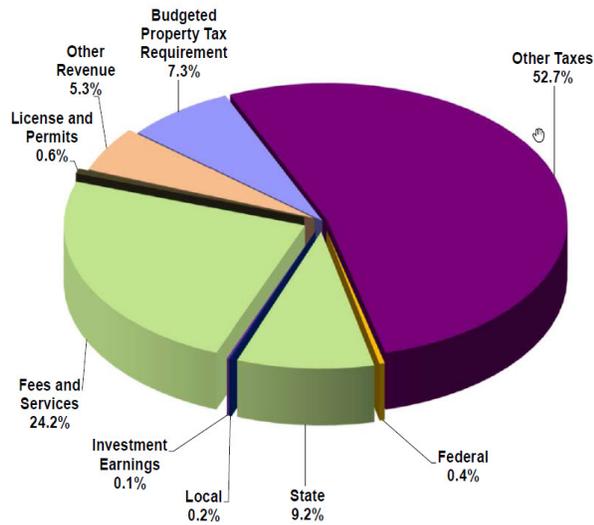
The team also supports the Hennepin County Regional Railroad Authority, provides Fleet Services to all lines of business in the county and manages the Energy Center which heats and cools county buildings in downtown Minneapolis.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$19,014,554	\$18,886,592	\$20,237,633
Other Taxes	142,790,193	137,896,100	146,696,100
Federal	256,009	822,187	1,000,000
State	25,902,452	22,296,112	25,625,826
Local	1,814,120	418,700	493,700
Investment Earnings	378,770	490,000	435,000
Fees for Services	62,584,473	63,604,165	67,295,245
Fines and Forfeitures	49,366	30,000	30,000
Licenses and Permits	1,614,770	1,663,300	1,599,869
Other Revenue	6,069,849	-49,198,591	-44,635,288
Other Financing	-29,727,949	-29,191,449	-38,088,250
Total Revenues	\$230,746,606	\$167,717,116	\$180,689,835
Personnel Services	\$41,878,923	\$45,275,358	\$47,140,583
Commodities	3,188,859	3,953,770	5,187,952
Services	69,955,556	71,015,005	76,231,520
Public Aid Assistance	0	0	0
Capital Outlay	93,088	65,409	17,000
Other Charges	34,821,929	40,537,574	44,617,247
Grants	5,828,627	6,870,000	7,495,533
Total Expenditures	\$155,766,982	\$167,717,116	\$180,689,835
Budgeted Positions (Full-Time Equivalents)	436.4	410.6	420.5

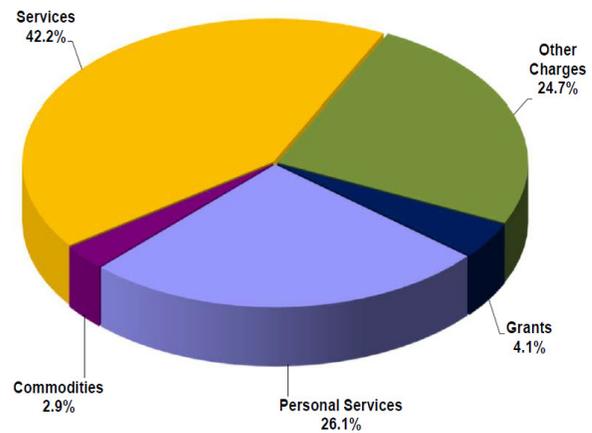
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:

	2020 Actual	2021 Budget	2022 Budget
Public Works Services	60,564,477	62,579,087	68,097,921
Environment and Energy	71,939,428	78,289,969	83,344,472
Glen Lake Golf Courses	915,573	1,098,060	1,047,442
Transportation Sales Tax & Development	22,347,505	25,750,000	28,200,000
Total Expenditures	\$155,766,982	\$167,717,116	\$180,689,835

Budgeted Positions:

	2020 Actual	2021 Budget	2022 Budget
Public Works Services	343.0	314.0	325.5
Environment and Energy	93.4	96.6	95.0
Glen Lake Golf Courses	0	0	0
Transportation Sales Tax & Development	0	0	0
Budgeted Positions (Full-Time Equivalents)	436.4	410.6	420.5

Revenue Summary:

The 2022 Public Works budgeted revenues are \$180.7 million, an increase of \$20.5 million over the 2021 adjusted budget. Details about the major sources of revenue include:

Budgeted Property Tax Requirement

The 2022 adopted budget includes property taxes of \$20.2 million, an increase of \$1.4 million or 7.2 percent when compared to the 2021 adjusted budget amount primarily due to the addition of the Climate Change and Resiliency department.

Other Taxes

The 2022 adopted budget includes Other Taxes of \$146.7 million, which is an \$8.8 million increase from the 2021 adjusted budget. The increase is attributable to higher anticipated Transportation Sales and Use Tax in 2022 to be used for transit and/or transportation investments serving the county.

Federal

Federal revenue in the 2022 adopted budget is \$1.0 million, which is an increase of about \$178,000, or 21.6 percent, from the 2021 adjusted budget.

State

The 2022 adopted budget for State revenue is \$25.6 million. This is an increase of \$3.3 million or 14.9 percent, over the 2021 adjusted budget due to higher State Aid from the Minnesota Department of Transportation.

Other Revenue

Other Revenue in the 2022 adopted budget is (\$44.6) million reflecting an anticipated increase in Fund Balance in Transportation Sales Tax and Development. (see Other Financing below for more information).

Other Financing

The 2022 adopted budget for Other Financing is (\$38.1) million and is associated with transfers to other funds that will pay debt service on bonds issued for the Southwest Light Rail Transit project as well as fund current costs associated with the following capital projects: Southwest Light Rail Transit (project # 1005876) and Bottineau Light Rail Transit (project # 1005877).

Expenditure Summary:

Public Works Services

Public Works Administration

The 2022 adopted budget totals \$6.4 million, an increase of \$0.6 million, or 10.1 percent, over the 2021 adjusted budget. The increase is primarily attributed to the realignment positions within Public Works.

Climate Change and Resiliency

The Climate Change and Resiliency department was created in response to Resolution 21-011S2, which adopted the 2021 Hennepin County Climate Action Plan, and is a newly developed department for 2022. The 2022 adopted budget of \$1.8 million primarily consists of personnel services and programs to promote efforts to address climate change and promote resiliency.

Transportation Operations

The 2022 adopted budget is \$39.7 million, which is an increase of \$2.7 million or 7.2 percent from the 2021 adjusted budget. The increase primarily reflects higher anticipated State Aid from the Minnesota Department of Transportation.

Transportation Project Delivery

The 2022 adopted budget is \$20.2 million, an increase of \$0.5 million, or 2.4 percent, from the 2021 adjusted budget. The increase reflects the realignment of positions within Public Works.

Environment and Energy

The 2022 adopted budget is \$83.3 million, which is an increase of \$5.1 million, or 6.5 percent, from the 2021 adjusted budget. The increase is primarily due to an increase in costs to transfer and process solid waste, including organics, composting and landfilling. Other increases include PACE (Property Assessed Clean Energy), the multifamily recycling program, the food waste reduction program, air quality initiatives, and the Hennepin Energy Recovery Center (HERC) pathways workforce development program to prioritize climate action and disparity reduction initiatives.

Glen Lake Golf Courses

The 2022 adopted budget remains nearly unchanged at \$1.0 million.

Transportation Sales Tax and Development

The 2022 adopted budget is \$28.2 million which reflects an increase of \$2.5 million or 9.5 percent for operational costs for the METRO Orange Line BRT.

Mission

Our mission is to create healthy and livable communities through environmental stewardship and advancement of a multimodal transportation network.

Department Description:

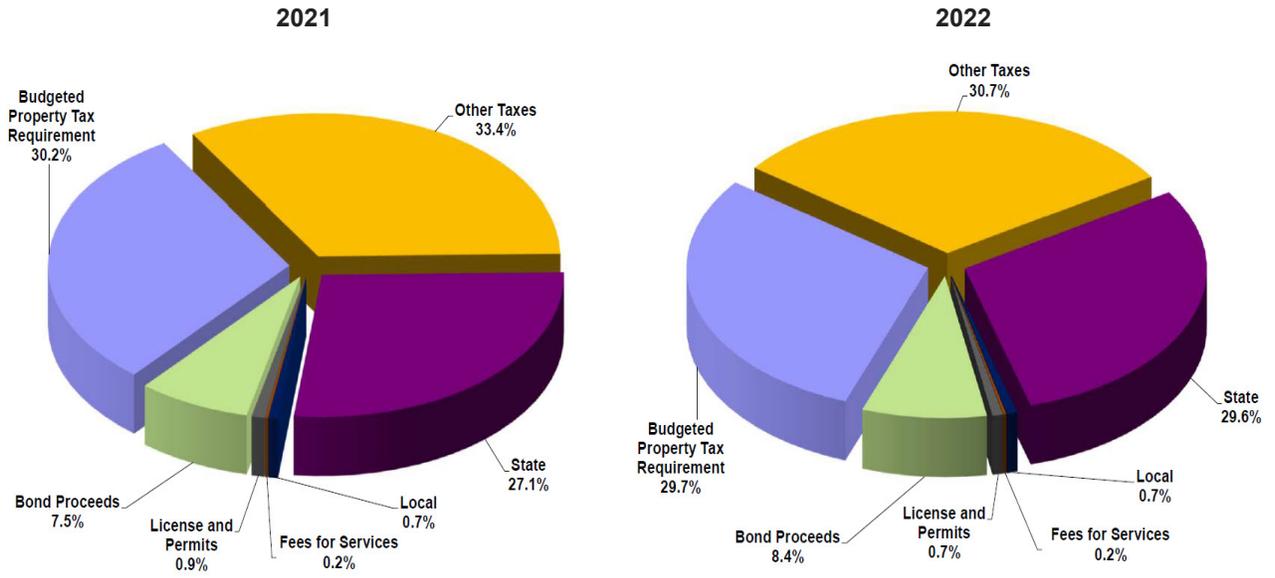
Public Works Services connects people to places through planning, designing, engineering, and constructing roads, bridges, and transit lines. Using innovative technologies, Public Works Services maintain, operate, and preserve the county's highway system and support the build-out of the regional transit system.

Public Works also oversees internal services funds for the Energy Center and Fleet Services; enterprise funds for Solid Waste and Glen Lake Golf Course; a special revenue fund for Transportation Sales Tax, and the Hennepin County Regional Railroad Authority (HCRRA)

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$19,014,554	\$18,886,592	\$20,237,633
Other Taxes	19,388,349	20,896,100	20,896,100
Federal	239,902	22,187	0
State	19,640,272	16,982,183	20,184,249
Local	475,821	418,700	493,700
Investment Earnings	0	0	0
Fees for Services	43,409	105,300	124,546
Fines and Forfeitures	22,413	0	0
Licenses and Permits	451,040	543,900	478,469
Other Revenue	4,254,431	4,724,125	5,683,224
Other Financing	0	0	0
Total Revenues	\$63,530,191	\$62,579,087	\$68,097,921
Personnel Services	\$32,728,263	\$35,019,305	\$36,828,971
Commodities	2,900,704	3,537,395	4,785,227
Services	24,225,405	23,614,530	25,921,824
Public Aid Assistance	0	0	0
Capital Outlay	93,088	65,409	17,000
Other Charges	617,016	342,448	544,899
Grants	0	0	0
Total Expenditures	\$60,564,477	\$62,579,087	\$68,097,921
Budgeted Positions (Full-Time Equivalents)	343.0	314.0	325.5

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

Revenue Comparison



Significant Budget Changes

The 2022 adopted budget is \$68.1 million, which reflects an 8.8 percent or \$5.5 million increase from the 2021 adjusted budget. This is driven by a \$3.2 million increase in transportation state aid revenues as a result of improving economic conditions. The 2022 adopted budget also includes the addition of \$1.8 million for the Climate Change and Resiliency department created in response to Resolution 21-0111S2.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Administration	5,642,421	5,772,548	6,353,242
Climate Change	0	0	1,802,574
Transportation Project Delivery	17,820,256	19,749,296	20,232,944
Transportation Operations	37,101,799	37,057,243	39,709,161
Total Expenditures	\$60,564,477	\$62,579,087	\$68,097,921

Budget Commentary

Public Works Administration

Supports the entire Public Works Line of Business by integrating the following areas: Assistant County Administrator - Public Work's Office, Financial Services, and Information Technology and Transit Construction. For 2022, Public Works Administration will continue aligning work under the priority of reducing disparities.

Climate Change and Resiliency Designs and implements strategies to reduce greenhouse gas emissions while promoting community-based adaptation efforts. In 2022, Climate and Resiliency will strengthen its internal team with the addition of staff. The department will invest in early mitigation and adaptation efforts to promote resiliency across vulnerable communities, such as a plan to reduce VMT, expanding the tree canopy, green jobs and urban agriculture initiatives, and a County-wide EV strategy.

Transportation Operations Maintains the county's road infrastructure and is organized into the following areas: Traffic Operations, Road Operations, and Asset Management. In 2022, Transportation Operations will continue leverage asset management data to evaluate new ways to preserve county highways well into the future. In addition to traditional mill and overlay, methods such as cold in-place recycling and full-depth reclamation will extend the life of the pavement beyond 20 years. Traffic Operations operates and maintains Hennepin County's traffic assets to be responsive to advancing transportation technologies, including the ongoing build-out and implementation of the Advanced Transportation Management System (ATMS) and associated fiber optic network.

Transportation Project Delivery

Designs and administers the capital transportation program for the county and is organized into the following areas: Planning, Design, Bridge, and Construction. In 2022, Transportation Project Delivery will focus its efforts to remain innovative in project approach, project delivery, and in staff development to ensure adequate resources are available to meet the county's transportation and mobility needs now and into the future. Adapting to new technologies and workforce locations continues to be a priority in this continually changing work environment.

Key Results:

Key Result	2020 Actual	2021 Estimate	2022 Goal
Engineering costs as a percent of actual capital project costs	21%	22%	22%
Present serviceability rating (portion rated good or better)	63%	63%	67%
Accounts receivable billings processed	6,222	6,775	6,497
Accounts payable invoices processed	8,062	8,992	9,221
Hours to plow complete system during a snow event:			
Urban	4:31	4:40	4:00
Rural	4:09	4:24	4:00

Additional Resources:

Transportation: www.hennepin.us/residents#transportation

Regional Railroad Authority: www.hennepin.us/your-government/leadership/rra

Mission

Protect and preserve the environment to enhance the quality of life for current and future generations.

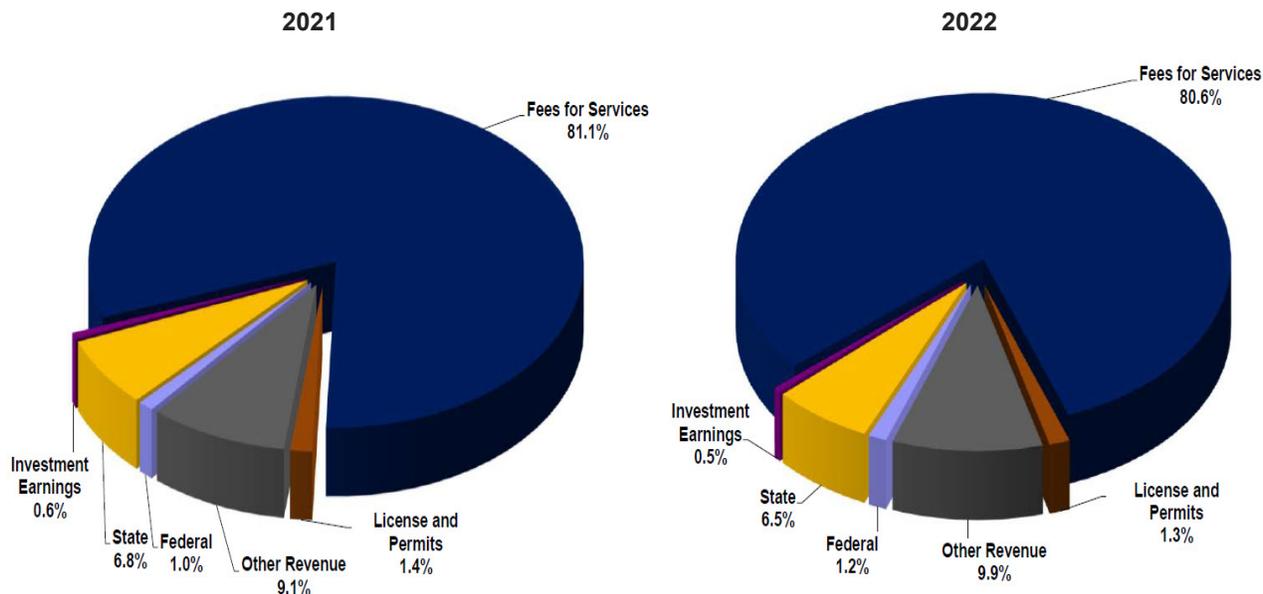
Department Description:

The Environment and Energy department is funded through the Solid Waste Enterprise Fund and engages communities to develop and enact sustainable solutions that enhance the quality of life and the environment in Hennepin County. The department focuses on reducing and responsibly managing waste, protecting and preserving ecosystems, delivering clean energy and promoting environmental stewardship.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes	75,515	0	0
Federal	16,107	800,000	1,000,000
State	6,262,181	5,313,929	5,441,577
Local	0	0	0
Investment Earnings	378,770	490,000	435,000
Fees for Services	62,541,064	63,498,865	67,170,699
Fines and Forfeitures	26,953	30,000	30,000
Licenses and Permits	1,163,730	1,119,400	1,121,400
Other Revenue	715,097	7,037,775	8,145,796
Other Financing	0	0	0
Total Revenues	\$71,179,416	\$78,289,969	\$83,344,472
Personnel Services	\$8,580,726	\$9,681,496	\$9,723,370
Commodities	209,848	299,100	284,950
Services	44,895,025	46,445,996	49,361,698
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	12,425,201	14,993,377	16,478,921
Grants	5,828,627	6,870,000	7,495,533
Total Expenditures	\$71,939,428	\$78,289,969	\$83,344,472
Budgeted Positions (Full-Time Equivalents)	93.4	96.6	95.0

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

Revenue Comparison



Significant Budget Changes

In 2022, Environment and Energy will have an adopted operating budget of \$83.3 million, funded by non-property tax revenue. The adopted budget also includes 95.0 full-time equivalent (FTE) positions, which is a 1.6 FTE reduction from the 2021 adjusted budget.

Revenues from tipping fees are expected to increase by \$1.5 million due to new rates in waste delivery agreements and increased volume of organics. Solid Waste Management Fee revenue is expected to increase by \$370,000 due to expected increase in waste services rates. Environmental Response Fund (ERF) revenue projections are up from \$2.4 million to \$3.2 million due to increased activity in the real estate market. Hennepin Energy Recovery Center (HERC) operating costs are increasing by \$340,000 after remaining flat for the past two years. Facility insurance costs are increasing by \$300,000. Expenses for transporting and landfilling waste are increasing by \$560,000 due to rate increases in solid waste contracts.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Administration and Planning	5,408,972	6,679,227	7,370,107
Environmental Protection	5,563,296	6,943,381	7,209,406
Environmental Response	1,586,364	4,000,000	5,500,000
Solid Waste	59,380,796	60,667,361	63,264,959
Total Expenditures	\$71,939,428	\$78,289,969	\$83,344,472

Budget Commentary

In 2022, Environment and Energy has the following priorities:

- Advance anaerobic digestion
- Develop an operational plan to map Hennepin County to a zero-waste future
- Increase the tree canopy
- Acquire and restore conservation easements

Key Results:

	2020 Actuals	2021 Estimate	2022 Goal
Energy Production (Megawatt hours of electricity)	169,608	220,000	200,000
Awards to environmental response grantees	\$1,075,429	\$1,700,000	\$3,000,000
Recycling Rate	42%	43%	45%

Additional Resources

www.hennepin.us

Mission

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

Department Description:

Glen Lake Golf Course is owned by the county and operated by Three Rivers Park District. The course includes a nine-hole golf course and the Parkers Lake Practice Center. Golf lessons are available and fee discounts are offered to seniors 62 years of age and older and juniors 17 years of age and younger. The course is self-supported by fees.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	1,100,321	1,098,060	1,047,442
Other Financing	0	0	0
Total Revenues	\$1,100,321	\$1,098,060	\$1,047,442
Personnel Services	\$569,934	\$574,557	\$588,242
Commodities	78,307	117,275	117,775
Services	138,827	154,479	147,998
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	128,505	251,749	193,427
Grants	0	0	0
Total Expenditures	\$915,573	\$1,098,060	\$1,047,442
Budgeted Positions (Full-Time Equivalents)	0	0	0

Mission

Department Description:

Hennepin County's transportation system contributes to a high quality of life and strong economy by providing an integrated network of roads, bridges, bikeways, sidewalks, and transitways. In addition, the county supports a comprehensive regional system of transitways that includes existing Blue Line Light Rail Transit (LRT), Green Line LRT, and Northstar Commuter Rail, and Orange Line Bus Rapid Transit (BRT); planned Green Line Extension LRT and Blue Line Extension LRT; and proposed Riverview Corridor. The department is supported by a 0.5 percent county local sales and use tax as well as a \$20 per vehicle excise tax for transit and/or transportation investments serving the county.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	123,326,328	117,000,000	125,800,000
Federal	0	0	0
State	0	0	0
Local	1,338,299	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	-62,058,551	-59,511,750
Other Financing	-29,727,949	-29,191,449	-38,088,250
Total Revenues	\$94,936,678	\$25,750,000	\$28,200,000
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	696,298	800,000	800,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	21,651,206	24,950,000	27,400,000
Grants	0	0	0
Total Expenditures	\$22,347,505	\$25,750,000	\$28,200,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

Major Program: Law, Safety and Justice

Public Safety & Justice
 County Attorney's Office
 Adult Representation Services
 Court Functions
 Public Defender's Office
 Sheriff's Office
 Department of Community Corrections and Rehabilitation
 Radio Communications



County Attorney Michael O. Freeman



Sheriff David Hutchinson

Program Description:

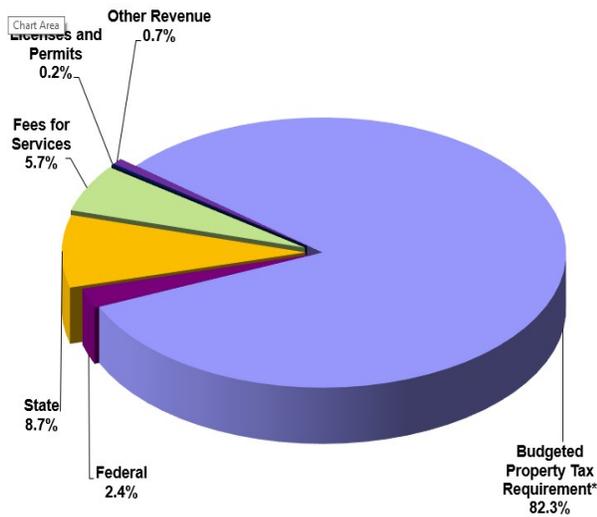
The Law, Safety and Justice program includes law enforcement, criminal prosecution, legal representation for clients experiencing poverty, and correctional programs. The county departments contributing to this major program are Public Safety & Justice, County Attorney's Office, Adult Representation Services, Court Functions, Public Defender's Office, Sheriff's Office, Department of Community Corrections and Rehabilitation, and the Radio Communications Fund.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$282,591,263	\$284,480,614	\$288,261,585
Other Taxes	0	0	0
Federal	11,265,554	8,250,092	6,831,907
State	30,619,650	29,964,012	30,660,892
Local	17,325	30,000	30,000
Investment Earnings	0	0	0
Fees for Services	14,938,894	19,702,351	18,495,193
Fines and Forfeitures	197,128	200,000	75,000
Licenses and Permits	1,161,025	750,000	1,500,000
Other Revenue	2,011,506	2,490,308	2,198,390
Other Financing	1,449,403	0	0
Total Revenues	\$344,251,748	\$345,867,377	\$348,052,967
Personnel Services	\$269,940,995	\$272,954,431	\$277,236,484
Commodities	9,023,732	8,014,536	7,764,540
Services	55,382,641	58,413,304	58,302,892
Public Aid Assistance	4,279	0	0
Capital Outlay	1,105,883	803,596	637,835
Other Charges	3,532,317	5,681,510	4,111,216
Grants	0	0	0
Total Expenditures	\$338,989,847	\$345,867,377	\$348,052,967
Budgeted Positions (Full-Time Equivalents)	2,453.0	2,401.3	2,469.0

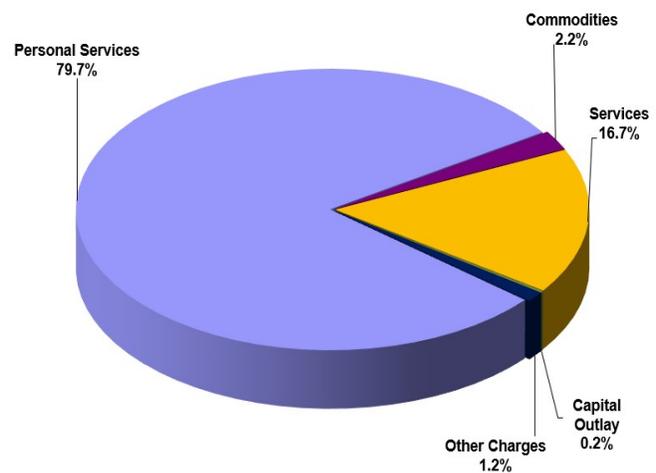
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Public Safety & Justice	10,263,326	11,575,915	14,287,369
County Attorney's Office	62,075,694	62,817,004	65,688,812
Adult Representation Services	4,116,204	5,535,357	7,743,438
Court Functions	2,048,449	2,258,600	1,526,600
Public Defender's Office	10,585,828	10,061,861	9,554,943
Sheriff's Office	123,666,915	122,526,928	128,149,173
Department of Community Corrections and Rehabilitation	122,127,877	126,909,939	116,934,508
Radio Communications	4,105,554	4,181,772	4,168,124
Total Expenditures	\$338,989,847	\$345,867,377	\$348,052,967

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Public Safety & Justice	52.5	50.5	72.5
County Attorney's Office	475.5	476.0	511.0
Adult Representation Services	28.0	33.0	52.0
Court Functions	0	0	0
Public Defender's Office	36.8	32.8	28.3
Sheriff's Office	819.0	822.0	853.0
Department of Community Corrections and Rehabilitation	1,041.2	987.0	952.2
Radio Communications	0	0	0
Budgeted Positions (Full-Time Equivalents)	2,453.0	2,401.3	2,469.0

Revenue Summary:

The 2022 Law, Safety and Justice Line of Business accounts for 42.4 percent of the expenditures in the County Revenue Fund, and 100 percent of the Radio Communications Fund. The program will operate with 2,469.0 authorized full-time equivalents (FTEs) which is an increase of 67.7 FTEs over the 2021 adjusted budget.

The 2022 operating expenditures for the Law, Safety and Justice Line of Business have increased by 0.6 percent or \$2.2 million over the 2021 adjusted budget for a total operating budget of \$348.1 million.

Property Tax Revenues:

In 2022, property tax revenues will fund \$288.3 million or 82.8 percent of the Law, Safety and Justice line of business total expected revenues of \$348.1 million. The majority of the property tax will fund the Sheriff's Office at \$111.0 million and the Department of Community Corrections and Rehabilitation at \$91.5 million. The County Attorney's Office will be funded by \$59.7 million, Public Safety & Justice by \$13.7 million, Adult Representation Services by \$6.3, the Public Defender's Office by \$4.4 million and Court Functions by \$1.5 million.

Federal Revenue:

Federal revenue accounts for 2.0 percent of total revenues and supports activities in child support and child protection, victim advocacy and direct financial assistance, welfare fraud, reimbursement for breakfast and lunch programs at the Juvenile Detention Center, along with several grants like the Homeland Port Security, forensic science, Justice Assistance, DNA, Counter Violent Extremism, Community Oriented Policing Services (COPS), and Driving While Intoxicated countermeasures & supervision programs.

State Revenue:

Revenue from the State of Minnesota is the largest source of non-property tax income for the Line of Business at 8.8 percent of total revenues. The majority of state revenue will be used by the Department of Community Corrections and Rehabilitation for activities related to the Community Corrections Act, Intensive Supervised Release, and Remote Electronic Alcohol Monitoring. Additionally, the Public Defender's Office uses state money for subsidizing the remaining Hennepin County employees, the Sheriff's Office uses state money for Police State Aid, the 911 Enhancement fee, Peace Officer Standards and Training, Violent Offender Task Force, and Department of Natural Resources grants.

Fees for Services Revenue:

Fees for Services are the second largest sources of non-property tax revenue at 5.3 percent of total revenues. Fees include: charges to other jurisdictions or clients for processing/booking into the jail, boarding, monitoring pre- and post-adjudication of clients, civil legal service fees, court fees, and lease revenue for radios and mobile data computers.

Other Revenue:

In 2022, other revenue has been budgeted at \$2.2 million and accounts for less than one percent of total revenues. The majority of this revenue is attributed to the Sheriff's Office for reimbursement of personnel costs from the Radio Communications fund, detective work for other Hennepin County departments, court security, and jail commissary sales. Other contributors are Department of Community Corrections and Rehabilitation for Adult Correction Facility concessions, building rental, and the Productive Day Program.

Expenditure Summary:

Public Safety & Justice:

In 2022, Public Safety Justice's budget will increase 23.4 percent to \$14.3 million and includes 72.5 full-time equivalents (FTEs).

County Attorney's Office:

In 2022, the Attorney's Office budget will increase by 4.6 percent to \$65.7 million and includes 511.0 FTEs.

Adult Representation Services:

In 2022, the Adult Representation Services budget will increase by 39.9 percent to \$7.7 million and includes 48.0 FTEs.

Court Functions:

In 2022, the Court Functions budget will decrease by 32.4 percent to \$1.5 million and operates without FTEs.

Public Defender's Office:

In 2022, the Public Defender's Office budget will decrease by 5.0 percent to \$9.6 million and includes 28.3 FTEs.

Expenditure Summary:

Sheriff's Office:

In 2022, the Sheriff's Office budget will increase by 4.6 percent to \$128.1 million and includes 853.0 FTEs.

Department of Community Corrections and Rehabilitation:

In 2022, the Department of Community Corrections and Rehabilitation budget will decrease by 7.9 percent to \$116.9 million and includes 952.2 FTEs.

Radio Communications:

In 2022, the Radio Communication Fund will decrease by 0.3 percent to \$4.2 million and operates without FTEs.

Mission

To lead and coordinate Law, Safety and Justice endeavors while working with partners to identify and promote best management practices.

Department Description:

Public Safety & Justice consists of three divisions: Public Safety Administration, Public Safety Information Technology, and Criminal Justice Coordinating Committee.

Public Safety Administration is 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 and organizational effectiveness and inter-agency partnerships to improve outcomes.

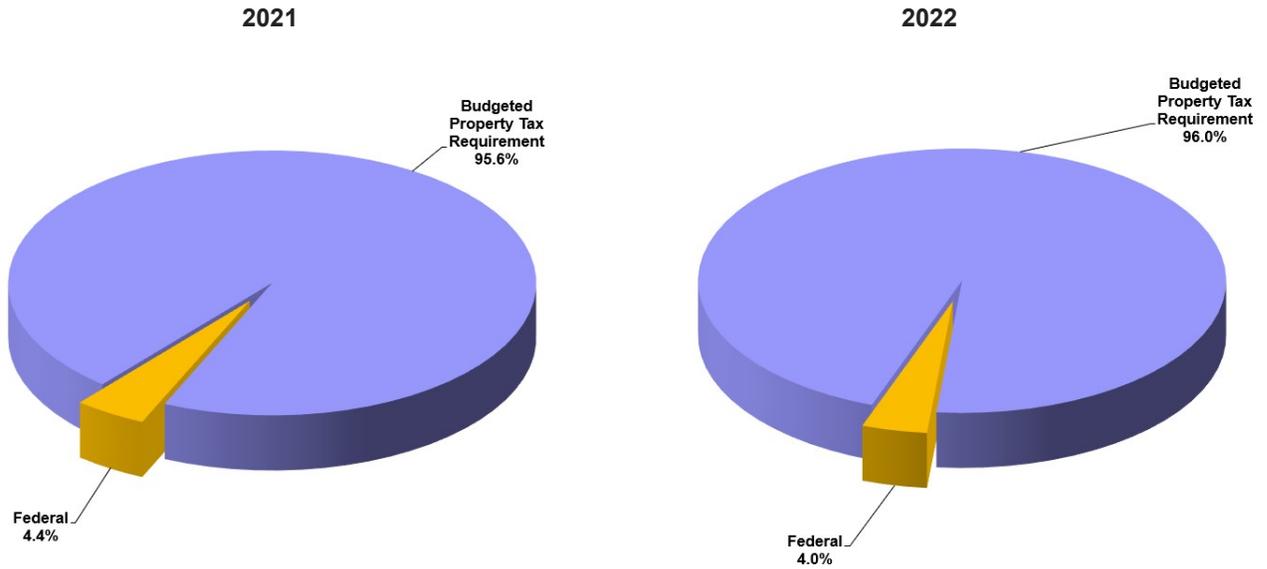
Public Safety Information Technology coordinates and aligns the technology strategies of Hennepin County Information Technology for the Law, Safety and Justice Line of Business.

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

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$11,444,411	\$11,061,488	\$13,715,230
Other Taxes	0	0	0
Federal	387,085	514,428	572,139
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$11,831,496	\$11,575,916	\$14,287,369
Personnel Services	\$6,093,697	\$6,891,968	\$9,411,226
Commodities	36,062	52,627	50,427
Services	4,108,471	4,488,852	4,746,381
Public Aid Assistance	0	0	0
Capital Outlay	0	60,000	0
Other Charges	25,097	82,469	79,335
Grants	0	0	0
Total Expenditures	\$10,263,326	\$11,575,916	\$14,287,369
Budgeted Positions (Full-Time Equivalents)	52.5	50.5	72.5

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

Revenue Comparison



Significant Budget Changes

In 2022, Public Safety & Justice will have an appropriation of \$14.3 million with budgeted property tax revenue of \$13.7 million and non-property tax revenue of \$572,000. When compared to the 2021 adjusted budget, the operating budget has increased by 23.4 percent or \$2.7 million. Property tax revenues have increased by 24 percent or \$2.7 million, with non-property tax revenues increasing by \$58,000. The department will operate with 72.5 full-time equivalents (FTEs); which is an increase of 22.0 FTEs over the 2021 adjusted budget.

In 2022, the increase is primarily in the Personnel Services expense category with the centralization of DOCCR IT into Public Safety IT and also includes overall general salary adjustments, merit, and benefits.

Division Budgets:

	2020 Actual	2021 Budget	2022 Budget
Public Safety Administration	1,605,504	1,480,662	1,627,568
Criminal Justice Coordinating Committee	548,792	671,674	738,618
Public Safety IT	8,109,030	9,423,580	11,921,183
Public Safety Initiatives	0	0	0
Total Expenditures	\$10,263,326	\$11,575,916	\$14,287,369

** In 2022, the Adult Representation Services (ARS) division will become it's own department in the Law, Safety and Justice line of business. For comparative purposes, the 2020 actual and 2021 budget numbers shown here exclude the ARS division.*

Budget Commentary

The Law, Safety and Justice line of business continues to identify and act upon opportunities to reduce disparities and build partnerships within the criminal justice system, human services, and the communities we serve. The line of business and system partners continue to work cooperatively to address jail overcrowding, system shortfalls and opportunities to provide wrap-around services for our clients and residents. Efforts continue around pairing social services and health resources with law enforcement and corrections to address persistent mental health issues for clients in the community and in custody. A Criminal Justice / Behavioral Health partnership diligently works to create a resident focused continuum of service model for responding to 911/emergency calls for individuals with mental health and/or substance use disorders that are in need of an alternative response to the traditionally offered law enforcement, fire, or emergency medical technician response. The training and implementation of this effort will continue with a small-focused rollout anticipated in 2022.

Additional Resources:

Law, Safety and Justice Line of Business Information:

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

Criminal Justice Coordinating Committee (CJCC):

The work of the CJCC is carried out by groups of leaders from various departments and justice partners.

Website: www.hennepin.us/cjcc

Sexually Exploited Youth:

Public Safety Administration provides oversight of the No Wrong Door program. In 2011, Minnesota passed the Safe Harbor Law and the state developed a No Wrong Door model for a victim-centered, multidisciplinary response for juvenile victims of sex trafficking. No Wrong Door's mission is to fight against the sexual exploitation of youth by providing a comprehensive range of services to help young survivors heal while bringing traffickers to justice and raising public awareness.

Websites: www.hennepin.us/your-government/projects-initiatives/no-wrong-door

<https://hc-nwd-hennepin.hub.arcgis.com>

Mission

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

Department Description:

The County Attorney's Office is organized by Criminal and Civil Divisions.

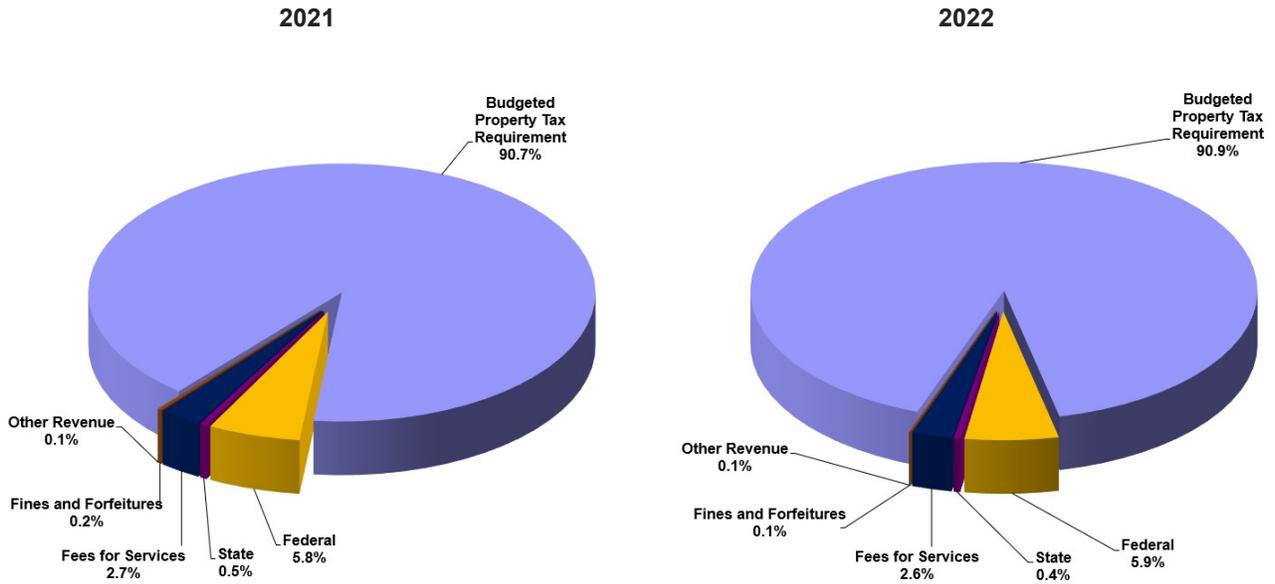
The Criminal Divisions represent the State of Minnesota, prosecuting adults charged with felonies, and all crimes committed by juveniles. The Criminal Divisions include Adult Prosecution, Juvenile Prosecution, the Gang Unit, Community Prosecution, Special Litigation, the Victim Witness Program and the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

The Civil Division provides legal representation to the Board of Commissioners, County Administrator's Office and all county departments as well as Hennepin Healthcare Systems and the Hennepin County Regional Rail Authority. The other Civil Divisions include Child Protection, Child Support Enforcement and Mental Health. The Information Technology (IT) Division provides IT services to all divisions. The Administration Division provides executive direction and coordination for policy and office-wide functions.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$56,861,230	\$56,962,538	\$59,740,424
Other Taxes	0	0	0
Federal	3,410,064	3,694,669	3,919,676
State	240,025	293,697	274,212
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	1,861,572	1,694,500	1,691,500
Fines and Forfeitures	144,056	150,000	50,000
Licenses and Permits	0	0	0
Other Revenue	4,836	21,600	13,000
Other Financing	0	0	0
Total Revenues	\$62,521,783	\$62,817,004	\$65,688,812
Personnel Services	\$53,718,546	\$54,204,703	\$57,375,594
Commodities	271,803	157,855	155,500
Services	7,749,606	8,187,040	8,033,958
Public Aid Assistance	0	0	0
Capital Outlay	93,345	0	0
Other Charges	242,394	267,406	123,760
Grants	0	0	0
Total Expenditures	\$62,075,694	\$62,817,004	\$65,688,812
Budgeted Positions (Full-Time Equivalents)	475.5	476.0	511.0

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

Revenue Comparison



Significant Budget Changes

In 2022, the Hennepin County Attorney's Office (HCAO) will have an expense appropriation of \$65.7 million which will be funded by expected property tax revenue of \$59.7 million and non-property tax revenue of \$5.9 million. When compared to the 2021 adjusted budget, the operating budget has increased by 4.6 percent or \$2,871,808. Property tax revenues have increased by 4.9 percent or \$2,777,886 and all other revenues increased by 1.6 percent or \$192,208.

Additions in staffing as well as merit increases and other benefits are the main factors associated with budget growth in 2022. HCAO will add 35.0 FTEs, seven of which will be supported by federal funding through the American Rescue Plan Act. HCAO is experiencing higher case volumes due to an increase in violent crime and case backlogs resulting from the shutdown of the Courts during the pandemic. HCAO also has been involved in several high-profile, labor-intensive cases. These trends have resulted in the need to bring in more staff so that we can continue to uphold public safety in Hennepin County. In non-personnel areas of the budget, expenses decreased by 14 percent. This is primarily related to a reduction in Central Information Technology charges after better understanding the billing associated with file storage services.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Criminal	32,420,210	33,585,981	35,202,954
Civil and Administration	29,655,484	29,231,023	30,485,858
Total Expenditures	\$62,075,694	\$62,817,004	\$65,688,812

Budget Commentary

In 2021, the Hennepin County Attorney's Office (HCAO) once again experienced a significant increase in the most serious, labor-intensive offenses. Homicides increased 38% (147 vs. 109); attempted homicides increased 39% (144 vs. 103); carjackings increased 19% (147 vs. 124); and cases involving a gun increased 5% (setting another record high in 2021). The office also saw increases in child abuse cases (11%) and criminal vehicular homicide (27 vs. 11). Continuing last year's trend, serious violent offenses committed by juveniles again increased. In total, cases involving adult certification or extended juvenile jurisdiction are up 54% compared to 2019.

HCAO has experienced pressure due to COVID-19 as well as changing from an office where 95 percent of staff worked on-site to one where over 95 percent are working remotely. Alongside this culture change came the strain of civil unrest and major increase in violent crime.

Violent crime is up precipitously throughout Hennepin County and the City of Minneapolis is even higher. Very serious crimes such as murder and shootings are off the chart. With increases in most serious cases and reduction in numbers of police, particularly in Minneapolis, many cases require additional investigation after being initially presented to us. Moreover, more witnesses are refusing to cooperate with police and that makes some cases impossible to prosecute. We are still not up to full capacity in the number of Judges and courtrooms available to preside over criminal trials. We are further dealing with a backlog of criminal cases from when the Court was shut down during the pandemic. Finally, noteworthy high-profile cases take huge amounts of energy and staff time to prosecute. It is a very challenging time to be a felony prosecuting law office.

Key Results:

Race and Equity, Disparity Reduction

- Vernona Boswell appointed Race & Equity Director in 2021
- Diversity & Inclusion Committees in place and thriving since 2011:
 - *Attorney Continuing Legal Education (CLE) Training
 - *Community Engagement
 - *Employee Wellness
 - *Professional Support Staff Training
 - *Recruitment, Hiring & Retention
 - *Technology
- Race & Equity workplan in place to identify current and future disparity projects and policy development

Employee Wellness

- Finalized equity library that includes books, articles, podcasts and more on a range of equity issues
- HCAO book club focused on equity issues
- Learning series on secondary trauma and workplace stress

Administration

- Management and triage of various department-wide issues surrounding the COVID-19 pandemic
- Effective strategy and response to significant staffing losses resulting from high work/caseloads
- On-site management and support, and effective security response for the Daunte Wright family, staff and others during the trial of Kim Potter

Adult Prosecution

- 163 trials during COVID Pandemic
- Homicide Numbers 51% increase in homicide cases reviewed from 2019 to 2021:
 - 2021: APD reviewed 126 homicide cases
 - 2020: 94 homicide cases
 - 2019: 61 homicide cases
- Sexual Assault Kit Initiative ("SAKI") federal grant: The SAKI Grant has allowed us to complete testing and improve investigations, with the goal of prosecuting these sexual assault cases to protect public safety and obtain justice for victims.
- Violence Against Women Act Services, Training, Officers, and Prosecutors Grant ("VAWA STOP Grant"):
 - *Under the Department of Justice to enhance the capacity of local communities to develop and strengthen effective law enforcement and prosecution strategies to combat violent crimes against women and strengthen victim services in cases involving violent crimes against women.
 - *Provides funding to the HCAO for a veteran sexual assault prosecutor to be embedded within Hennepin County's Suburban Police Departments to improve the investigation and prosecution of sexual assault cases.

Adult Services

- Pre-Petition Screening, at our request, remove language identifying race from their reports unless clinically necessary.
- Spear heading efforts to partner with COPE and other mental health professionals for outreach in the African American community re mental health resources.

Key Results:

Child Protection

- The ICWA Initiative, a focused project to improve disproportionate impact of Child Protection system on Native American children, held meetings with CAO and Tribal leadership.
- African American Family Preservation Act Pilot Project (Village Arms). Attorneys provided legal consultation and representation to the C&FS agency with a goal of addressing and reducing disparities that African American families face in the child protection system, specifically out of home placement.

Child Support

- 2021 Child Support collection: \$94,723,316.
- 2020 Child Support collection: \$103,852,394.

Civil

- Supporting the County's use of federal pandemic funding from the American Rescue Plan Act, including eligible use of funds and federal requirements related to monitoring, compliance, and reporting.
- Advising on and drafting policies related to cutting-edge COVID-19 issues, including out-of-state workers, vaccination, testing, etc.
- Negotiating an intrastate allocation agreement for distribution of opioid settlement funds to the State of Minnesota and its counties and cities

Community Prosecution

- Expanded Diversion policies to include more felony offenses and other defendants who would not have been able to participate in the diversion program before 2021.
- Development of carjacking prosecution initiative to address an increase in auto theft and carjacking.
- Community Prosecution/Child Protection workgroup to examine issues which involve felony prosecutions for drug offenses and child protection.

Domestic Abuse Service Center

- During the pandemic, DASC had over 37,000 contacts.
- DASC has successfully increased access and eliminated barriers for many due to the transition to remote services. DASC will continue to offer services via phone and in person.
- DASC has become more accessible to victims who are disabled, vulnerable, elderly, and/or have mobility issues. Partnered with a Minneapolis Police Department Domestic Violence Community Navigator providing services to victims in their homes. DASC has streamlined 256 Order for Protection filings.

Juvenile Prosecution

- Special prosecution of Carjacking cases to address the unprecedented increase in Carjackings. Cases submitted have an 85% charge rate.
- Prosecutor-initiated Expungement program. For youth who successfully complete post-charge diversion and have not reoffended within one year, CAO files a petition to expunge executive branch records. For youth who successfully completed post-charge diversion 80% did not reoffend within one year.

Special Litigation

- Conviction Review Unit (CRU), a collaboration of HCAO, Ramsey County Attorney's Office and the Attorney General's Office.
- Ineligible Voting Violations Diversion Program: Educational video that is part of our diversion program for voting violations. The program will require that individuals who are charged with felony voting violations complete 20 hours of community service and a voting law education video.
- Scam Prevention Education: Scam prevention education through Facebook Live and local media, with a particular focus on reaching immigrant communities who are risk of exploitation.
- Labor:
 - *Labor Advisory Council: Creation of a Labor Advisory Council to formalize a process for prosecuting authorities, law enforcement and the labor community to handle wage theft, labor trafficking and potential legislation.
 - *Harvard Law Workplace Justice Prosecution Group
 - *Bureau of Criminal Apprehension (BCA) Labor Trafficking and Wage Theft Task Force
 - *Minnesota Department of Labor and Industry

Key Results:

Victim Witness

- 39,668 Subpoenas on Adult Prosecution cases.
- Services to approximately 6,880 victims of crime in adult cases. Services to 1,483 victims in Juvenile cases. These crime types include:
 - *Homicides
 - *Carjackings
 - *Robbery/Thefts
 - *Property crimes
 - *Domestic Violence
 - *Sexual Assaults
 - *Child Abuse
 - *Elder Abuse
- Successfully prosecuted Derrick Chauvin for the murder of George Floyd and provided direct advocacy to the George Floyd Family for the duration of trial and sentencing.
- Successfully prosecuted Kimberly Potter for the death of Daunte Wright, provided direct advocacy services to the Wright Family for the duration of trial.

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

Mission

The mission of Adult Representation Services (ARS) is to provide high-quality, holistic legal representation to residents experiencing poverty in certain civil matters where appointment of counsel is necessary to protect a fundamental right or to further the county's mission of reducing disparities and promoting the stability of residents.

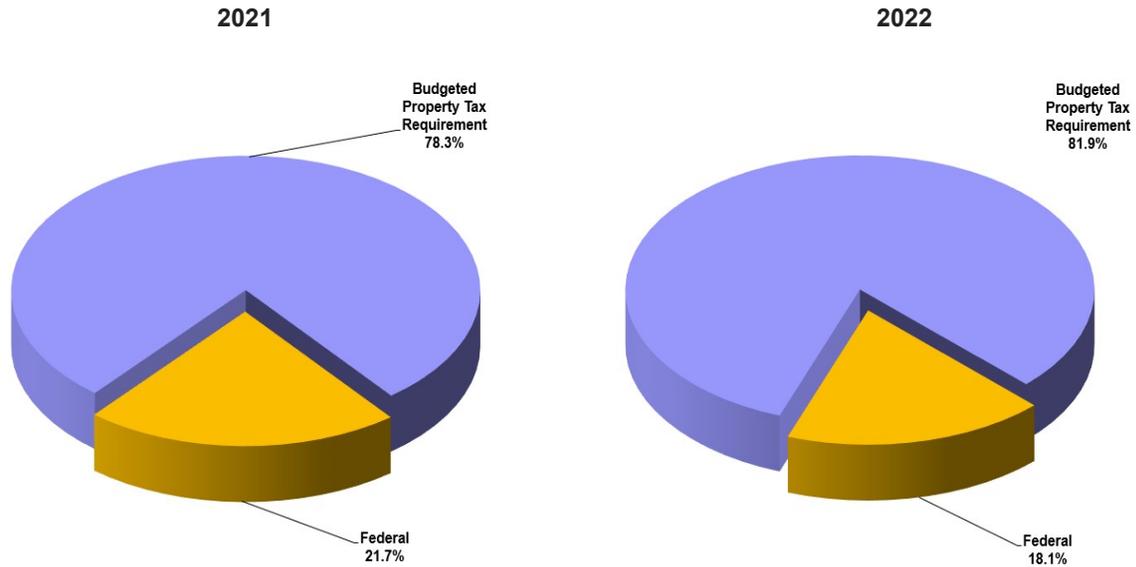
Department Description:

ARS was created in 2018 to honor the county's commitment to provide excellent representation in and out of court to residents facing certain civil matters. The department consists of a director, managing attorney, senior attorneys, attorneys, paralegals, legal service specialists, case management assistants, IT support and office support staff. Staff are assigned to represent parents in child protection cases, non-custodial parents in child support contempt cases, tenants facing eviction or other legal matters impacting the stability of their housing and individuals who are the subject of guardianship or conservatorship matters.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$3,591,311	\$4,331,175	\$6,343,438
Other Taxes	0	0	0
Federal	133,502	1,204,182	1,400,000
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$3,724,813	\$5,535,357	\$7,743,438
Personnel Services	\$3,344,081	\$4,301,808	\$6,167,296
Commodities	6,833	11,500	16,850
Services	721,946	1,163,777	1,497,369
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	43,344	58,272	61,923
Grants	0	0	0
Total Expenditures	\$4,116,204	\$5,535,357	\$7,743,438
Budgeted Positions (Full-Time Equivalents)	28.0	33.0	52.0

* Reflects the adjusted property tax requirement budget, not actual property tax collections.
ARS will continue to see an increased Title IV-E federal reimbursement for representing parents in child protection matters as more staff are assigned to this work.

Revenue Comparison



Significant Budget Changes

Overall budget increase reflects an increase of 18.0 new full-time equivalent positions to support Housing and Guardianship teams as well as provide pre-court representation to residents experiencing poverty. The \$1.9 million property tax increase is offset by a \$0.7M shift in property tax budget authority that was allocated to Court Functions for Guardianship contractors for respondents (proposed wards).

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Adult Representation Services Unit	3,982,479	5,531,175	1,584,998
Child Protection Parent Rep	0	0	3,910,267
Family Court Contempt	0	0	108,123
Probate	0	0	648,180
Housing Representation	0	0	1,491,870
Adult Representation Services Projects	133,724	4,182	0
Total Expenditures	\$4,116,204	\$5,535,357	\$7,743,438

In 2022, the Adult Representation Services (ARS) division will become it's own department in the Law, Safety and Justice line of business.

Budget Commentary

Approximately 78 percent of ARS clients are Black, Indigenous and people of color and all are experiencing poverty. In order to reduce the disparities and address racism as a public health crisis, ARS has expanded representation to tenants who are facing eviction. Additionally, ARS represents clients who need legal advice before a court case is filed and provides access to health, social and economic resources. This not only helps promote the stability of our residents but also ensures meaningful access to justice.

As a growing department, ARS has prioritized our impact on climate change recognizing that increased staffing and resources can sometimes negatively impact our climate. To this end, we have eliminated our traditional paper practice and utilize an electronic case management system to manage our files and work with county and court partners to exchange our voluminous discovery electronically. We also have employed electronic signatures on official court documents and client documents when legally permissible. More recently, we started using QR codes rather than printed business cards to share organization and individual attorney contact information. Finally, when practical, we use remote technology to connect with clients and colleagues to reduce the negative climate impacts of motorized travel.

Key Results:

- Hired and trained a diverse multi-disciplinary team that focuses on the overall needs of the client to help them gain stability for in court and pre-court matters
- Expanded attorney staffing for tenants facing eviction and other housing issues so all clients experiencing poverty can have full representation
- Served our clients without interruption throughout the pandemic
- Expanded key partnerships within the county to maximize client resources: child support, housing, education, economic supports, and employment

Additional Resources:

For a general questions or a legal consultation on a Housing, Child Protection, Child Support Contempt or Guardianship matter, please contact us at:
Website: ContactARS@hennepin.us
Phone: 612-348-7012.

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, representation in criminal cases.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$2,258,600	\$2,258,600	\$1,526,600
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$2,258,600	\$2,258,600	\$1,526,600
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	2,044,170	2,258,600	1,526,600
Public Aid Assistance	4,279	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$2,048,449	\$2,258,600	\$1,526,600
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Significant Budget Changes

The decreases in the 2022 Court Functions authorized operating budget when compared to the 2021 adjusted budget represent transfers of budget authority to the Adult Representation Services Department for housing and probate court.

Budget Commentary

The 2022 budget is comprised as follows:

- \$1,354,224 for Mental Health Court legal representation.
- \$101,500 for the Temporary hospital confinement of Mental Health Court clients.
- \$70,876 for legal assistance for indigent clients in criminal cases.

Mission

The mission of the Hennepin County Public Defender's Office is to zealously protect and defend the rights of our clients by providing client-centered representation of the highest quality in an effort to achieve a fair, equal, and unbiased system of justice for all.

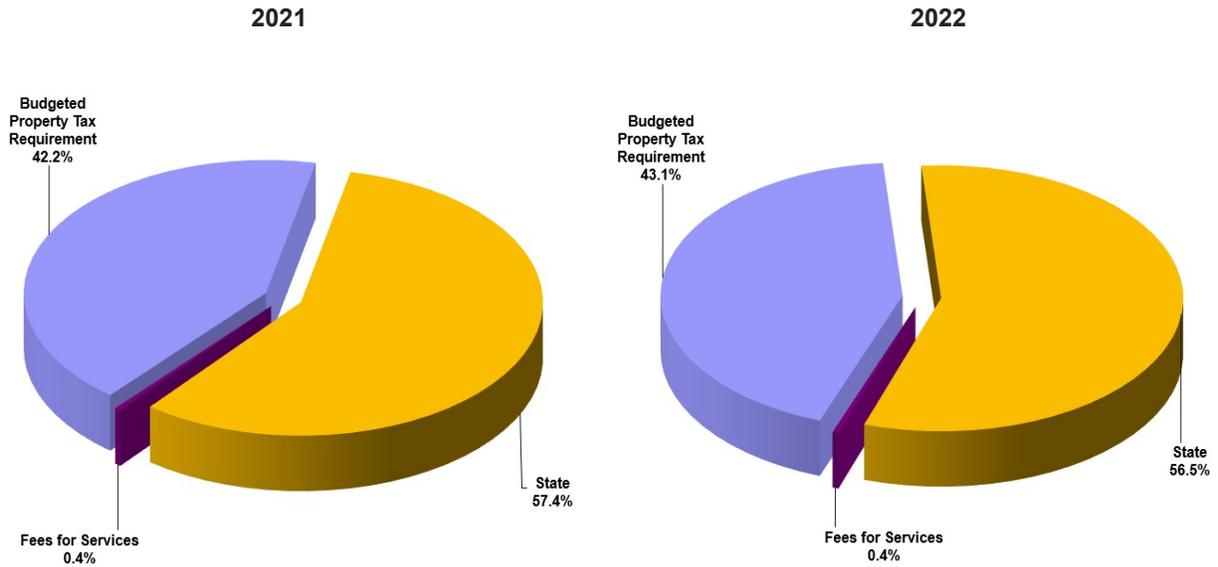
Department Description:

The Department represents people in the criminal and juvenile justice systems who cannot afford an attorney. The Department vindicates the constitutional right to counsel as afforded by the Federal and Minnesota constitutions. These rights to counsel in criminal and juvenile matters were recognized by the United States Supreme Court in two landmark decisions - Gideon v. Wainwright (1963) and In re Gault (1967). In addition to representing adults and juveniles accused of criminal offenses, the Department represents children involved in child protection cases.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$4,441,748	\$4,244,861	\$4,412,943
Other Taxes	0	0	0
Federal	11,076	0	0
State	6,400,000	5,775,000	5,100,000
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	55,404	42,000	42,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$10,908,228	\$10,061,861	\$9,554,943
Personnel Services	\$5,988,209	\$5,750,134	\$5,089,718
Commodities	45,372	44,000	46,000
Services	4,540,608	4,237,727	4,389,525
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	11,640	30,000	29,700
Grants	0	0	0
Total Expenditures	\$10,585,828	\$10,061,861	\$9,554,943
Budgeted Positions (Full-Time Equivalents)	36.8	32.8	28.3

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

Revenue Comparison



Significant Budget Changes

The 2022 budget reflects a 4.4 percent increase in the property tax requirement compared to the 2021 budget. Importantly, significant drivers of the increased property tax include the increased compensation and benefit costs of county employees which total almost \$5,100,000. Additionally, the Juvenile Team of the Public Defender's Office relocated to the 701 Building which involves significant increased rental payments. This move reunites the Juvenile Team with our main office and results in a sharing of resources and knowledge. It also enables other agencies in the county to benefit from the space that was vacated. Finally, because the county employees have been replaced by state employees, the state revenue has decreased accordingly.

When compared to the 2021 budget, the 2022 budget will decrease by \$0.51 million. The primary decrease in the budget is driven by the 4.5 FTE reduction in personnel.

Budget Commentary

The Department, like many, suffered significant attrition in 2021. Contributing factors include the stressful nature of the work, compensation, and the ongoing pandemic. However, we continue to train and recruit talented staff who are deeply committed to our mission. The Department increased the diversity of staff with approximately 50 percent of the new hires being persons of color. The Department plans to expand recruitment efforts over the next year to increase the pool of high-quality staff.

Moving the Juvenile Team to the main office allows all attorneys and staff to benefit from shared knowledge and experience and also allows the Department to share and utilize the resources of our office in a common space. Ultimately, the move will benefit our clients in all divisions.

In 2021, the Department established a comprehensive 10-week new attorney training program as well as an ongoing training model that will accelerate the development of our lawyers. In the next year, the Department plans to further implement additional programs aimed at employee development as well as community outreach.

Finally, the Department mounted a systemic challenge to the way in which the jury pool is compiled in Hennepin County. The jury pools are not representative of the population in Hennepin County and unfairly limit the number of jurors of color who serve on juries. The Department plans to aggressively bring challenges to the current system to effect needed change.

Key Results:

- Maintained a high level of client representation despite the challenges of the Covid pandemic, high caseloads, and case backlogs.
- Recruited, hired and onboarded a diverse group of 21 new attorneys plus additional support staff.
- Established a rigorous training and development program for new attorneys which includes an extensive 10-week initial training course followed by on-going training, development and mentorship.

Additional Resources:

Public Defender's Office
Minnesota 4th Judicial District
701 Fourth Avenue South, Ste: 1400
Minneapolis, MN 55415
Phone: (612) 348-7530
Website: www.pubdef.state.mn.us
www.hennepinpublicdefender.org

Mission

Serving and protecting all in our community by furthering equal justice, safety and wellness.

Department Description:

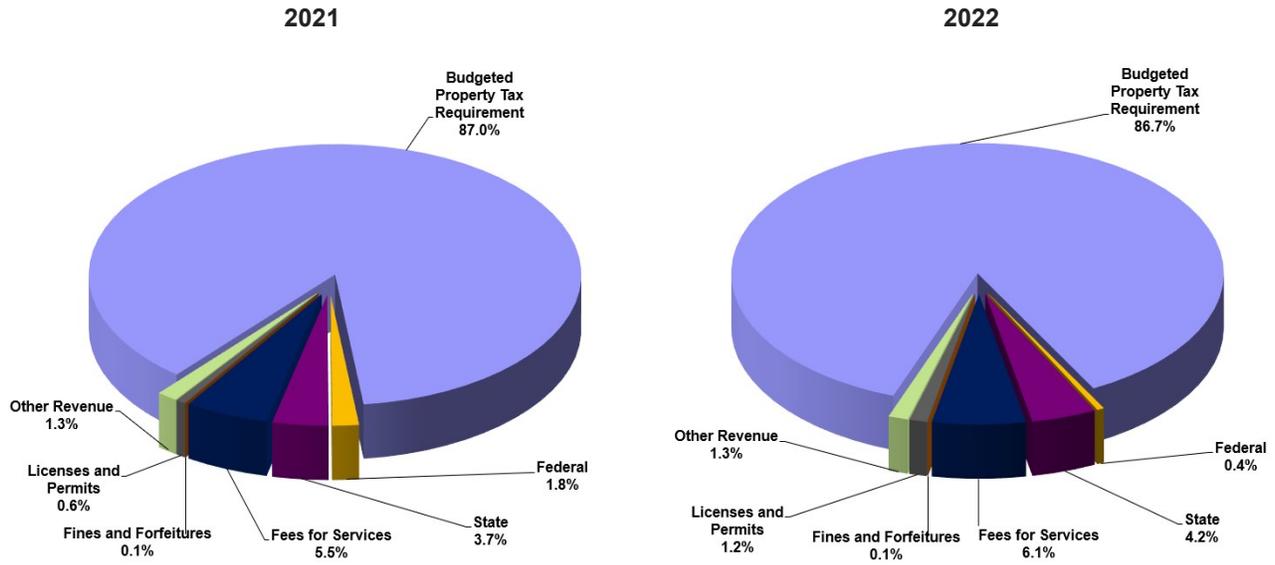
Minnesota State Statutes provides that the Sheriff is the Chief Law Enforcement Officer of the County, empowered to use all resources necessary "to keep and preserve the peace of the county." Minnesota State Statutes specifically confer upon the Sheriff the mandate to perform critical public safety functions:

- 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

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$104,324,462	\$106,650,494	\$111,040,496
Other Taxes	0	0	0
Federal	5,219,975	2,155,828	597,942
State	4,497,656	4,505,780	5,463,934
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	5,623,351	6,741,537	7,852,392
Fines and Forfeitures	53,071	50,000	25,000
Licenses and Permits	1,161,025	750,000	1,500,000
Other Revenue	1,683,288	1,673,289	1,669,409
Other Financing	0	0	0
Total Revenues	\$122,562,828	\$122,526,928	\$128,149,173
Personnel Services	\$99,909,631	\$98,740,038	\$104,015,147
Commodities	6,243,444	4,871,581	5,249,098
Services	15,414,651	15,606,227	16,772,566
Public Aid Assistance	0	0	0
Capital Outlay	898,719	683,596	562,835
Other Charges	1,200,470	2,625,486	1,549,527
Grants	0	0	0
Total Expenditures	\$123,666,915	\$122,526,928	\$128,149,173
Budgeted Positions (Full-Time Equivalents)	819.0	822.0	853.0

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

Revenue Comparison



Significant Budget Changes

The majority of the 2022 budget increase is the result of increases in personnel costs. Personnel Services increased because of the general salary adjustment and health insurance increases; and 31.0 new Full-Time Equivalents (FTEs). The FTE increase is to provide the necessary public safety services and keep all communities in Hennepin County safe. Other increases are associated with expanding the body worn camera program and medical care costs for inmates in the Hennepin County Jail.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Administrative	12,150,088	11,248,601	11,512,197
Enforcement Services	18,661,916	17,538,439	19,961,856
911 Dispatch	12,216,843	12,572,788	12,985,290
Sheriff IT Technology	5,687,878	6,358,607	7,112,872
Investigative Services	7,555,570	6,899,490	7,758,850
Forensic Sciences	5,466,706	5,691,001	5,508,425
Criminal Intelligence	2,332,343	2,399,658	2,262,806
Adult Detention	51,476,759	50,596,332	51,663,451
Court Services	8,107,799	9,222,012	9,383,426
Sheriff Other Revenue	11,013	0	0
Total Expenditures	\$123,666,915	\$122,526,928	\$128,149,173

Budget Commentary

The Hennepin County Sheriff's Office serves the county's 1.3 million residents through a variety of roles and services. Many of these duties are mandated by state law, including managing the county jail and providing security to the district court. The Hennepin County Sheriff's Office also patrols Hennepin County's lakes and rivers, operates the Forensic Science Laboratory, provides patrol services to several communities in the western edge of the county, and much more.

The Hennepin County Sheriff's Office is committed to making Hennepin County a safer, healthier, and more equal place to live.

The Sheriff's Office is dedicated to building trust with all the of the communities that we serve and is building new programs to increase diversity in hiring within our agency, as well as programs to engage with the youth in our communities in positive, educational, non-enforcement activities.

Key Results:

	<u>2020</u> <u>Actuals</u>	<u>2021</u> <u>Actuals</u>	<u>2022</u> <u>Estimates</u>
Number of police/fire/medical dispatched calls	612,123	614,362	615,000
Number of jail bookings	21,173	18,208	22,000
Number of court security escorts	21,016	18,797	22,000
Number of crime scene responses	1,974	2,213	2,200
Number of mortgage foreclosure sales	231	173	300

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

Mission

To enhance community safety, promote community restoration and reduce the risk of re-offense.

Department Description:

The Department of Community Corrections and Rehabilitation (DOCCR) is the largest community corrections system in Minnesota and is responsible for all aspects of community supervision, including juvenile probation, adult probation, and parole.

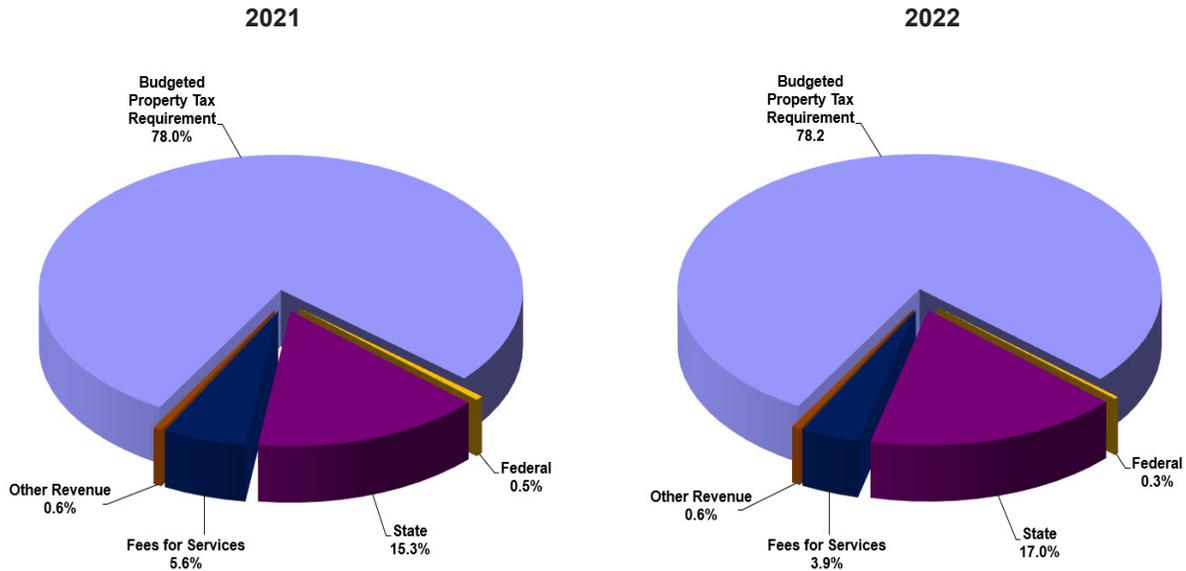
DOCCR operates with five divisions: Corrections Administration, Information Technology Systems, Operations & Innovations Services, Field Services, and Institutions. The core activities of DOCCRs mission falls within Field Services and Institutions.

- Field Services includes pre-trial services, juvenile and adult probation.
- Institutions include the Adult Corrections Facility and the Juvenile Detention Center. Services also include Client and Community Restoration like Sentence to Service (STS), Electronic Home Monitoring (EHM), Community Productive Day employment program, and the One-Day DWI programming.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$99,669,501	\$98,971,458	\$91,482,454
Other Taxes	0	0	0
Federal	2,103,850	680,985	342,150
State	19,481,969	19,389,535	19,822,746
Local	17,325	30,000	30,000
Investment Earnings	0	0	0
Fees for Services	3,691,350	7,089,011	4,575,608
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	323,382	748,950	681,550
Other Financing	0	0	0
Total Revenues	\$125,287,377	\$126,909,939	\$116,934,508
Personnel Services	\$99,311,702	\$101,484,092	\$93,589,953
Commodities	1,844,509	2,721,973	2,091,665
Services	20,524,616	21,951,582	20,796,993
Public Aid Assistance	0	0	0
Capital Outlay	113,819	60,000	75,000
Other Charges	333,231	692,292	380,897
Grants	0	0	0
Total Expenditures	\$122,127,877	\$126,909,939	\$116,934,508
Budgeted Positions (Full-Time Equivalents)	1,041.2	987.0	952.2

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

Revenue Comparison



Significant Budget Changes

The COVID-19 pandemic continues to greatly influence the work and populations of Field Services and the Institutions. One example is the backlog in court processing, which was exacerbated by the pandemic. This has led to DOCCR providing supervision to a reduced population of clients and it is anticipated that supervision will return to pre-pandemic levels.

In 2022, DOCCR has an appropriation of \$116.9 million in expenditures and is funded with \$91.5 million in property tax revenues and \$25.4 million in non-property tax revenues. When compared to the 2021 adjusted budget, the expenditure budget will decrease by \$10.0 million or 7.9 percent; property tax will decrease by \$7.5 million or 7.6 percent; and non-property tax revenues will decrease by \$2.5 million or 8.9 percent.

A driver for the revenue decrease stems from the elimination of some fees in the Institutions and the Field Services divisions. These appropriated fees have created barriers and reinforced disparities for the clients we serve and in alignment with the Hennepin County disparity reduction initiatives, DOCCR has eliminated some of these barriers. In the Institutions, the Private Sector Work Program participation fee, along with the medical and accounting fees were eliminated; and in Field Services, the Correctional Service Fee for clients on probation was also eliminated. These initiatives account for \$1.4 million decrease in the non-property tax revenues.

When reviewing the 2022 DOCCR budget expenditures, the majority falls within personnel services and accounts for \$93.6 million or 80.0 percent of the total budget and represents 952.2 full-time equivalents (FTEs). When compared to the 2021 adjusted budget, a decrease of \$7.9 million and 34.8 FTEs will occur and was driven by the transfer of the Family Mediation and Evaluation and a portion of the Information Technology Systems division.

In 2022, DOCCR completed the Family Mediation and Evaluation (formerly known as Family Court Services) transfer of 17.0 FTEs and \$2.2 million to the Human Services fund to better align family-based services across the county.

In 2022, DOCCR also transferred a portion of the Information Technology Systems division, for 18.0 FTEs and \$2.8 million, to the Public Safety & Justice department to create efficiencies and better outcomes for the Law, Safety and Justice line of business.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Corrections Administration	1,114,285	1,121,312	1,197,153
Information Technology Systems	2,195,326	1,983,245	1,629,072
Operations & Innovation Services	14,509,175	13,369,484	8,268,001
Field Services	52,630,852	52,367,813	54,208,098
Institutional Services	51,678,239	58,068,085	51,632,184
Total Expenditures	\$122,127,877	\$126,909,939	\$116,934,508

Budget Commentary

Hennepin County has recognized the importance of eliminating disparities and addressing the significant environmental, societal, and economic impacts of climate change. In 2022, DOCCR will continue to address these initiatives through the following:

Disparities Reduction:

A significant number of adults involved in the justice system experience poverty, homelessness, and other economic challenges. These barriers are even more pronounced for many of our black, indigenous and clients of color. The 2022 budget reflects the elimination of a variety of fees for justice involved adults to address these disparities.

A significant impact to the 2022 budget is the closure of the Youth Residential Treatment Center, which reduced DOCCR's budget by \$4.7 million. The closure also allowed for the re-allocation of staff and funds to address a variety of efforts for those involved in the justice system including early prevention services for youth, adult mental health supports, and expanded community-based services.

Climate Action:

DOCCR is committed to climate action and can share several illustrative examples included in our 2022 budget. Working in partnership with the Climate & Resiliency Department, we are adding a Forestry Pathway to the Community Productive Day program. Trees improve air quality, reduce storm water, increase property values, and reduce energy costs. This forestry pathway recognizes the need to attend to the tree canopy issues (changing precipitation patterns and pests and pathogens facilitated by the warming climate) across Hennepin County while simultaneously preparing clients to be trained as tree care workers in the high-demand forestry field thereby putting our clients on a path to well-being.

Key Statistics:

- On any given day, DOCCR supervises 18,000 adults on community probation and an additional 2,000 adults released from state prison to the community on parole.
- DOCCR supports the Hennepin County Adult Detention Center by completing bail evaluations. In 2021, DOCCR completed approximately 7,500 bail evaluations. DOCCR assisted the 4th Judicial District Court by completing 1,400 felony pre-sentence investigations.
- On any given day, DOCCR supervises approximately 800 juveniles on probation. There are also about 44 youth Sentenced to Service and 24 youth on electronic home monitoring.
- In 2021, there were 2,600 in-house bookings at the Adult Corrections Facility, with an average daily population of 106. Additionally, about 170 adults a day sentenced to the Adult Corrections Facility are serving their time on electronic home monitoring.
- In 2021, there were 575 youth admissions to the Juvenile Detention Center, with an average daily population of 24.

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

Mission

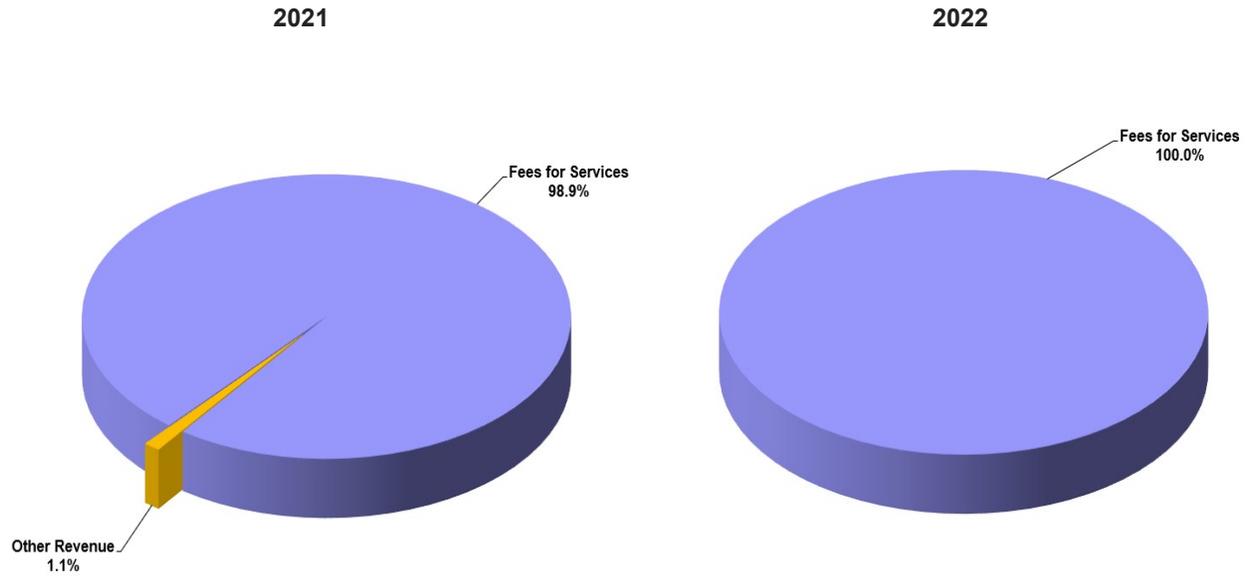
Purchase and maintenance of radio and mobile data computer equipment associated with the 800 MHz Radio System, including related infrastructure expenditures.

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 along with police, fire and emergency medical service agencies within Hennepin County.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	3,707,218	4,135,303	4,333,693
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	46,469	-165,569
Other Financing	1,449,403	0	0
Total Revenues	\$5,156,621	\$4,181,772	\$4,168,124
Personnel Services	\$1,575,129	\$1,581,688	\$1,587,550
Commodities	575,710	155,000	155,000
Services	278,574	519,500	539,500
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	1,676,141	1,925,584	1,886,074
Grants	0	0	0
Total Expenditures	\$4,105,554	\$4,181,772	\$4,168,124
Budgeted Positions (Full-Time Equivalents)	0	0	0

Revenue Comparison



Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Radio Lease Program	2,743,287	3,105,198	3,090,090
Radio Infrastructure	404,558	468,300	468,300
Mobile Data Computers	957,709	431,068	432,528
Mobile Device Software	0	177,206	177,206
Total Expenditures	\$4,105,554	\$4,181,772	\$4,168,124

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

Major Program: Health

- Hennepin Health
- NorthPoint Health and Wellness
- Medical Examiner's Office
- Hennepin Uncompensated Care
- Health Administration
- Sexual Assault Resources Service (SARS)



Program Description:

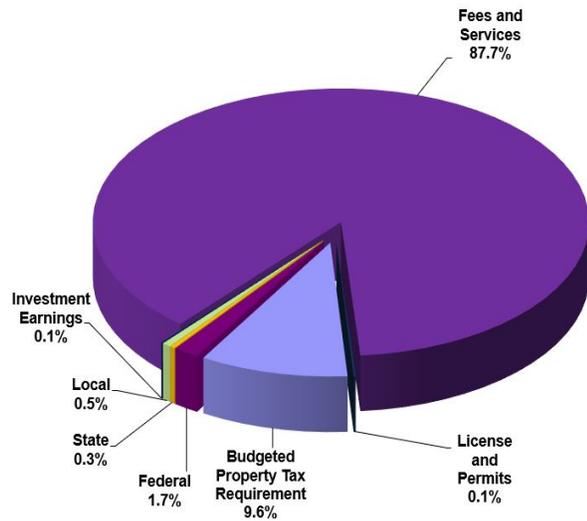
The Health program encompasses the county's health care activities. The county is the principal public agency responsible for providing services to the indigent. This major program consists of the following departments: Health Administration, Hennepin Health, NorthPoint Health and Wellness Center, and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

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$42,349,707	\$41,576,878	\$42,552,007
Other Taxes	0	0	0
Federal	50,666,927	18,833,980	7,335,412
State	1,537,412	1,068,080	1,386,000
Local	3,031,255	2,749,385	2,542,304
Investment Earnings	479,727	525,000	525,000
Fees for Services	275,995,767	302,745,988	386,494,086
Fines and Forfeitures	0	0	0
Licenses and Permits	564,157	490,000	565,000
Other Revenue	2,464,305	-3,836,651	-872,241
Other Financing	11,000,000	0	0
Total Revenues	\$388,089,256	\$364,152,660	\$440,527,568
Personnel Services	\$91,016,876	\$50,974,025	\$57,373,092
Commodities	1,769,916	2,695,434	2,787,665
Services	267,063,026	286,361,217	369,586,288
Public Aid Assistance	-312	3,000	3,000
Capital Outlay	122,228	67,000	67,000
Other Charges	5,038,171	24,051,984	10,710,523
Grants	0	0	0
Total Expenditures	\$365,009,905	\$364,152,660	\$440,527,568
Budgeted Positions (Full-Time Equivalents)	436.6	420.3	456.0

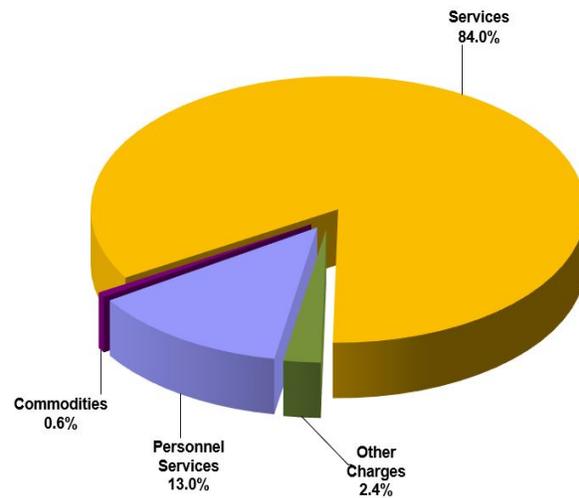
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Hennepin Health	251,956,219	271,094,604	357,113,804
NorthPoint Health and Wellness	37,398,259	42,311,663	46,473,568
Medical Examiner's Office	8,005,610	7,854,054	9,113,738
Hennepin Uncompensated Care	66,544,725	40,884,356	26,000,000
Health Administration	474,317	807,983	626,458
Sexual Assault Resources Service (SARS)	630,776	1,200,000	1,200,000
Total Expenditures	\$365,009,905	\$364,152,660	\$440,527,568

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Hennepin Health	136.0	120.5	123.5
NorthPoint Health and Wellness	251.6	251.6	276.9
Medical Examiner's Office	44.0	45.2	52.6
Hennepin Uncompensated Care	0	0	0
Health Administration	5.0	3.0	3.0
Sexual Assault Resources Service (SARS)	0	0	0
Budgeted Positions (Full-Time Equivalents)	436.6	420.3	456.0

Revenue Summary:

Budgeted 2022 revenues total \$398.0 million, a 23.4 percent increase from the 2021 adjusted budget.

Property Tax Revenues: In 2022, property taxes comprise 9.6 percent of the Health program's total estimated revenue compared to 11.9 percent in 2021. Total property taxes are increasing by \$975,129 or 2.3 percent. As in past years, Hennepin Health 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 2022 budget are:

Federal: Federal sources consist of \$7.3 million in Federal grants, which includes health care programs at NorthPoint Health and Wellness Center. These grants are a decrease of \$11.5 million from the 2021 adjusted budget.

State / Other Intergovernmental (Local): Revenue from the State of Minnesota is estimated at \$1.4 million and local revenue is estimated at \$2.5 million. Revenues in these categories are a combined \$ 110,839 increase from the 2021 adjusted budget.

Fees and Services: Revenues from fees charged for services are \$386.5 million for 2022 and comprise 84.0 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 Health and Wellness Center and Hennepin Health. Total 2022 fees and services revenue is budgeted to be \$83.7 million more than the 2021 adjusted budgeted. This is primarily due to Hennepin Health having increased medical costs.

Expenditure Summary:

NorthPoint Health and Wellness Center: NorthPoint's 2022 budget is \$46.5 million which is a 9.8 percent increase from the 2021 adjusted budget. The increase is primarily due to reduction in vacancy factor, one additional position and 24.4 grant related positions.

Hennepin Health: Hennepin Health's 2022 budget is \$357.1 million which is a 31.7 percent increase from the 2021 adjusted budget. The increase is mainly due to increased medical costs due to a 24 percent increase in member months when compared to the 2021 adopted budget.

Health Administration and Support: Health Administration and Support's 2022 budget is \$626.5 thousand which is 22.5 percent decrease from the 2021 adjusted budget. This is primarily due to the loss of one Assistant County Administration position which is partially offset with the addition of a 1.0 FTE and the loss of a grant for \$65.6 thousand.

Medical Examiner: The Medical Examiner's 2022 budget is \$9.1 million which is 16.0 percent higher than the 2021 adjusted budget. The increase is primarily due to nearly \$1.3 million in Personnel Services for general salary adjustments, adjustments for autopsy technicians, and the Medical Examiner investigator job classes in order to align with appropriate market-based pay rates.

Uncompensated Care: Uncompensated Care will remain at \$26.0 million in 2022.

HCMC Sexual Assault Resources Services (SARS): SARS will remain at \$1.2 million in 2022.

Mission

Hennepin Health improves the health of Hennepin County residents through innovative collaboration with health care providers, Hennepin County services, and community organizations and Hennepin Health members.

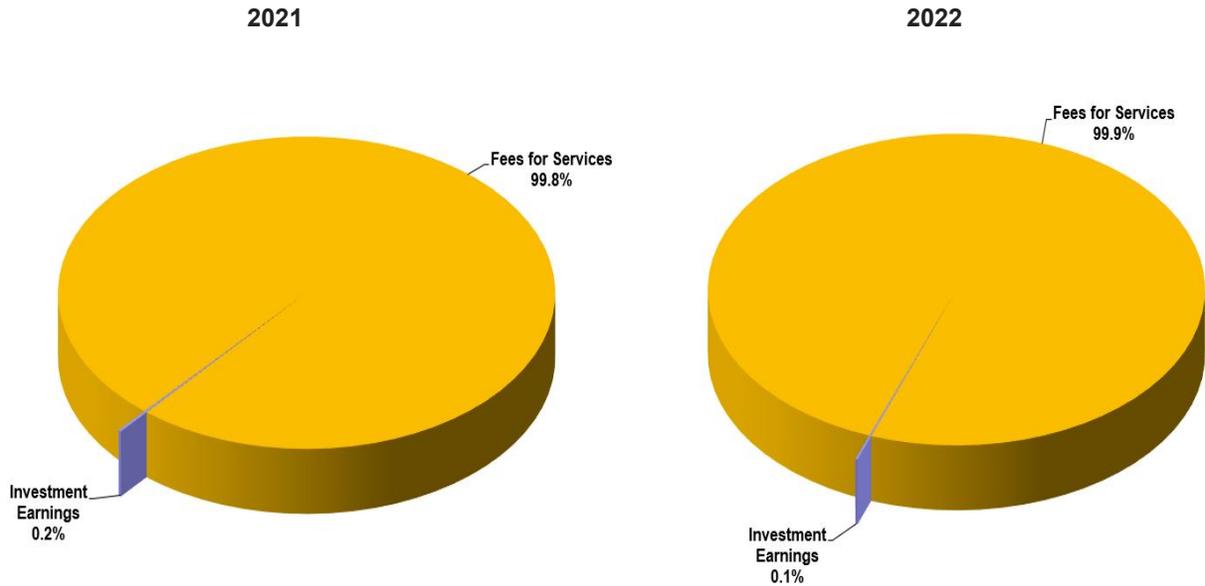
Department Description:

Hennepin Health (HH) is a not-for-profit, state certified health maintenance organization. HH serves Medical Assistance and Special Needs Basic Care (SNBC) participants residing in Hennepin County.

Funding for both services is provided through contracts with the Minnesota Department of Human Services (DHS). HH serves Medical Assistance members through its Hennepin Health Prepaid Medical Assistance Program (PMAP) and MinnesotaCare (MNCare) product lines. HH is part of an integrated health delivery network in partnership with NorthPoint Health and Wellness Center, Hennepin Healthcare (formerly Hennepin County Medical Center), Hennepin County Health and Human Services, as well as other local healthcare providers to integrate medical, behavioral, and human services in a patient-centered model of care. Using a total cost-of-care model, HH seeks to improve health outcomes and lower the cost of medical care.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	199,502	4,292	0
State	0	0	0
Local	291,127	0	0
Investment Earnings	479,727	525,000	525,000
Fees for Services	256,660,281	274,591,964	357,586,045
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	2,332,351	-4,026,652	-997,241
Other Financing	11,000,000	0	0
Total Revenues	\$270,962,988	\$271,094,604	\$357,113,804
Personnel Services	\$11,876,304	\$12,865,919	\$14,606,181
Commodities	23,554	35,834	35,834
Services	235,277,569	250,782,230	332,582,797
Public Aid Assistance	0	3,000	3,000
Capital Outlay	0	0	0
Other Charges	4,778,792	7,407,621	9,885,992
Grants	0	0	0
Total Expenditures	\$251,956,219	\$271,094,604	\$357,113,804
Budgeted Positions (Full-Time Equivalents)	136.0	120.5	123.5

Revenue Comparison



Significant Budget Changes

Total operating revenue for 2022 is budgeted to reach \$357.1 million, a 31.7 percent increase compared to the 2021 Adjusted Budget. This increase is primarily driven by both an increase in premium base rates as well as an increase in enrollment due to the continuation of the Federal Health Emergency.

On an aggregate Per Member Per Month basis (PMPM), the 2022 premium revenue is budgeted to be \$886.9 million compared to the 2021 Adjusted Budget of \$844.9 million. This increase in PMPM represents an increase of 5 percent in 2022 and is driven by a premium base rate increase.

Services are expected to increase by \$80.1 million or 33.7 percent. This increase is driven by medical costs, largely due to an increase in enrollment of the Federal health emergency. Personnel Services are budgeted to increase by \$1.7 million or 13.5 percent. This increase is a result of the filling of previously open FTE positions.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
HH Administrative	26,828,873	29,016,301	33,514,203
Hennepin Health Total Co	225,127,346	242,078,303	323,599,601
Total Expenditures	\$251,956,219	\$271,094,604	\$357,113,804

Budget Commentary

Hennepin Health is anticipating that the Federal Emergency related to the pandemic will end by March 2022 and that a portion of the enrollment gained during the emergency will be lost.

The risk based capital (RBC) ratio budgeted for 2022 is 389 percent. This increase from a 2021 rate of 381 is primarily due to the 2022 budgeted increase of \$1.0 million of net surplus in 2022.

As Hennepin Health adjusts to the new enrollment levels and the ongoing COVID-19 pandemic, there will be continuing challenges for its operations in 2022. The continuing demand for greater efficiency and transparency coupled with uncertainty of how the continuing pandemic will unfold could cause actual results to vary significantly from the 2022 budget.

Key Results:

	2020 Actual	2021 Budget	2022 Budget
Enrollment (Average)	27,842	27,225	33,846
Administrative Cost Ratio	9.9%	10.5%	9.3%
Medical Loss Ratio	86.9%	86.5%	88.9%
Net Change in Capital and Surplus	\$7,719,797	\$4,026,652	\$1,027,710
RBC Ratio	538.9%	405.0%	389.0%

Additional Resources:

HH 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 HH has to offer in the way of a health plan. The following website has this information:

<http://www.hennepinhealth.org>

Mission

Partnering to Create a Healthier Community: The NorthPoint mission is supported by three primary strategies: Whole Person Integrated Care that is Culturally Responsive and Trauma Informed; Community Well-Being; and Health Equity; NorthPoint Health & Wellness Center sets a standard of excellence in providing culturally responsive, integrated, holistic primary care 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.

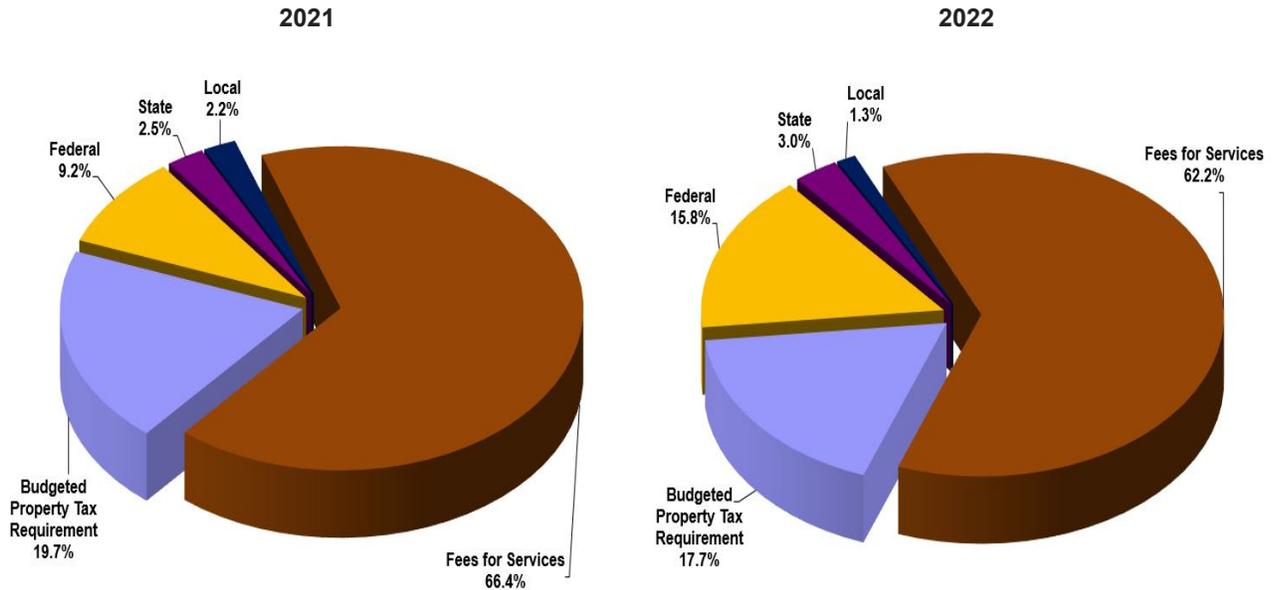
Department Description:

NorthPoint Health & 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 & Wellness Center with NorthPoint, Inc. Community Board of Directors, (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.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$8,824,046	\$8,328,322	\$8,241,115
Other Taxes	0	0	0
Federal	6,193,049	3,899,225	7,335,412
State	1,537,412	1,068,080	1,386,000
Local	934,102	923,000	603,000
Investment Earnings	0	0	0
Fees for Services	19,274,499	28,093,036	28,908,041
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	100	0	0
Other Financing	0	0	0
Total Revenues	\$36,763,208	\$42,311,663	\$46,473,568
Personnel Services	\$29,152,475	\$31,329,401	\$34,951,544
Commodities	1,653,427	2,571,300	2,661,531
Services	6,258,544	6,682,663	8,024,062
Public Aid Assistance	-312	0	0
Capital Outlay	122,228	67,000	67,000
Other Charges	211,897	1,661,299	769,431
Grants	0	0	0
Total Expenditures	\$37,398,259	\$42,311,663	\$46,473,568
Budgeted Positions (Full-Time Equivalents)	251.6	251.6	276.9

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

Revenue Comparison



Significant Budget Changes

- The 2022 budget represents a 9.8 percent increase from the 2021 Adjusted Budget, driven primarily by a HRSA grant that added 24.3 FTEs.
- Patient visits are projected to remain lower than pre-pandemic levels due primarily to a continuation of COVID and construction related factors.
- Property tax of \$8.2 million represents a 1.0 percent decrease from the 2021 Adjusted Budget.
- The 2022 FTE total of 276.9 is an increase of 25.3 from the 2021 Adjusted Budget.
- 2022 Other Expenditures will decrease by \$891.8 thousand or 53.7 percent due primarily to 2021 Federal assistance.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
North Point Administration	8,027,214	9,097,475	9,283,539
Medical Operations	13,319,165	14,173,812	17,196,032
Dental Operations	4,766,497	5,356,232	5,802,950
Behavioral Health	4,411,341	5,152,156	5,140,210
Pharmacy	2,266,285	2,786,077	2,806,082
Workforce Center	577,717	1,284,770	1,285,453
Heritage Park	319,335	431,663	433,320
Other Professional	450,288	608,931	489,198
Enabling Services	3,260,418	3,420,547	4,036,784
Total Expenditures	\$37,398,259	\$42,311,663	\$46,473,568

Budget Commentary

NorthPoint Health and Wellness Center (NPHWC) has witnessed an unprecedented impact of the COVID-19 pandemic, the killing of George Floyd, and subsequent civil unrest in North and South Minneapolis. These events have caused NPHWC to shift its operational model to allow for recommended social distancing in clinical space for patients and staff, incorporate options for tele-health and tele-dentistry visits, implement curbside pick-up for the pharmacy and implement COVID-19 screening and test.

Additional challenges include meeting the health care needs of patients and respond to the glaring disparities impacting the NPHWC customers. These events combined have caused NPHWC to shift its operational model in the first half of 2021 and will continue to adopt to the changing environment. These changes impact customer access from routine preventative care to restrictive and urgent care.

Key Results:

	2020 Actual	2021 Estimated	2022 Budget
Medical Visits	39,337	43,795	51,576
Behavioral Health Visits	26,117	26,248	27,380
Dental Visits	13,667	16,985	27,592

Additional Resources:

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

Mission

To investigate deaths via the highest standards, to support families and the community, and to advance the knowledge of death investigative professionals to improve health, safety, and quality of life.

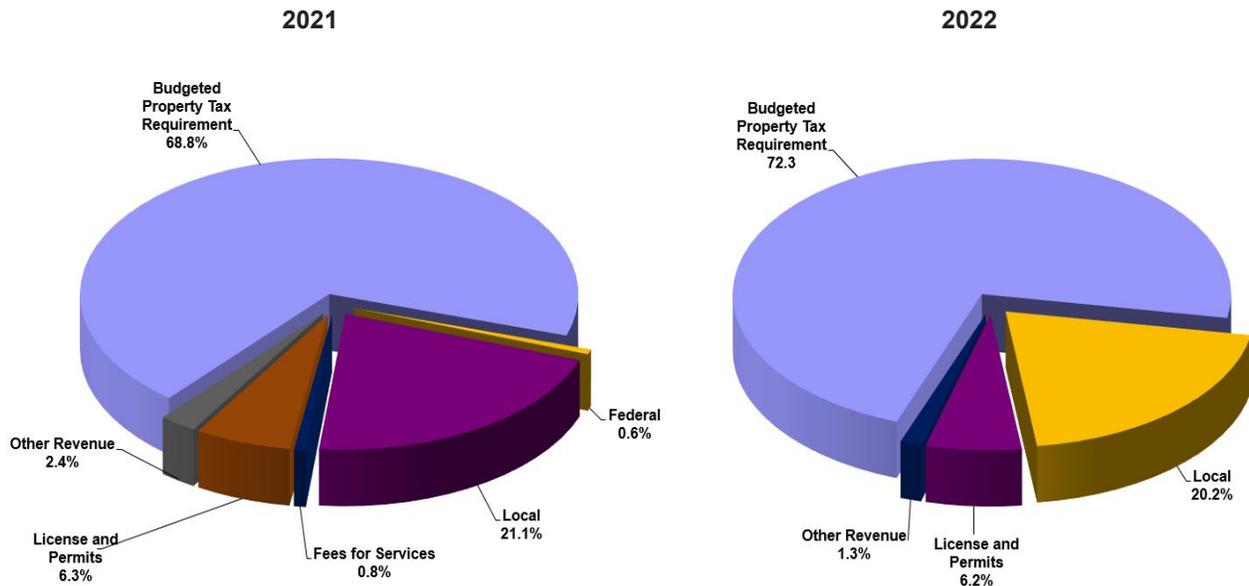
Department Description:

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 including Hennepin, Dakota and Scott Counties. The office provides autopsy services for other jurisdictions on a referral basis and is responsible for cremation services. The Medical Examiner harnesses innovative technologies and solutions in a regional office that services a diverse population with timely, accurate and compassionate investigations run by professional staff equipped with state-of-the-art technology and resources.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$5,242,738	\$5,406,173	\$6,584,434
Other Taxes	0	0	0
Federal	286,652	46,108	0
State	0	0	0
Local	1,636,324	1,660,785	1,839,304
Investment Earnings	0	0	0
Fees for Services	60,988	60,988	0
Fines and Forfeitures	0	0	0
Licenses and Permits	564,157	490,000	565,000
Other Revenue	131,853	190,000	125,000
Other Financing	0	0	0
Total Revenues	\$7,922,712	\$7,854,054	\$9,113,738
Personnel Services	\$6,039,996	\$6,218,822	\$7,369,609
Commodities	92,651	87,800	89,800
Services	1,825,481	1,448,724	1,599,229
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	47,482	98,708	55,100
Grants	0	0	0
Total Expenditures	\$8,005,610	\$7,854,054	\$9,113,738
Budgeted Positions (Full-Time Equivalents)	44.0	45.2	52.6

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

Revenue Comparison



Significant Budget Changes

Significant budgetary changes for 2022 include:

- Personnel Services increase of \$1.2 million or 16.0 percent is due to general salary increases, the addition of a 1.0 FTE permanent autopsy technician, 1.0 FTE investigator position, 1.0 FTE additional autopsy position, 1.0 FTE additional medical examiner position, and 0.9 FTE limited duration.
- Property taxes have increased by \$1.2 million or 21.8 percent driven primarily by general Personnel Services costs due to increased case and autopsy volume.
- A Local increase of \$178.5 thousand is driven mainly by the yearly contributions for Medical Examiner services from Dakota and Scott Counties.
- Fees and Services reduced by about \$61 thousand or 100 percent due to the Medical Examiner's office transitioning out of being Hennepin Healthcare's morgue and autopsy provider effective January 2022.
- Licenses and Permits increased by \$75,000 or 15.3 percent due to increased cremation approvals in 2020.
- Other revenue decreased by \$65,000 or 34.2 percent due mostly to a decreases in donor room rental fees and referral revenue.

Budget Commentary

The Medical Examiner's Office supports:

- 1) The workforce development and employee engagement includes a focus on the domains of employment and education.
- 2) Transformational change to maximize staffing effectiveness while eliminating unnecessary work above statutory and accreditation requirements.
- 3) Climate change initiatives by minimizing drive times for investigators through support of hybrid workforce model and use of existing Hennepin County facilities.
- 4) The focus on customer service and continuous improvement includes fee reform to minimize the financial burden on families.

Key Results:

	2020	2021 (est.)	2022 (est.)
Number of cases reported	9,513	9,700	10,000
Number of autopsies performed	1,437	1,450	1,480

Additional Resources:

Useful and educational information about the Medical Examiner's office and the services provided is available by visiting our department's website and www.hennepin.us/me. The information includes the Minnesota statutes that govern its work and data practices. For further information, the Medical Examiner's department most recent Annual Report contains statistics and outcomes for counties within its jurisdiction.

Mission

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

Department Description:

The payments to Hennepin Healthcare 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 Hennepin Healthcare.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$26,000,000	\$26,000,000	\$26,000,000
Other Taxes	0	0	0
Federal	43,987,725	14,884,356	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$69,987,725	\$40,884,356	\$26,000,000
Personnel Services	\$43,588,699	\$0	\$0
Commodities	0	0	0
Services	22,956,026	26,000,000	26,000,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	14,884,356	0
Grants	0	0	0
Total Expenditures	\$66,544,725	\$40,884,356	\$26,000,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Mission

Health Administration and Support is responsible for the Health line of business.

Department Description:

The Health Administration and Support department is responsible for the Health line of business which includes NorthPoint Health & Wellness Center, Medical Examiner, Hennepin Health, and two payments to Hennepin Healthcare: Uncompensated Care and Sexual Assault Resources Service (SARS).

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$832,923	\$642,383	\$526,458
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	169,700	165,600	100,000
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$1,002,623	\$807,983	\$626,458
Personnel Services	\$359,402	\$559,883	\$445,758
Commodities	284	500	500
Services	114,631	247,600	180,200
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$474,317	\$807,983	\$626,458
Budgeted Positions (Full-Time Equivalents)	5.0	3.0	3.0

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

Significant Budget Changes

Overall budget decreased by about \$182,000 or 22.5 percent due mainly to the transferring of an Assistant County Administrator position and expiration of a grant.

The Local decrease of \$65.6 thousand is due to the expiration of the Robert Wood Johnson Foundation grant in September 2021.

Personnel Services added a 1.0 FTE for the potential of additional health work needed in 2022 which is more than offset by the elimination of a 1.0 FTE for an Assistant County Administrator position transferring to the Health and Human Services department.

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 Healthcare for examinations made by the Sexual Assault Resources Service (SARS) program at Hennepin Healthcare. A county, in which the assault occurred, is required by Minnesota Statutes section 609.35 to pay for forensic examinations of assault victims.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$1,450,000	\$1,200,000	\$1,200,000
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$1,450,000	\$1,200,000	\$1,200,000
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	630,776	1,200,000	1,200,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$630,776	\$1,200,000	\$1,200,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Major Program: Human Services

- Human Services
- Public Health
- Hennepin Health
- Internal Supports



Program Description:

Human Services strives to improve the outcomes of safety, stability, self-sufficiency and well-being for residents of Hennepin County. This is achieved by assisting residents to access available services and resources and providing direct services and coordinating services from community providers. Human Services understands that our residents of color are disproportionately affected by the impacts of discrimination in income, housing, employment, justice and more. By addressing the inequities, Human Services will close that gap and achieve those outcomes for the individuals we serve and the communities.

Public Health uses a health and racial equity framework to focus on improving and protecting the health of children, adolescents and adults who live, learn, work or play in Hennepin County. The ultimate purpose is to promote physical and mental health, prevent illness and injury associated with communicable diseases and environmental conditions, reduce chronic diseases, and enhance the well-being of individuals affected by mental illnesses and serious emotional disturbances.

Human Services

- Children and Family services -- Protective services for children
- Veterans Services-Advocacy, counseling, claims assistance and special programs for Veterans
- Housing Stability-Supportive housing, resource navigation and systems change
- Behavioral Health - Adult and Children's mental health services and substance use disorder services
- Access, Aging and Disability navigation and services for vulnerable adults and children and adults with disabilities
- Child Support -assisting families to ensure children can count on their parents for resources
- Economic Supports -financial, healthcare and food support assistance

Public Health

- Well-Being - early prevention and intervention programs, employment services, education initiatives and transition age youth
- Public Health
- Clinical Services - Emergency and outpatient mental health, Health Care for the Homeless, TB, Refugee, HIV prevention
- Family Health - WIC, Better Together Hennepin, Maternal Child Health, Child and Teen Checkups
- Health Protection - Epidemiology, Environmental Health, Emergency Preparedness, EMS, Immunizations Services
- Community Health and Strategic Initiatives - Health Promotion, Community Engagement, Healthy Aging

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$302,293,109	\$290,996,410	\$286,557,209
Other Taxes	149,493	0	0
Federal	204,556,989	225,307,490	195,556,288
State	94,960,645	96,116,403	100,427,729
Local	1,932,088	1,906,584	3,178,992
Investment Earnings	3,963	0	0
Fees for Services	52,096,861	57,239,912	53,885,532
Fines and Forfeitures	0	0	0
Licenses and Permits	2,001,306	2,166,000	2,209,320
Other Revenue	1,632,660	14,179,012	21,536,493
Other Financing	-9,488,590	0	0
Total Revenues	\$650,138,524	\$687,911,811	\$663,351,563

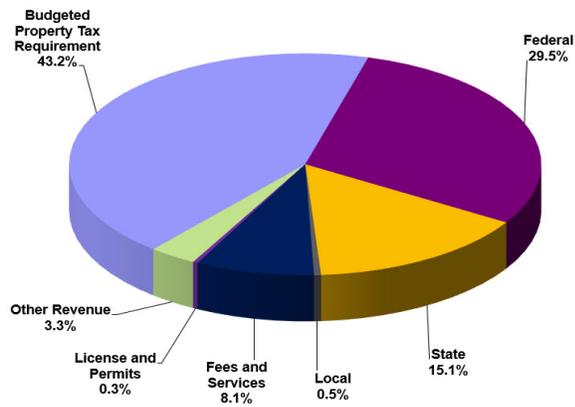
2022 BUDGET
Adopted Budget

Expenditures:	2020 Actual	2021 Budget	2022 Budget
Personnel Services	\$325,908,919	\$344,692,697	\$360,728,464
Commodities	3,711,945	1,870,697	2,051,684
Services	51,308,556	57,042,411	55,896,004
Public Aid Assistance	224,847,703	254,394,077	223,968,302
Capital Outlay	1,417	0	145,000
Other Charges	23,784,848	29,911,929	20,562,109
Grants	789	0	0
Total Expenditures	\$629,564,177	\$687,911,811	\$663,351,563
Budgeted Positions (Full-Time Equivalents)	3,291.3	3,339.3	3,567.9

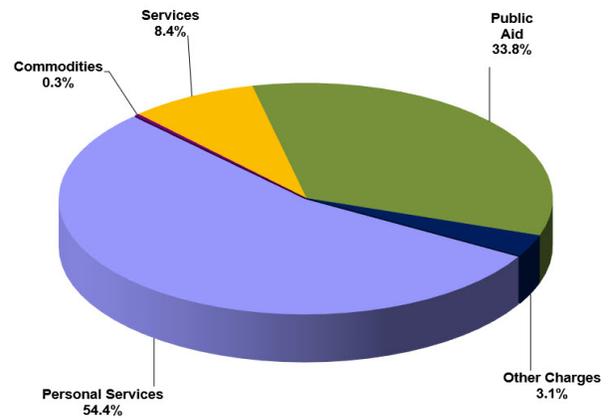
**Reflects the adjusted property tax requirement budget, not actual property tax collections.*

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Human Services	482,737,913	547,594,643	528,471,256
Public Health	84,393,194	71,546,578	69,969,213
Hennepin Health	662,515	939,684	967,936
Internal Supports	61,770,554	67,830,906	63,943,158
Total Expenditures	\$629,564,177	\$687,911,811	\$663,351,563

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Human Services	2,425.0	2,443.8	2,603.4
Public Health	410.6	428.7	477.4
Hennepin Health	6.0	8.0	12.0
Internal Supports	449.7	458.8	475.1
Budgeted Positions (Full-Time Equivalents)	3,291.3	3,339.3	3,567.9

Revenue Summary:

The 2022 Human Services Line of Business budget accounts for 27.0 percent or \$663.4 million of the 2022 Hennepin County budget of \$2,455,784,326. When compared to the 2021 adjusted budget, reflects a decrease of 3.6 percent or \$24.6 million. The 2022 Human Services Line of Business will be supported by \$376.8 million in non-property tax revenues and \$286.6 million in property tax.

Below are descriptions of the different revenues within the Human Services Line of Business.

Property Tax Revenues:

The Human Services Line of Business is comprised of four divisions: Human Services, Public Health, Hennepin Health and Internal Supports. In 2022, property tax comprises of 43.2 percent of the \$663.4 million in programmed revenues with majority supporting services children and families; veterans; housing; behavioral health; child support; economic supports; and public health for the community, families, clinic services and overall well-being.

Federal:

The largest source of non-property tax revenue are federal and make up 29.5 percent of total revenues. In 2022, federal revenues are programmed at \$195.6 million and when compared to the 2021 budget will decrease by \$29.8 million or 13.2 percent. The majority of the decrease stems from one-time CARES Act monies not budgeted in 2022.

In the Human Services and Internal Supports divisions, Federal revenues consist of reimbursements for the administrative costs of Human Services programs including financial, medical, training and employment programs; as well as social services such as assessments and case management. The reimbursements are based upon the county's costs as well as federal rates. In 2022, the Human Services program will receive approximately \$103.9 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. Human Services will receive approximately \$42.5 million in federal reimbursement for case management services and assessments of residents with disabilities and \$20.8 million for training and employment programs.

In 2022, federal revenues for the Human Services and Internal Supports divisions are programmed \$171.5 million and when compared to the 2021 budget, reflect a decrease of \$27.1 million or 13.6 percent and account for 25.9 percent of total revenues. The driver for the decrease stems from one-time CARES Act monies.

- \$24.8 million in housing stability grants for emergency rental assistance and emergency shelters
- \$6.3 million general grants for coronavirus relief
- \$3.2 million reductions to federal grants contracted between the state and the county for Foster Care, Title IV-E , and Temporary Assistance for Needy Families (TANF).

As an offset, Human Services will see increases in the following:

- \$1.3 million in Medical Assistance
- \$1.7 million in Title IV-D
- \$1.0 million in Food Stamps
- \$0.5 million in MN Choice Assessments
- \$0.5 million in Health Care for the Homeless equipment and renovation funding
- \$0.4 million in MFIP
- \$0.1 million in a behavioral health systems of care grant
- \$1.0 million Emergency Rental Assistance funding (Resolution 21-0290)

In 2022, Public Health also reflects a decrease in federal monies of \$2.7 million which also stems from one-time CARES Act funding along with another \$2.6 million of CARES Act grants to the State of Minnesota that were granted to Hennepin County. These decreases were offset by \$1.5 million increase in Better Together Hennepin grant program; \$500,000 in American Rescue Plan Act (ARPA) funding; and \$700,000 in general grants.

State:

The second largest source of non-property tax revenues are obtained from the state and represent 15.1 percent of total revenues. In 2022, \$100.4 million are programmed and when compared to the 2021 budget will increase by \$4.3 million. The majority of the increase stems a Ryan White Part B funding grant of \$3.9 million in the Public Health division.

Local:

These revenues stem from private parties, nonprofit institutions, local governments, along with private foundations and are budgeted at \$3.2 million.

Revenue Summary Continued:

Fees for Services:

In 2022, anticipated revenues related to Fees for Services is \$53.9 million, which is a decrease of \$3.4 million when compared to the 2021 budget. These revenues are mostly in the Human Service, Internal Supports, and Public Health divisions and represent revenues from third party payers and state and federal reimbursements for patient fees and services. In 2022, Human Services and Internal Supports account for \$46.5 million of the \$53.9 million and will decrease by \$1.9 million. Of the decrease, Targeted Case Management accounts for \$1.7 million and is due to a decrease in volume and rates from the State of Minnesota Department of Human Services.

Public Health has programmed \$7.4 million for fees for services in 2022, and also reflects a decrease of \$1.4 million when compared to the 2021 budget. The decrease is primarily due to patient charges for Medicaid and General Assistance Medical Care (GAMC) and service payments to 3rd party payors. The decrease is offset by increased patient charges that are paid for by a Medicare insurance carrier.

Other Revenue:

In 2022, \$21.5 million is programmed for other revenues and are comprised of licenses, permits and interdepartmental payments, which account for \$2.4 million and fund balance of \$19.2 million. The utilization of fund balance will increase by \$6.9 million when compared to the 2021 budget and will assist to minimize the tax levy for 2022.

Expenditure Summary:

The 2022 Human Services line of business budget, which includes public health, accounts for 27.0 percent of the 2022 Hennepin County budget of \$2.5 million. When compared to the 2021 budget, reflects a decrease of 3.6 percent or \$24.6 million and will operate with 3,567.9 full-time equivalents (FTEs), which is an increase of 228.6 FTEs.

The Human Services and Public Health department (HSPH) as a county department is unique in that it spans two of the county's lines of business. Although Public Health is located within the Human Services line of business, they work collaboratively with the the Health line of business to improve and protect the health of the community.

Overall, the driver for the decrease in the Human Services Line of Business expenditure budget stems from the sun-setting of the one-time federal CARES Act relief monies.

Personnel Services:

In 2022, personnel services will increase by \$16.0 million when compared to the 2021 budget with the majority of the increase occurring within Human Services area which will operate with an additional 179.9 FTEs and \$17.0 million. This increase in staffing will address critical needs, reduce disparities, manage caseloads, and implement strategic initiatives.

As an offset, Public Health will incur a net decrease of \$1.0 million with the driver being vacant positions, the sun-setting of the one-time federal CARES Act funding and will be partially offset by the addition of 48.7 FTEs along with the increase in merit and benefits.

Services:

Overall, service expenditures will decrease by 2.0 percent or \$1.1 million for a total of \$55.9 million. Of the \$1.1 million decrease, \$938,200 will occur within the Internal Services and the Human Services divisions. The driver for the decrease is primarily due to impacts of remote workplace costs and regular operating changes in business practices like a reduction in information technology rates, building rental and security costs from less leased space, printing expense, consulting, along with mileage and parking.

The Public Health division will also incur a decrease of approximately \$208,200 when compared to the 2021 budget of \$4.1 million. The driver for the decrease stem from a reduction in advertising and marketing outreach services, reduced parking and mileage budgets due to the assumption of continuation of remote work.

Public Aid:

In 2022, public aid expenses will decrease 12.0 percent or \$30.4 million when compared to the 2021 budget of \$254.4 million and is the main driver for the overall decrease of \$24.6 million in the 2022 Human Services budget of \$663.4 million.

The majority of the decrease will occur in the Human Services division and is attributed to the sun-setting of the one-time federal CARES Act funding and emergency rental assistance funds. Other contributors are as follows:

- Out of Home Placement - due to the utilization of community based resources
- Foster Care Private Agency - alignment with historical placement activity and shifting to investigation over immediate placement
- Residential Treatment - increased community placement instead of treatment centers
- Day Services for adults with developmental disability
- Detoxification - due to reform allowing direct billing to medical assistance by providers
- Chemical Dependency Treatment - due to downward trend following Substance Use Disorder reform

Expenditure Summary Continued:

Public Aid Continued:

As an offset, the following areas which will incur increases:

- Local Collaborative Time Study - auditors advice to exclude from Federal Grant Subrecipient activity
- Juvenile Services - due to the transfer of family court services from the Department of Community Corrections
- Employment Services
- Teen Hope program
- Chemical Mental Health Screening Grant - increases community wrap around funding and family support funding
- Transitions to Community - Housing Supports
- Emergency Rental Assistance (Resolution 21-0290)
- Northpoint Health and Wellness - additional program services to address the gaps to the clients
- Medical Respite Services - for emergency shelter services (Resolution 21-0129)
- Behavioral Health Systems of Care Grant for community wraparound services

The Public Health division reflects an increase of 15.6 percent or \$2.1 million in Public Aid expenses. The driver for the increase stems from a Better Together Hennepin grant and accounts for \$1.2 million of the overall increase. This grant will assist in the reduction of disparities in the health domain by significantly impacting the health of adolescents by reducing teen pregnancy and sexually transmitted infections through saturation of communities with the greatest needs and disparities. Other areas of service that will increase are Family Home visiting, uncompensated care, along with an overall increase in federal grant sub-recipient dollars. To partially offset these, are decreases to Early Childhood Development and Healthy Families (support for appropriate parenting, child development and parent child attachment).

Other Charges:

In 2022, the Other Charges category will decrease by 31.3 percent or \$9.3 million primarily due to the sun-setting of the one-time federal CARES Act funding of \$6.3 million. Another contributor to the decrease is the countywide indirect costs in the amount of \$3.0 million.

Major Program: Disparity Reduction

- Purchasing and Contract Services
- Center of Innovation and Excellence (CIE)
- Disparity Reduction Administration
- Diversity, Equity and Inclusion
- Education Support Services



Program Description:

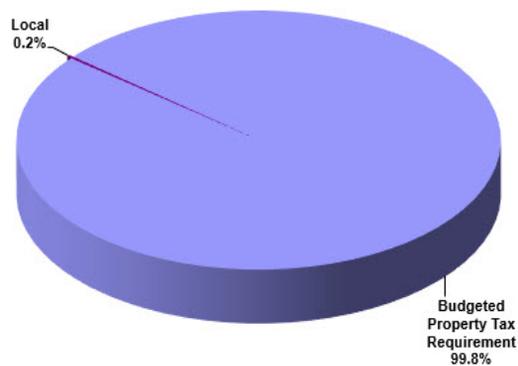
The Disparity Reduction line of business is responsible for advising the Hennepin County Board and Hennepin County Administrator on policies and issues related to reducing disparities. The county's vision is for unified systems (e.g. education, employment, health, housing, income, justice, and transportation) that are just, fair, and inclusive that enable equity for all people.

Disparity Reduction will co-create equitable and innovative solutions, through community and workplace partnerships, to eliminate disparities across Hennepin County.

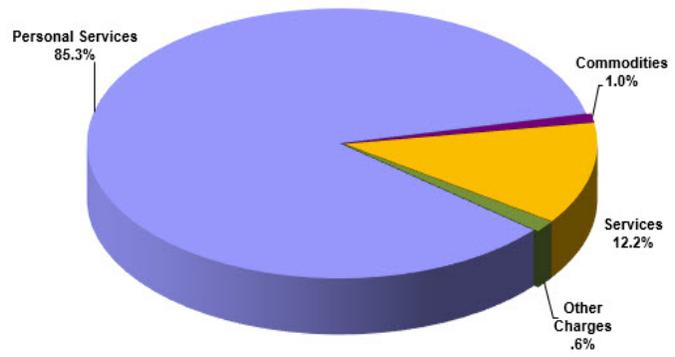
Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$6,970,211	\$8,622,983	\$11,129,979
Other Taxes	0	0	0
Federal	6,985,688	1,220,906	0
State	0	0	0
Local	47,464	25,000	25,000
Investment Earnings	0	0	0
Fees for Services	2,236	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	39,376	0	0
Other Financing	0	0	0
Total Revenues	\$14,044,975	\$9,868,889	\$11,154,979
Personnel Services	\$6,145,657	\$7,392,340	\$9,519,118
Commodities	6,278,531	132,565	114,325
Services	994,670	999,047	1,363,798
Public Aid Assistance	112,717	0	0
Capital Outlay	0	0	0
Other Charges	51,118	1,344,937	157,738
Grants	0	0	0
Total Expenditures	\$13,582,692	\$9,868,889	\$11,154,979
Budgeted Positions (Full-Time Equivalents)	51.0	62.0	89.0

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Purchasing and Contract Services	9,415,143	4,114,456	4,380,914
Center of Innovation and Excellence (CIE)	2,687,898	2,404,720	2,290,273
Disparity Reduction Administration	206,222	252,233	1,570,458
Diversity, Equity and Inclusion	1,273,430	1,011,428	1,142,413
Education Support Services	0	2,086,053	1,770,921
Total Expenditures	\$13,582,692	\$9,868,889	\$11,154,979

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Purchasing and Contract Services	23.0	23.0	33.0
Center of Innovation and Excellence (CIE)	21.0	17.0	24.0
Disparity Reduction Administration	1.0	1.0	10.0
Diversity, Equity and Inclusion	6.0	6.0	7.0
Education Support Services	0	15.0	15.0
Budgeted Positions (Full-Time Equivalents)	51.0	62.0	89.0

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

Mission

To join with county departments to purchase goods and services through a process that is legal, cost effective, fair and accessible to businesses and to ensure that we contract with vendors that share the county's commitment to responsible social, economic, and sustainable procurement.

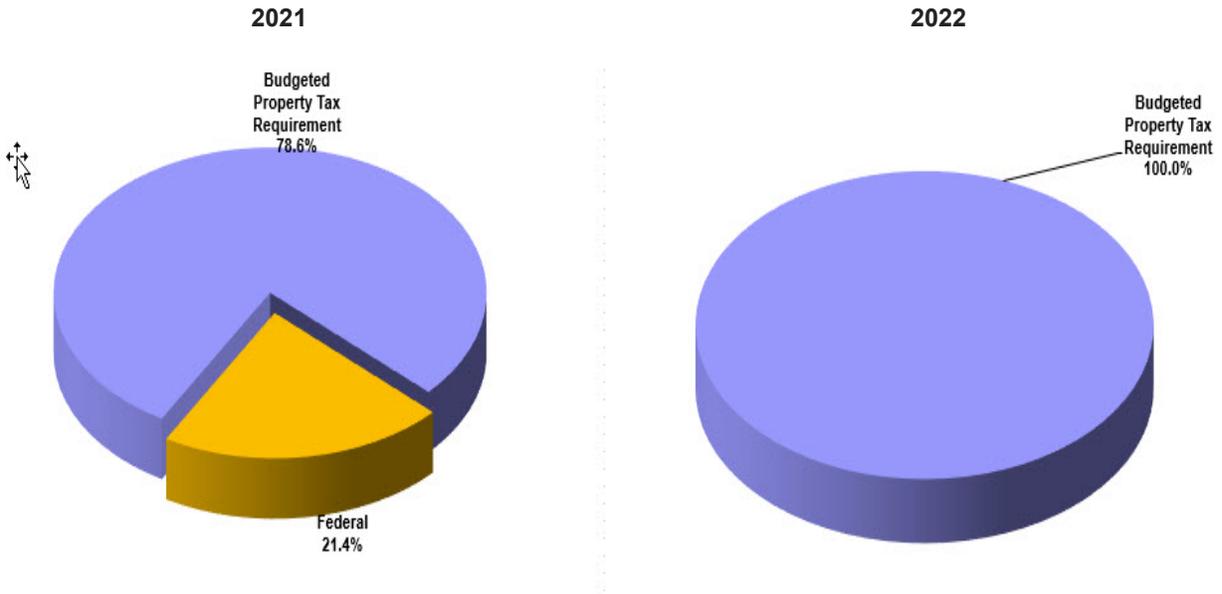
Department Description:

Purchasing and Contract Services partners with departments to create contracts and disparity reduction plans related to contracting so that departments can purchase the goods and services they need to serve county residents.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$3,243,858	\$3,235,063	\$4,380,914
Other Taxes	0	0	0
Federal	6,341,346	879,393	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	83	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	39,376	0	0
Other Financing	0	0	0
Total Revenues	\$9,624,664	\$4,114,456	\$4,380,914
Personnel Services	\$2,704,777	\$2,913,636	\$4,067,245
Commodities	6,241,054	82,765	71,475
Services	448,692	212,312	220,064
Public Aid Assistance	8,507	0	0
Capital Outlay	0	0	0
Other Charges	12,112	905,743	22,130
Grants	0	0	0
Total Expenditures	\$9,415,143	\$4,114,456	\$4,380,914
Budgeted Positions (Full-Time Equivalents)	23.0	23.0	33.0

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

Revenue Comparison



Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Purchasing and Contract Services	3,014,518	3,235,063	4,380,914
Purchasing and Contract Services Projects	6,400,624	879,393	0
Total Expenditures	\$9,415,143	\$4,114,456	\$4,380,914

Mission

Use an asset-based approach to build organizational capacity for innovation and excellence, while offering the resources and support necessary to meet organizational goals through systems and culture change.

Department Description:

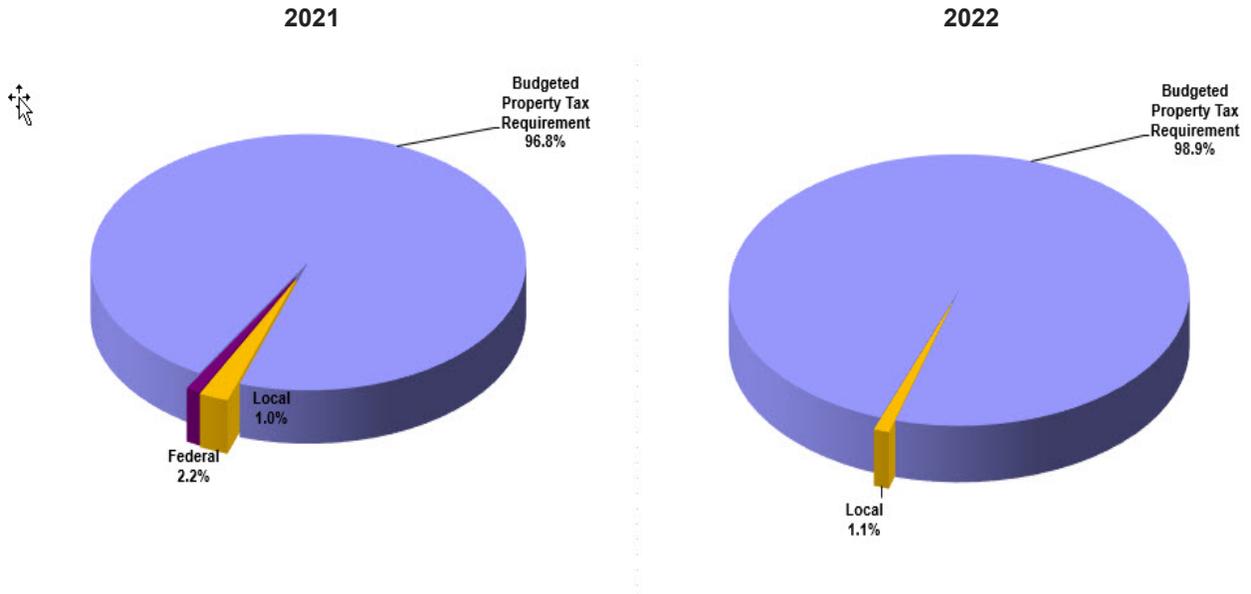
The Center of Innovation and Excellence (CIE) supports all lines of business, departments and staff. Our vision is to foster a culture of innovation and excellence at Hennepin County. The Center of Innovation and Excellence (CIE) is a department in the Disparity Reduction line of business. We are customer-focused change agents working to transform the organization by collaboratively building capacity in the areas of innovation and performance excellence. Innovation and excellence is found in every corner of the county and CIE is a conduit for capturing, sharing and facilitating it. We want to engage and collaborate to solve problems and create new opportunities.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$2,479,478	\$2,327,064	\$2,265,273
Other Taxes	0	0	0
Federal	197,825	52,656	0
State	0	0	0
Local	47,464	25,000	25,000
Investment Earnings	0	0	0
Fees for Services	2,153	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$2,726,919	\$2,404,720	\$2,290,273
Personnel Services	\$2,152,017	\$2,146,085	\$2,086,048
Commodities	3,314	13,300	11,900
Services	513,610	155,783	154,679
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	18,956	89,552	37,646
Grants	0	0	0
Total Expenditures	\$2,687,898	\$2,404,720	\$2,290,273
Budgeted Positions (Full-Time Equivalents)	21.0	17.0	24.0

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

In 2022, Data Compliance from Center of Innovation and Excellence (CIE) department was realigned to Human Resources along with the financial history for comparative purposes.

Revenue Comparison



Significant Budget Changes

In 2022, Data Compliance from Center of Innovation and Excellence (CIE) department was realigned to Human Resources along with the financial history for comparative purposes.

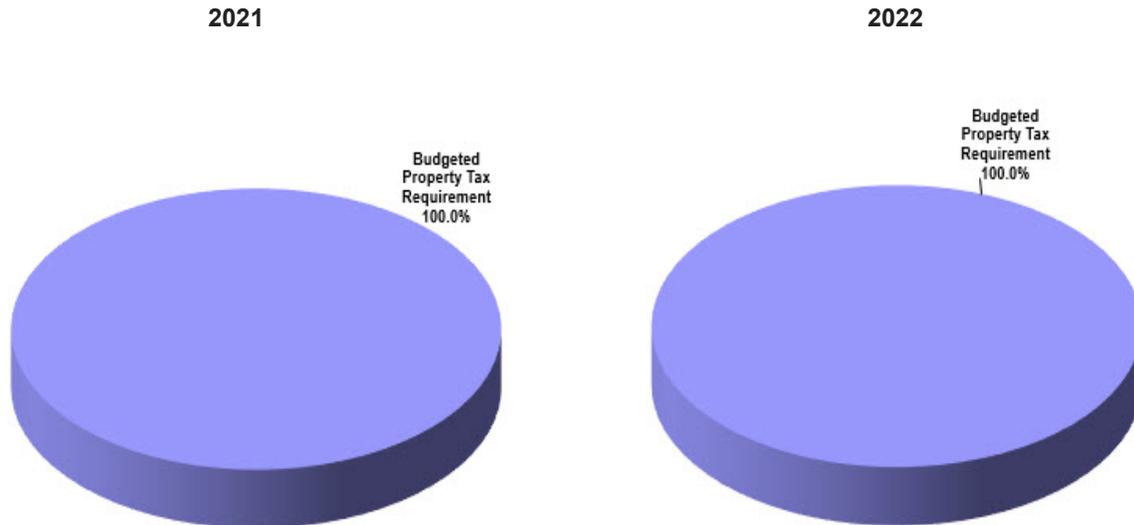
Mission

Department Description:

Disparity Reduction Administration is responsible for advising the Hennepin County Board and Hennepin County Administrator on policies and issues related to reducing disparities as well as overseeing the strategic alignment and management of departments within the Disparity Reduction Line of Business. The office provides leadership and support by fostering community and workplace partnerships on disparity reduction initiatives that advance equity, promote organizational effectiveness and improve life outcomes for Hennepin County residents.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$240,000	\$252,233	\$1,570,458
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues		\$252,233	\$1,570,458
Personnel Services	\$203,455	\$249,533	\$1,193,010
Commodities	0	0	200
Services	2,767	2,700	361,248
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	16,000
Grants	0	0	0
Total Expenditures	\$206,222	\$252,233	\$1,570,458
Budgeted Positions (Full-Time Equivalents)	1.0	1.0	10.0

Revenue Comparison



Significant Budget Changes

The 2022 budget adds capacity for community engagement work, administrative support, and financial management. To establish the Office of Broadband and Digital Inclusion, staff and funding were transferred from the Operations Business Information Office to Disparity Reduction Administration.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Disparity Reduction General	206,222	252,233	1,066,661
Broadband & Digital Inclusion	0	0	503,797
Total Expenditures	\$206,222	\$252,233	\$1,570,458

Mission

Hennepin County Diversity, Equity, and Inclusion Department (DEI) mission is to prepare the organization with the knowledge, tools, and processes for promoting equitable policies and practices, authentic and inclusive engagement, disparities reduction and promoting equity in Hennepin County.

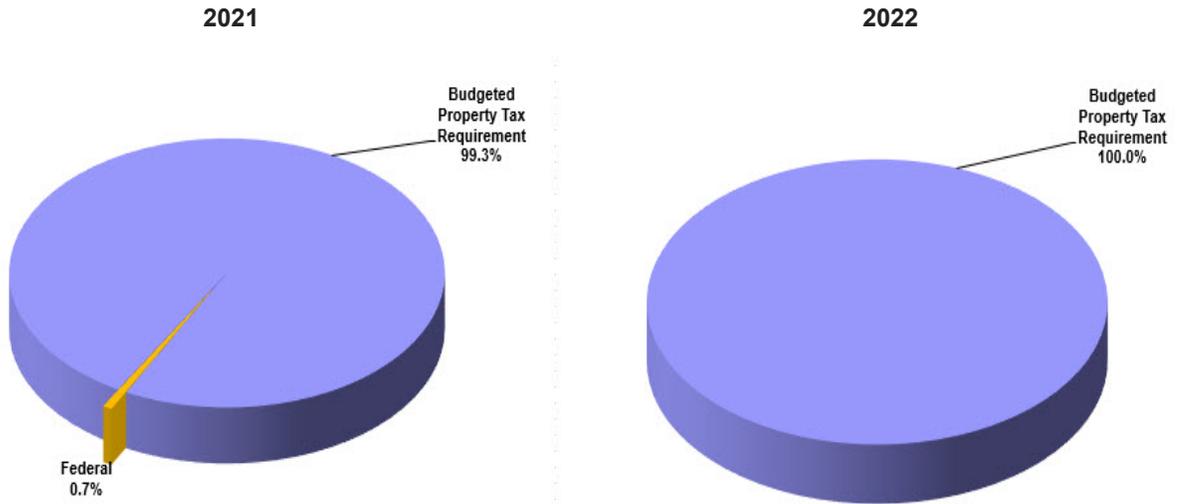
Department Description:

DEI envisions a diverse, inclusive workplace where everyone is engaged, valued, treated fairly and effectively advancing equity in Hennepin County. DEI offers workshops and facilitated conversations towards advancing racial equity and disparities reduction. DEI has received NACo Awards for the Employee Resource Group Program, which consists of 13 affinity groups led by employees and the Racial Equity Impact Tool (REIT) Champions Academy which ensures development of REIT subject matter experts (champions) across all departments. DEI provides a series of formal and informal mentoring opportunities for employees of color creating pathways to leadership positions in the Diversity Leadership Mentoring Program. DEI department staff utilizes and are Qualified Administrators of the Intercultural Development Inventory (IDI), a cross-culturally valid assessment for building cultural competence.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$1,006,875	\$1,004,523	\$1,142,413
Other Taxes	0	0	0
Federal	446,517	6,905	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$1,453,392	\$1,011,428	\$1,142,413
Personnel Services	\$1,085,408	\$815,686	\$917,800
Commodities	34,162	11,000	15,750
Services	29,601	124,052	136,101
Public Aid Assistance	104,210	0	0
Capital Outlay	0	0	0
Other Charges	20,050	60,690	72,762
Grants	0	0	0
Total Expenditures	\$1,273,430	\$1,011,428	\$1,142,413
Budgeted Positions (Full-Time Equivalents)	6.0	6.0	7.0

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

Revenue Comparison



Significant Budget Changes

The 2022 budget includes the transfer of 1.0 FTE (program manager) and funding from the Department of Community Corrections and Rehabilitation to this department.

Mission

Education Support Services (ESS) addresses disparities in education systems by partnering with Hennepin County youth, families, and community professionals to support student engagement and growth. We advocate for families by:

- *Listening to their needs*
- *Collaborating with students to identify and achieve goals*
- *Connecting them with resources*
- *And encouraging authentic and transformational relationships between youth and their communities*

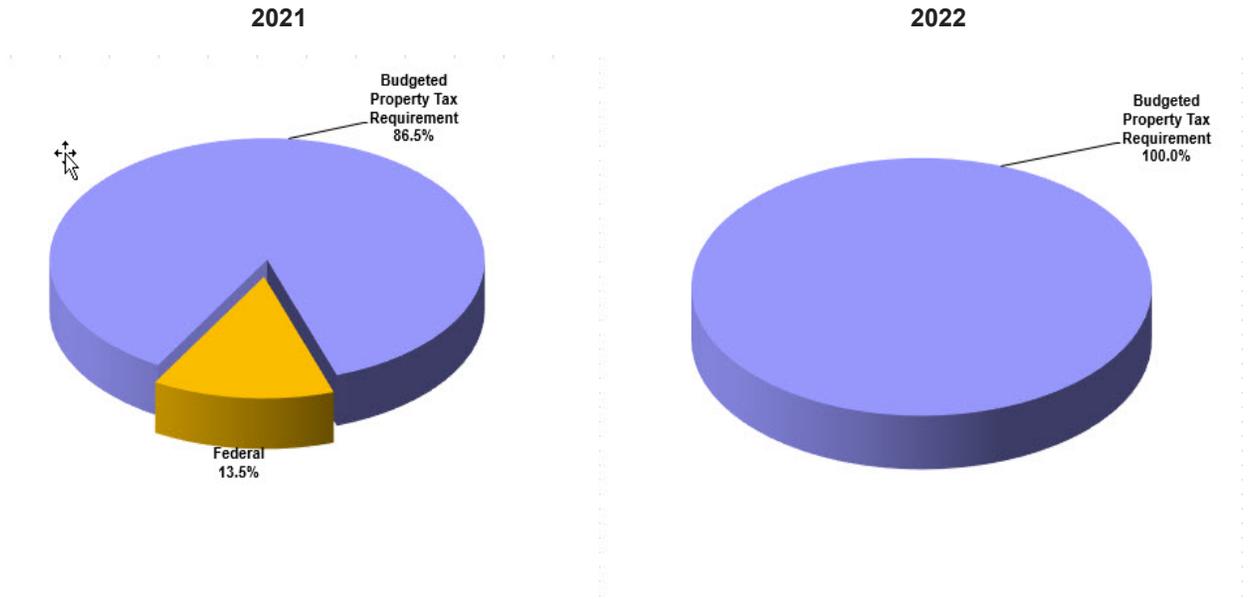
Department Description:

Hennepin County's Education Support Services (ESS) strives to address the racial and educational disparities faced by youth connected to county services. The program aims to increase engagement, academic skills, and educational outcomes for students in grades K-12 and GED seekers, who are disproportionately youth of color, by focusing on student empowerment, skill building, and collaboration with families, schools, and support professionals. Services include referrals to academic tutoring, school advocacy and navigation, mentoring, access to internet and personal computers, and individualized educational goal planning to promote academic success.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$0	\$1,804,100	\$1,770,921
Other Taxes	0	0	0
Federal	0	281,953	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$0	\$2,086,053	\$1,770,921
Personnel Services	\$0	\$1,267,400	\$1,255,015
Commodities	0	25,500	15,000
Services	0	504,200	491,706
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	288,953	9,200
Grants	0	0	0
Total Expenditures	0	\$2,086,053	\$1,770,921
Budgeted Positions (Full-Time Equivalents)	0	15.0	15.0

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

Revenue Comparison



Significant Budget Changes

Education Support Services is a new department that was created in 2021.

Major Program: Operations

Board of Commissioners
 County Administration
 Housing and Economic Development
 Office of Budget and Finance
 Facility Services
 Central Information Technology
 Real Property Group
 Human Resources
 Audit, Compliance, and Investigation Services
 Libraries
 Operations Administration
 General County Purposes
 Ballpark Sales Tax Revenues
 Debt Retirement



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 Hennepin County Library is included in this major program. 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.

Revenue Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$248,479,542	\$246,311,310	\$271,797,466
Other Taxes	38,991,110	41,710,961	49,123,180
Federal	109,794,598	53,582,238	14,680,877
State	4,718,460	29,052,267	3,595,150
Local	11,938,517	12,166,119	12,255,388
Investment Earnings	10,049,144	5,025,000	5,215,000
Fees for Services	16,127,452	17,182,439	18,064,793
Fines and Forfeitures	149,603	177,200	117,700
Licenses and Permits	2,453,054	4,548,009	3,952,075
Other Revenue	55,711,162	90,943,527	66,884,571
Other Financing	202,170	28,990,206	29,306,714
Total Revenues	\$498,614,812	\$529,689,276	\$474,992,914

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

Notes: Includes the General Fund Revenues.

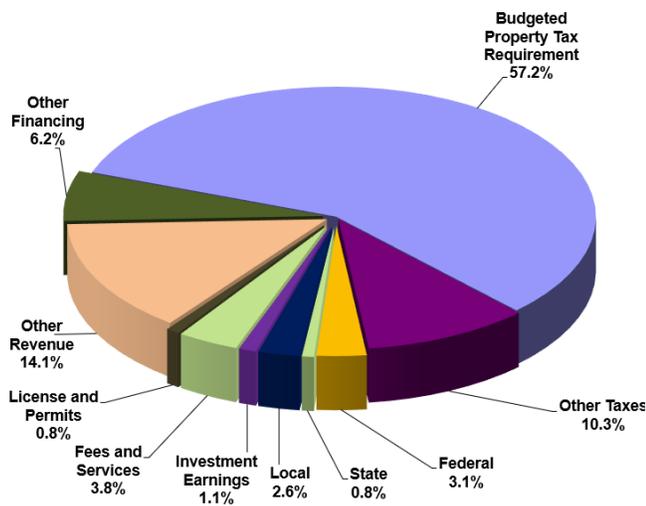
The Internal Service Funds budget and FTEs are excluded and represented under Internal Service Line of Business.

2022 BUDGET
Adopted Budget

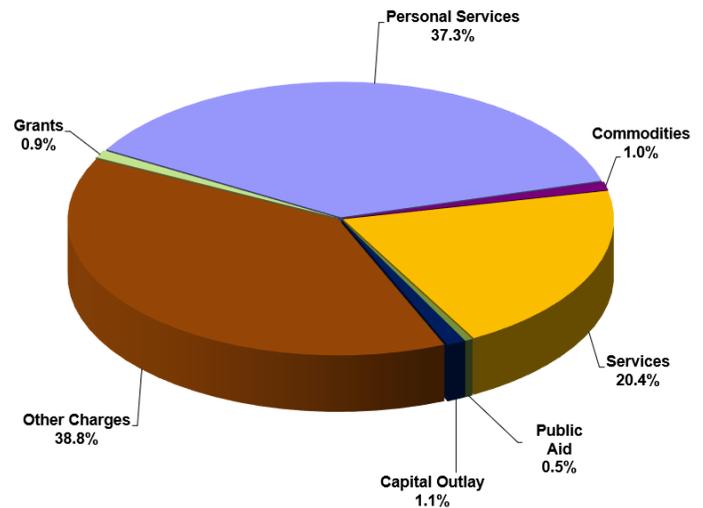
Expenditure Information	2020 Budget	2021 Budget	2022 Budget
Personnel Services	\$162,175,348	\$164,926,577	\$177,220,778
Commodities	10,447,162	4,093,172	4,671,409
Services	115,483,935	101,850,174	96,752,007
Public Aid Assistance	67,196,354	59,313,875	2,278,919
Capital Outlay	5,835,849	5,440,807	5,450,290
Other Charges	150,653,247	189,671,671	184,118,511
Grants	3,665,505	4,393,000	4,501,000
Total Expenditures	\$515,457,401	\$529,689,276	\$474,992,914

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:

	2020 Actual	2021 Budget	2022 Budget
Board of Commissioners	2,745,820	3,061,527	3,241,873
County Administration	6,390,246	5,834,268	3,805,034
Housing and Economic Development	82,504,033	73,919,332	14,037,993
Office of Budget and Finance	15,605,879	15,948,411	16,414,676
Facility Services	59,553,649	68,515,126	68,359,114
Central Information Technology	6,291,241	5,177,535	5,075,833
Real Property Group	57,131,543	54,167,237	62,046,863
Human Resources	18,978,970	20,546,820	21,460,220
Audit, Compliance, and Investigation Services	3,645,284	4,215,639	4,275,830
Libraries	77,571,134	68,089,658	68,721,352
Operations Administration	20,847,667	16,550,610	15,334,375
General County Purposes	15,352,163	26,980,746	31,725,633
Ballpark Sales Tax Revenues	2,290,750	2,505,000	2,538,000
Debt Retirement	146,549,019	164,177,366	157,956,118
Total Expenditures	\$515,457,401	\$529,689,276	\$474,992,914

**2022 BUDGET
Adopted Budget**

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Board of Commissioners	25.0	25.0	25.0
County Administration	17.0	17.0	18.0
Housing and Economic Development	37.0	38.0	42.0
Office of Budget and Finance	83.4	84.1	90.1
Facility Services	274.6	272.7	298.3
Central Information Technology	31.1	25.1	25.1
Real Property Group	385.2	395.6	461.6
Human Resources	115.1	112.8	115.0
Audit, Compliance, and Investigation Services	27.2	27.3	27.3
Libraries	559.9	542.3	543.1
Operations Administration	96.8	103.8	108.8
General County Purpose	0.0	0.0	0.0
Ballpark Sales Tax Revenue	0.0	0.0	0.0
Debt Retirement	0.0	0.0	0.0
Budgeted Positions (Full-Time Equivalents)	1,652.3	1,643.7	1,754.3

Revenue Summary:

The 2022 Operations Line of Business budget, which includes Ballpark Sales Tax, Debt Service, and the Libraries, accounts for 19.3 percent or \$475 million of the 2022 Hennepin County budget of \$2,455,784,326 and when compared to the 2021 adjusted budget, reflects a decrease of 11.1 percent or \$59.6 million. The 2022 Operations Line of Business will be supported by \$197.2 million in non-property tax revenues and \$277.8 million in property tax.

Below are descriptions of the different revenues in the Operations Line of Business.

Property Tax Revenues:

Operations is largely comprised of policy, administrative and support services departments funded primarily through property tax support. In 2022, property tax comprises of 58.5 percent of the \$475 million in programmed revenues with the majority supporting activities in Debt Retirement, Facility Services, Libraries, Real Property Group, General County Purposes, Human Resources, Office of Budget and Finance, Operations Administration.

Other Taxes:

Ballpark Sales Tax Revenues are programmed to generate \$40 million in sales tax collections for 2022, which is a slight increase of \$784,200 or 2.0 percent over the 2021 adjusted budget. Sales tax collections provide payments on principal and interest on the sales tax revenue bonds issued to fund the county's contribution to Target Field and fund other authorized uses.

Federal:

The driver for the decrease stems from one-time CARES Act monies not budgeted in 2022. The majority of the decrease falls within Housing and Economic Development for emergency housing assistance and accounts for \$34.4 of the \$38.9 million variance.

State:

In 2022, \$3.6 million has been programmed in State revenues and reflects a decrease of \$25.5 million when compared to the 2021 adjusted budget of \$29.1 million. The driver for this decrease is attributed to the one-time CARES Act relief grant awarded to Housing and Economic Development department in 2021 to assist eligible Hennepin County organizations to survive/recover from the pandemic and accounts for \$25.2 million of the reduction.

Local:

The majority of Local revenue stems from Debt Retirement for the Hennepin Healthcare Systems (HHS) new Clinic & Specialty Center and the Minnehaha Creek Watershed District for repayment of bonds issued by the county on their behalf.

Fees for Services & Licenses and Permits:

In 2022, anticipated revenues related to Fees for Services is \$18.0 million and Licenses and Permits is \$4.0 million. The majority of these revenues stem from sources like property assessment, public records, service centers and fall within the Real Property Group budget which includes the County Assessor's Office. The Assessor's Office generates revenues through assessments to 32 jurisdictions including Fort Snelling and the Minneapolis/St. Paul Airport.

Fines and Forfeitures:

In 2022, Operations Line of Business has programmed \$177,200 in fines which represents fees for non-returned books by library patrons and remains flat when compared to the 2021 adjusted budget.

Other Revenue and Other Financing:

Other Revenue and Other Financing is comprised of \$96.2 million makes up 20.3 percent of Operations 2022 total revenues. The majority of these revenues stem from activities in Debt Retirement, Real Property Group, Facility Services, the Libraries, utilization of fund balance, and contingency.

The Debt Retirement budget includes \$20.2 million for ballpark debt service and other authorized ballpark activities; \$28.1 million in transportation sales tax; and \$1.7 million for energy center improvements.

The Real Property Group department includes \$8.9 million in designated recorders fund balance, which is used to support the ongoing technical advancements, including staff, software and projects.

The Facility Services department has programmed \$14.7 million in 2022 revenues. The majority of these revenues include \$6.9 million from building rental, \$2.9 million from interdepartmental revenue, and \$3.0 million in daily parking revenues. When compared to the 2021 adjusted budget of \$15.6 million, the driver of the decrease stems from closure of the Youth Residential Treatment Center and the decrease of non-county tenants in the 701 building.

In 2022, budgeted use of fund balance is \$24.3 million.

Expenditure Summary:

The 2022, the Operations Line of Business budget is \$475 million which includes \$157.9 million for Debt Retirement and \$2.5 million in Ballpark Sales Tax Revenues. When compared to the 2021 adjusted budget of \$529.7 million, the Operations budget reflects a decrease of \$54.7 million or 10.3 percent and will operate with 1,751.3 full-time equivalents (FTEs), which is an increase of 107.7 FTEs over the 2021 adjusted budget.

Overall, the decrease in the Operations Line of Business expenditure budget stems from two one-time CARES Act relief grants awarded to Housing and Economic Development department to assist eligible Hennepin County organizations to survive/recover from the pandemic and emergency housing assistance in the amount of \$59.6 million. The reduction of one-time monies was partially offset by increase in personnel staff in Real Property Group for the mid-term elections and address the Service Centers demand; in Facility Services as they shift from contracted security to in-house security and open the new Regional Medical Examiner Facility; Office of Budget and Finance to provide additional financial management support to smaller departments; and Operations Administration to better align with operational activities to support countywide departments and organizational initiatives.

Libraries:

The 2022 Libraries budget is relatively flat when compared with the 2021 adjusted budget. Operationally, the libraries have undergone some large changes since the governor's Stay at Home order was implemented in March of 2020. In 2021, the libraries began to reopen and later in the year, expanded the operating hours. By the end of 1st quarter of 2022, all libraries will be open. Other changes in 2021 include merging the Hennepin County eMaterials with the Metropolitan Library Service Agency (MELSA) to provide a larger selection to the patrons.

Housing and Economic Development (HED):

The driver for the decrease in the 2022 HED budget stems from two one-time CARES Act grants that will partially assist eligible Hennepin County organizations and small businesses' to survive/recover from the pandemic and emergency housing assistance in the amount of \$59.6 million.

Real Property Group (RPG):

In 2022, Real Property Group reflects an increase of \$7.9 million or 14.5 percent which stems from one-time monies allocated to Resident and Real Estate Services, a division of RPG, for the upcoming 2022 mid-term election and the increase in service center activities.

Operations Administration:

As of January 1, 2022, the Hennepin County Board created this new department which activities, programs and services were aligned to further the vision and overarching goals of the county. They consist of four divisions: Emergency Management, Communications & Engagement Services, Digital Experience, and the Business Information Office.

The 2022 Operations Administration expenditures will decrease by \$1.2 million or 7.4 percent, revenues will decrease by \$1.6 million or 44.6 percent, and property tax will increase by approximately \$396,600 or 3 percent. The majority of the decrease stems from one-time CARES Act Relief federal reimbursement for COVID related expenses. Another contributor to the overall decrease stems from the sunset of the Emergency Management Performance Grant-COVID Supplemental Grant which includes two limited duration staff and overall timing and utilization of the multi-year grants which is based on operational plan for each of those grants.

Other notable changes occur in Communications & Engagement Services, Digital Experience, and Business Information Office. In 2022, the reorganization of staff will occur to better align with operational activities to support countywide departments and organizational initiatives.

General County Purposes (GCP):

The operational activities within General County Purposes are to support and encourage public programs, services, and further the overarching initiative of the county by supporting public programs and activities dedicated to cultural enrichment and to educational and technical assistance; to provide dues and contributions to organizations.

In the 2022 budget, General County Purposes will increase by \$4.7 million to \$20.8 million or 17.6 percent due to the additional budget for Contingency. Contingency monies are reserved for activities that will further define the counties initiatives.

Note: narrative regarding Debt Retirement and Ballpark Sales Tax Revenue activity are provided in separate sections of this document.

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 01-05-0294A adopted May 7, 2002).

Department Description:

Hennepin County operates under the board of commissioner-administrator form of government. Policy making and legislative authority are vested in the seven-member board of commissioners by state statutes that apply to all county governments and other statutes that apply to Hennepin County only (Minnesota Statutes Chapter 383B). Board members are elected to four-year overlapping terms on a non-partisan basis.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$3,061,144	\$3,061,144	\$3,241,873
Other Taxes	0	0	0
Federal	8,775	383	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$3,069,919	\$3,061,527	\$3,241,873
Personnel Services	\$2,628,837	\$2,795,624	\$2,769,072
Commodities	28,972	42,600	66,850
Services	63,000	122,380	185,350
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	25,012	100,923	220,601
Grants	0	0	0
Total Expenditures	\$2,745,820	\$3,061,527	\$3,241,873
Budgeted Positions (Full-Time Equivalents)	25.0	25.0	25.0

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

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 creates county policy and administrative responsibility for carrying out county policy is delegated to the County Administrator. Other Operations departments fulfill statutory requirements or provide necessary management service functions. The county's vision statement, core values, and overarching goals guide departments as they direct, administer, plan, facilitate, assist and coordinate the services provided by all county departments. Operations departments use the County Revenue Fund, Debt Retirement Fund and Internal Services Funds.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$3,335,110	\$3,330,441	\$3,464,934
Other Taxes	0	0	0
Federal	3,450,527	2,163,477	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	175,000	339,600	339,600
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	140,300	750	500
Other Financing	0	0	0
Total Revenues	\$7,100,937	\$5,834,268	\$3,805,034
Personnel Services	\$3,358,111	\$2,581,820	\$2,900,686
Commodities	3,013	6,000	11,880
Services	1,137,579	1,035,521	847,664
Public Aid Assistance	1,875,677	0	0
Capital Outlay	0	0	0
Other Charges	15,866	2,210,927	44,804
Grants	0	0	0
Total Expenditures	\$6,390,246	\$5,834,268	\$3,805,034
Budgeted Positions (Full-Time Equivalents)	17.0	17.0	18.0

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

Mission

Housing and Economic Development builds and strengthens communities by developing quality, affordable housing and creating healthy built environments that provide transportation choices and community connections, attract investment and create jobs.

Department Description:

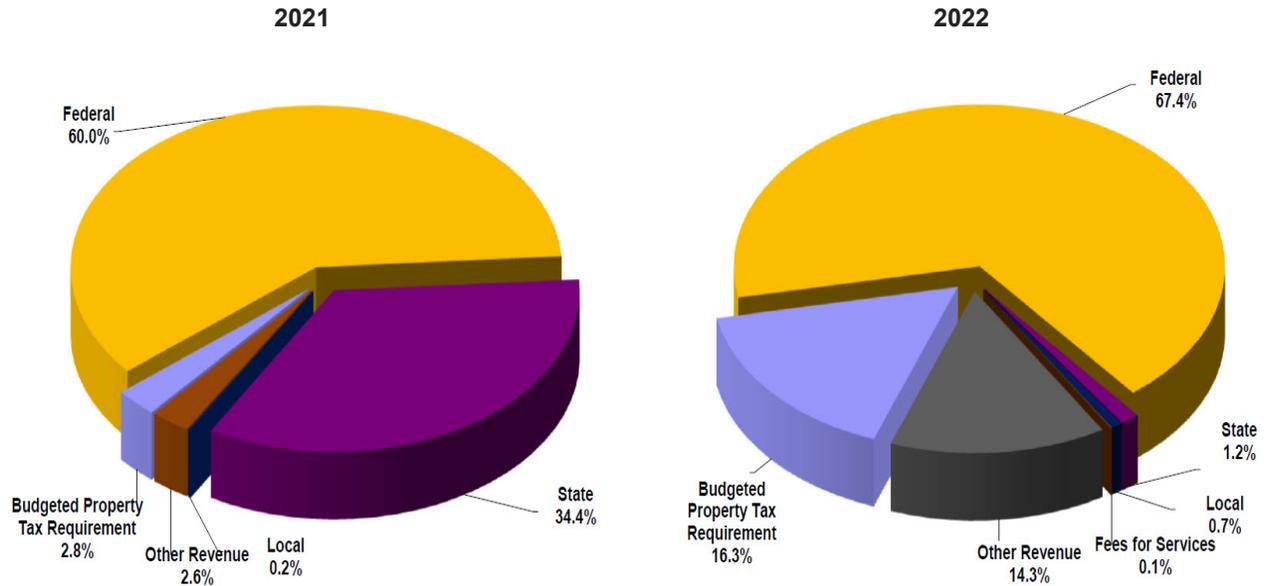
Housing and Economic Development focuses on investing local, regional, county, state and federal resources in partnership with public and private partners to provide a full range of housing choices, housing rehabilitation, and lead-safe housing and to create and provide access to jobs and build long-term community value. It is organized into three areas:

- Administration
- Housing Development and Finance
- Community and Economic Development

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$2,087,223	\$2,073,709	\$2,294,409
Other Taxes	0	0	0
Federal	80,477,053	44,351,605	9,456,933
State	2,114	25,436,000	175,000
Local	-17,939	135,000	100,000
Investment Earnings	0	0	0
Fees for Services	18,575	10,400	10,400
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	1,900,026	1,912,618	2,001,251
Other Financing	0	0	0
Total Revenues	\$84,467,051	\$73,919,332	\$14,037,993
Personnel Services	\$3,864,980	\$4,282,071	\$4,984,258
Commodities	13,834	18,540	23,140
Services	15,577,856	11,851,636	8,949,920
Public Aid Assistance	63,003,389	57,138,736	0
Capital Outlay	0	0	0
Other Charges	43,974	628,349	80,675
Grants	0	0	0
Total Expenditures	\$82,504,033	\$73,919,332	\$14,037,993
Budgeted Positions (Full-Time Equivalents)	37.0	38.0	42.0

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

Revenue Comparison



Significant Budget Changes

Housing and Economic Development has played a major role in COVID-19 pandemic relief and recovery with new and enhanced programming using federal and state funds. The 2021 adjusted budget includes \$34.4 million in one-time federal funds and an additional \$25.2 million in one-time state funds that are not budgeted for 2022.

The pandemic highlighted weak spots in affordable housing infrastructure and exacerbated them; of individuals requesting emergency rental assistance in Hennepin County, nearly 2/3 have incomes below 30 percent of the area median income (AMI), and 4/5 are Black, Indigenous and people of color.

Disparities in business ownership and access to capital were also exacerbated by COVID-19; more than 40 percent of all Hennepin County Small Business grants are provided to businesses owned by Black, Indigenous and people of color.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
HED Admin Division	1,031,499	1,089,759	1,199,648
Housing Development & Finance	33,780,007	45,057,184	10,843,313
Development Division	47,692,527	27,772,389	1,995,032
Total Expenditures	\$82,504,033	\$73,919,332	\$14,037,993

Mission

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 two divisions:

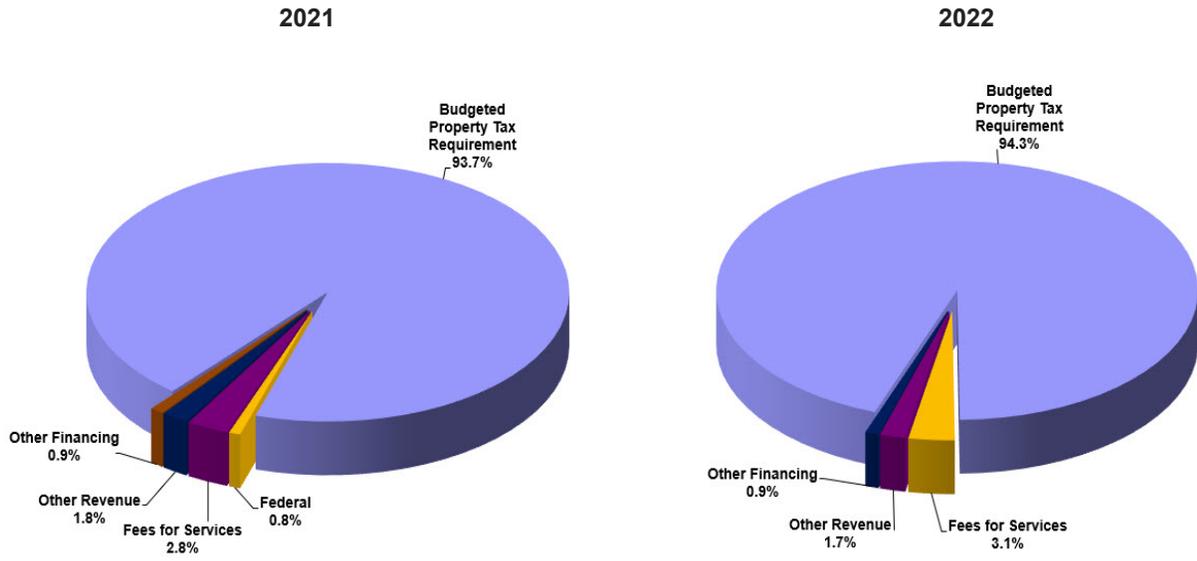
The Finance, Budget Analysis and Accounting division performs budget preparation and analysis, revenue and expenditure forecasting, legislative analysis, treasury services, and accounting services. Additionally, OBF performs risk management in cooperation with the County Attorney's Office to monitor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

The APEX Service Center provides production and user support for Hennepin County's PeopleSoft Enterprise Resource Planning (ERP) system. This ERP system provides the county's financial and human resources systems.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$14,803,734	\$14,946,996	\$15,474,676
Other Taxes	0	0	0
Federal	676,021	121,415	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	732,806	447,500	507,500
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	267,357	283,500	283,500
Other Financing	112,510	149,000	149,000
Total Revenues	\$16,592,428	\$15,948,411	\$16,414,676
Personnel Services	\$10,844,811	\$11,414,714	\$12,401,343
Commodities	118,476	13,400	28,600
Services	4,144,059	4,120,431	3,718,628
Public Aid Assistance	385,828	0	0
Capital Outlay	0	0	0
Other Charges	112,706	399,866	266,105
Grants	0	0	0
Total Expenditures	\$15,605,879	\$15,948,411	\$16,414,676
Budgeted Positions (Full-Time Equivalents)	83.4	84.1	90.1

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

Revenue Comparison



Significant Budget Changes

The 2022 budget provides resources to support Future Ready Hennepin initiatives and improve efficient service delivery.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Finance Budget Analysis and Accounting	4,383,795	4,522,406	5,194,664
APEX	11,222,084	11,426,005	11,220,012
Total Expenditures	\$15,605,879	\$15,948,411	\$16,414,676

Mission

To build, manage, operate, and maintain safe and secure Hennepin County buildings.

Department Description:

The Hennepin County Facility Services Department provides a full range of facility services for county programs and services.

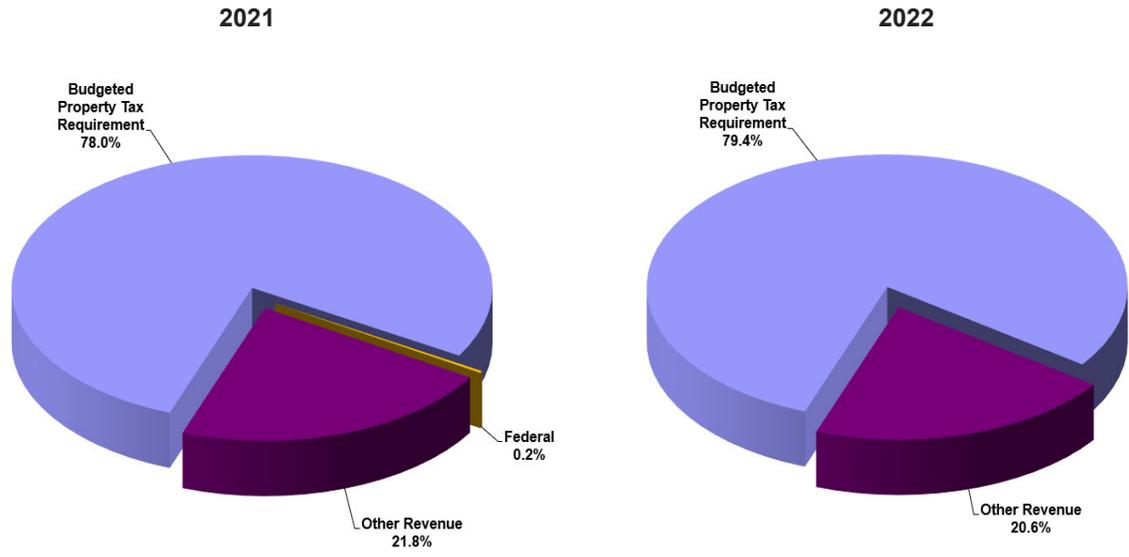
The department:

- Develops and manages projects to construct new buildings, refurbish existing buildings, and maintain infrastructure
- Operates and maintains buildings
- Undertakes, manages and administers all real estate functions
- Protects employees, residents, and property

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$40,069,788	\$53,410,744	\$54,269,870
Other Taxes	0	0	0
Federal	2,787,531	168,674	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	2,756	3,408	3,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	22,104,285	15,632,300	14,686,244
Other Financing	-700,000	-700,000	-600,000
Total Revenues	\$64,264,361	\$68,515,126	\$68,359,114
Personnel Services	\$24,016,381	\$26,853,883	\$29,090,756
Commodities	2,103,557	1,721,492	1,872,310
Services	31,998,100	38,742,587	36,133,258
Public Aid Assistance	6,335	0	0
Capital Outlay	742,465	41,457	109,240
Other Charges	686,811	1,155,707	1,153,550
Grants	0	0	0
Total Expenditures	\$59,553,649	\$68,515,126	\$68,359,114
Budgeted Positions (Full-Time Equivalents)	274.6	272.7	298.2

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

Revenue Comparison



Significant Budget Changes

Revenue:

The major revenue budget changes reflect a property tax increase associated with a full year of operational expenditures at the new Regional Medical Examiners Facility, an adjustment from CARES Act Relief federal reimbursement for COVID related expenses, and a decrease in rent revenue from the 701 Building.

Expenses:

The expense budget reflects a shift from contracted security to in-house security staff of 25 Full-Time Equivalents (FTEs), opening the new Regional Medical Examiner Facility (see above), and an increase in property insurance as recommended by the county's risk manager.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Facility Services Administration	4,942,069	5,109,721	5,476,869
Leasing and Property Control	490,462	600,628	309,009
Design & Construction	2,684,869	2,797,069	2,766,820
Energy & Engineering	837,259	771,243	959,215
Planning & Project Development	1,063,883	1,079,375	1,022,561
Security Management	8,863,201	13,333,736	13,025,004
Facilities Management	40,671,905	44,823,354	44,799,636
Total Expenditures	\$59,553,649	\$68,515,126	\$68,359,114

Operations

Budget Commentary

The next few years will be a transition period for Facility Services until the Downtown Master Plan is fully realized. This includes ending/terminating the Grain Exchange lease, moving the Family Justice Center occupants to the Government Center, selling the 701 building, and renovating the 625 building.

A primary focus for 2022 will be on "Future Ready Hennepin" supporting the county's on-site, remote, and hybrid workforce.

The department has the following objectives for 2022:

- Plan for and implement changes to reflect the changing needs of Hennepin county employees and residents.
- Continue to prioritize departmental project requests. At any time, there are approximately 75 active capital and 100 operating projects.
- Continue to track, measure, monitor, and reduce project costs.
- Utilize technology to optimize operations including continued energy savings.
- Continue to preserve county's infrastructure particularly in light of its aging facilities.
- Support the county's climate initiatives focus on continuing energy efficiency improvements, building infrastructure resiliency, and investing in renewable energy sources, water management practices, sustainable landscaping and electric vehicle infrastructure.
- Support the county's efforts to reduce disparities by creating and implementing programs that increase contract opportunities and awards work to small and emergent minority owned business and adding sub-consulting goals to consultant contracts. Internally, Facility Services continues to build staff understanding through required diversity training, identify Racial Equity Tool Champions, hiring from the Building Operators Technician and Pathways training programs, and building diverse candidate pools and hiring panels.

Key Results:

	<u>Industry Average (BOMA)</u>	<u>2020 Actual</u>	<u>2021 Estimate</u>	<u>2022 Estimate</u>
Janitorial Costs	\$1.58 sq ft.	\$1.23 sq ft.	\$1.46 sq ft	\$1.44 sq ft.
Utilities	\$2.06 sq ft.	\$1.57 sq ft.	\$1.57 sq ft	\$1.64 sq ft.
Energy		376,139 MMBtu	446,000 MMBtu's	430,000 MMBtu

Facility Services strives to to be within 96-101 percent of the Building Owners and Managers Association (BOMA) industry average along with a 3 percent energy reduction per year.

Additional Resources:

www.hennepin.us

Mission

To leverage technology that improves residents' lives.

Department Description:

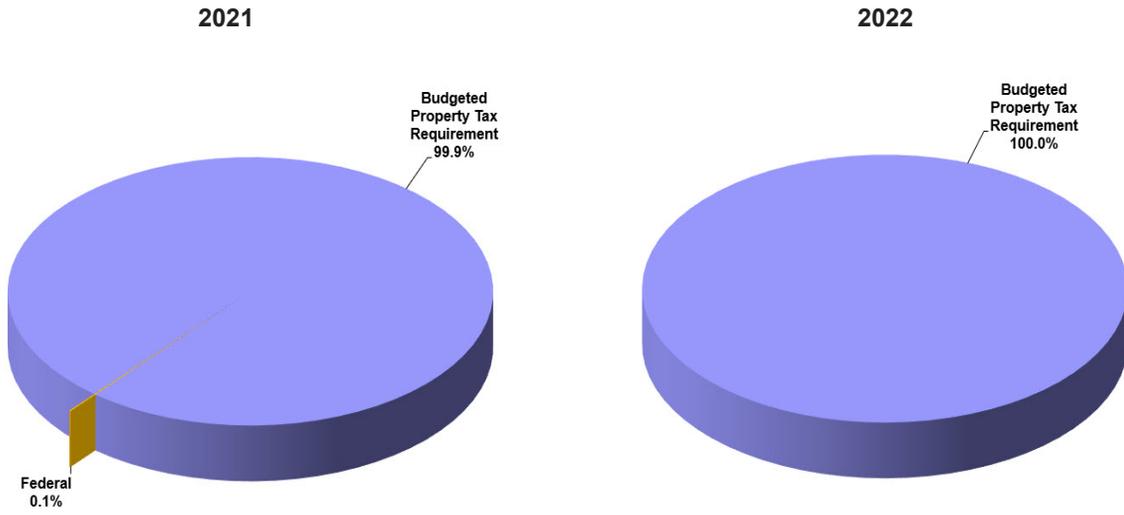
The Information Technology Department (IT) partners with Hennepin County departments to develop the infrastructure used to deliver business applications and communications throughout the organization. The IT Department also includes Central Service and Imaging, which provides print, mailing, and imaging services, together with a centralized multi-function copy, print and fax devices program to all of Hennepin County. The IT Department develops policies, procedures and tools that ensure information security. The majority of IT Department expenses are in Fund 62 and are reimbursed through internal service rates. Special activities and project costs are included in Fund 10, shown in the Budget Summary section below.

Budget information for Information Technology Internal Services (Fund 62) is located in the Internal Services section of the book.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$7,198,368	\$5,172,242	\$5,075,833
Other Taxes	0	0	0
Federal	1,112,140	5,293	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	50,500	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$8,361,008	\$5,177,535	\$5,075,833
Personnel Services	\$3,666,205	\$3,476,889	\$3,317,086
Commodities	538,601	84,934	84,934
Services	3,447,600	3,035,962	3,096,211
Public Aid Assistance	0	0	0
Capital Outlay	541,830	0	0
Other Charges	-1,902,995	-1,420,250	-1,422,398
Grants	0	0	0
Total Expenditures	\$6,291,241	\$5,177,535	\$5,075,833
Budgeted Positions (Full-Time Equivalents)	31.1	25.1	25.1

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

Revenue Comparison



Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Central Information Technology (CIT)	6,291,241	5,177,535	5,075,833
Total Expenditures	\$6,291,241	\$5,177,535	\$5,075,833

Mission

The budget for the Real Property Group 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, uniformly and accurately.

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, Strategy and Support, and Business Technology Solutions.

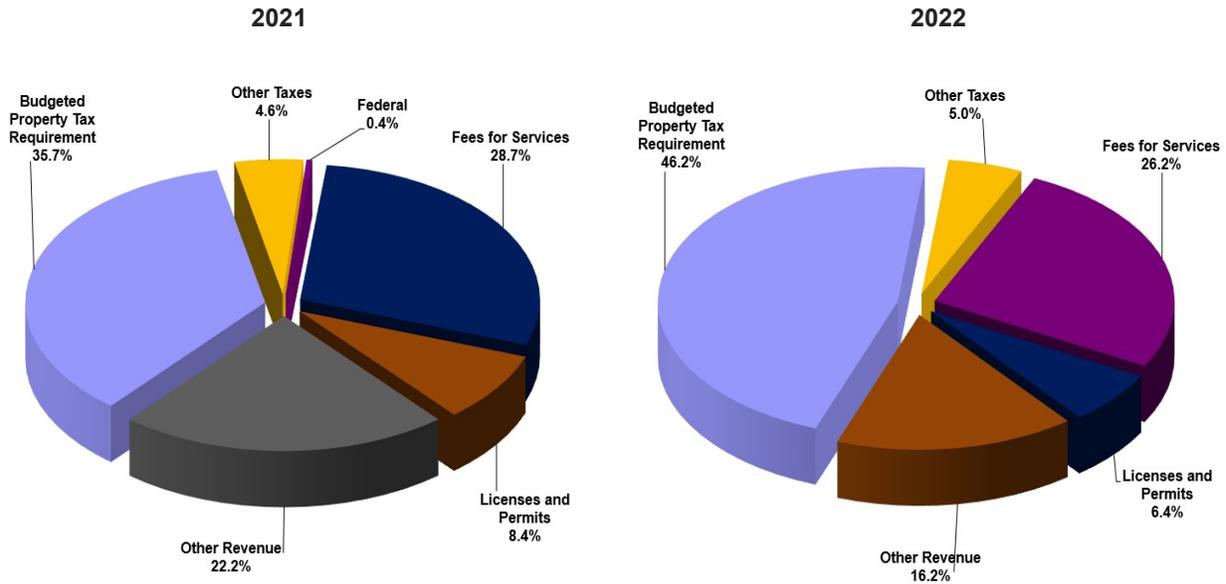
The County Assessor's Office is responsible, both directly and indirectly, for estimating the market value and determining the correct classification for every real estate parcel in suburban Hennepin County.

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.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$19,702,753	\$19,311,166	\$28,692,815
Other Taxes	2,964,253	2,500,000	3,128,000
Federal	6,458,275	212,861	0
State	312,321	0	0
Local	1,799,141	0	0
Investment Earnings	0	0	0
Fees for Services	14,347,106	15,548,202	16,255,713
Fines and Forfeitures	0	0	0
Licenses and Permits	2,453,054	4,548,009	3,952,075
Other Revenue	1,149,770	12,047,000	10,018,260
Other Financing	0	0	0
Total Revenues	\$49,186,673	\$54,167,238	\$62,046,863
Personnel Services	\$36,514,053	\$37,393,721	\$43,821,783
Commodities	2,518,129	535,250	1,007,160
Services	15,725,347	13,995,685	15,245,556
Public Aid Assistance	14,765	0	0
Capital Outlay	296,626	308,000	243,000
Other Charges	2,062,624	1,934,582	1,729,364
Grants	0	0	0
Total Expenditures	\$57,131,544	\$54,167,238	\$62,046,863
Budgeted Positions (Full-Time Equivalents)	385.2	395.6	461.6

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

Revenue Comparison



Significant Budget Changes

The increase in Real Property Group's 2022 budget is driven primarily by the upcoming 2022 mid-term election in the Resident & Real Estate Department. RRES changes include the additional costs associated with the 2022 election, additional staff in the service centers to meet increased demand due to COVID and the REAL ID deadline and costs needed to sustain the North Minneapolis Service Center expansion that was completed in 2021. Specific changes include:

- Administering mid-term election in 2022
- Additional staff needed to keep up with Service Center demands
- North Minneapolis Service Center expansion site in previously underserved community
- Further investment in predicting and preventing residential property forfeiture

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Resident and Real Estate Services	48,295,778	45,249,472	53,082,797
Assessor's Office	7,572,184	7,654,383	7,679,539
Examiner of Titles Office	1,263,582	1,263,383	1,284,527
Total Expenditures	\$57,131,544	\$54,167,238	\$62,046,863

Budget Commentary

The Assessor's Office continues to move forward with efforts to increase the security of data and find efficiencies in how the department uses and manages records. The Assessor's Office is continuing to work with the Business Information Office to strategically assess information technology priorities across the Assessor's Office so the Office can become more dynamic, efficient, responsive and self-reliant.

When excluding Resident and Real Estate Services (RRES) three major initiatives (elections, continued implementation of REAL ID together with replacement of the state-wide motor vehicle system), other department expenditures are relatively stable with increases attributed to the general salary adjustment and merit pay increases.

The 2022 budget anticipates a revenue reduction in RRES due to fewer transactions at the Service Centers. The department estimates \$4.0 million in revenue (a 16 percent decrease from the previous year) for driver licenses, motor vehicle registration and vital records in 2022 associated with the customer service model and continued pandemic. The County Recorder's Office is projecting a slight increase in revenue, \$872,000 for a total of \$9.2 million.

Key Results:

In 2022, the Assessor's Office will focus on the key results below:

- The Assessor's Office is continuing its effort to go paperless and has received a \$100,000 grant to reflect the expenses to image and securely store all property files and program participant application documents.
- The Assessor's Office continues to provide translated applications, advocate for legislative changes, and maximize data to ensure equitable application of assessment standards and reduce property tax disparities.
- In an effort to reduce climate change we continue to embrace imaging and services provided by Central Services, and in an effort to reduce emissions have embraced both remote and hybrid work models to reduce the number of automobile trips, implemented surveys to collect property characteristics and are utilizing Cyclomedia to perform desktop reviews.

In an effort to reduce climate change, RRES continues to embrace imaging and services provided by Central Services. In an effort to reduce emissions have embraced both remote and hybrid work models to reducing the number of automobile trips.

In 2022, RRES will focus on the key results below:

- Ensure voter access and protect the integrity of the election using voter outreach and education. We continue to anticipate a high absentee voting turnout.
- Continue to incorporate Service Center innovations to improve customer experience. We will continue to utilize the call center established during the pandemic, the expanded North Minneapolis location, online chat, eLockers and additional staff for increased demand
- Predict and reduce tax forfeiture by adding one additional FTE to the successful Tax-forfeiture Land (TFL) Navigator Program. TFI will continue partnerships to determine actions that may reduce tax forfeiture based on a predictive model.
- Reduce disparities, support climate change action, and improve services. This work will be done by development improved language services, the homestead program project, the homeowners guide and the work we've done to utilize unbuildable TFL lots in ways to help the community and climate.

Mission

To provide an employee experience that attracts and retains the best talent to serve our residents.

Department Description:

Human Resources' services are a critical component in supporting the county's core values and positioning the organization to meet the service delivery and internal/external workforce challenges of both today and the future.

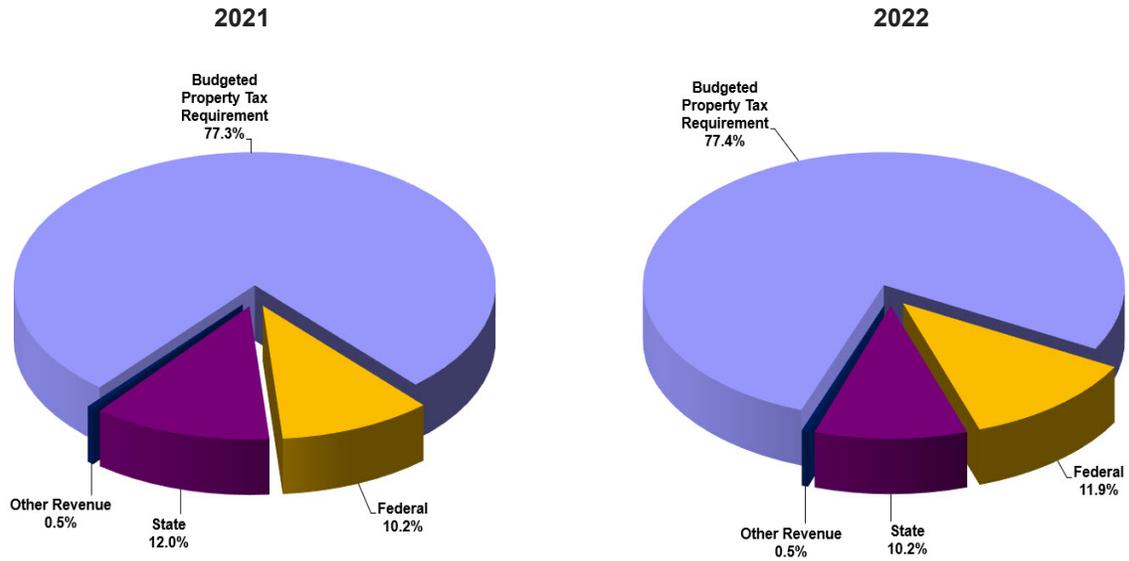
Operational Activities: Organization Development; Learning and Development; Workforce Services; Talent Acquisition; Health & Well-being; Human Resources Business Partner Services; Human Resources Service Center; Classification and Compensation; Workplace Safety; Volunteering; Compliance; Human Resources Administration.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$15,572,955	\$15,877,569	\$16,611,674
Other Taxes	0	0	0
Federal	2,360,575	2,113,984	2,553,546
State	2,541,133	2,459,267	2,199,000
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	29,002	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	142,963	96,000	96,000
Other Financing	0	0	0
Total Revenues	\$20,646,629	\$20,546,820	\$21,460,220
Personnel Services	\$12,428,423	\$13,296,448	\$13,737,002
Commodities	28,706	67,600	41,600
Services	4,352,873	4,389,478	4,926,890
Public Aid Assistance	1,898,260	2,175,139	2,278,919
Capital Outlay	0	0	0
Other Charges	270,708	618,155	475,809
Grants	0	0	0
Total Expenditures	\$18,978,970	\$20,546,820	\$21,460,220
Budgeted Positions (Full-Time Equivalents)	115.1	112.8	115.0

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

In 2022, Data Compliance from Center of Innovation and Excellence (CIE) department was realigned to Human Resources along with the financial history for comparative purposes.

Revenue Comparison



Significant Budget Changes

Notable changes in 2022 include increases in the HennCarver grant; a new benefits consultant; an improved Human Resources employee portal/platform; a new Workplace Investigations Manager; and the transfer of one FTE from Information Technology Internal Services. Also in 2022, Data Compliance from Center of Innovation and Excellence (CIE) department was realigned to Human Resources along with the financial history for comparative purposes.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Human Resources Administration	3,556,057	3,492,549	3,465,519
Workforce and Organizational Development	8,722,958	9,114,347	9,698,898
Benefits and Wellness	3,106,915	4,330,153	4,837,877
Information Technology and APEX	904,244	778,000	763,000
Business Partners and Service Center	2,688,796	2,831,771	2,694,926
Total Expenditures	\$18,978,970	\$20,546,820	\$21,460,220

Budget Commentary

Human Resources programs and services are foundational and have a direct effect on employee productivity and engagement.

Human Resources continues to expand our workforce development strategy to meet the workforce needs for the county, reduce employment disparities among residents of Hennepin County, move human services and corrections clients from government support to training and employment.

Key Results:

Human Resources delivers critical core services to support employees, while also supporting organization focus on three key areas.

- 1) Racism, a Public Health Crisis, (Resolution 20-0242) include work efforts to:
 - Address systemic racism by reforming rules, policies and practices by focusing on hiring, promotions and leadership appointments.
 - Promote Diversity, Equity & Inclusion by an increased use of Conversation and Interview Builder tools.
 - Continue the focus on Pathways to Employment program.
- 2) Climate Action by assisting the transition to the remote and hybrid workforce model, which reduces commuting time and carbon emissions.
- 3) Future Ready Hennepin through our Total Rewards framework and Employee Experience focus groups.

Additional Resources:

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

Hennepin County Job Opportunities: hennepin.jobs

State of Minnesota Job Opportunities: mn.gov/deed/job-seekers/workforce-centers

Hennepin County Pathways: hennepin.us/your-government/projects-initiatives/workforce

Mission

To support Hennepin County's commitment to ethics, compliance and risk mitigation by providing oversight, objective assurance and independent investigation services.

Department Description:

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

- The ACIS Administration Division consists of the department director and support staff, and also coordinates county-wide Enterprise Risk Management.
- The Internal Audit Division conducts and supports 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 and also assists with responses to county data requests and is part of the Security Incident Response Team which is activated when there is a security incident.
- The Non-Discrimination Respectful Workplace Investigations Division conducts investigations of formal complaints resulting from alleged violations of Hennepin County's Non-Discrimination and Respectful Workplace policy.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$4,058,826	\$4,049,726	\$4,180,750
Other Taxes	0	0	0
Federal	129,345	70,833	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	95,080	95,080	95,080
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$4,283,251	\$4,215,639	\$4,275,830
Personnel Services	\$2,968,381	\$3,257,737	\$3,381,747
Commodities	14,633	16,950	15,350
Services	633,946	800,925	804,559
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	28,324	140,027	74,174
Grants	0	0	0
Total Expenditures	\$3,645,284	\$4,215,639	\$4,275,830
Budgeted Positions (Full-Time Equivalents)	27.2	27.3	27.3

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

Audit, Compliance, and Investigation Services**2022 BUDGET**

Operations

Adopted Budget

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
ACIS Administration	659,892	726,082	746,190
Internal Audit	2,014,722	2,446,547	2,444,095
Digital Forensics	739,356	851,127	832,115
Respectful Workplace Investigations	231,314	191,883	253,430
Total Expenditures	\$3,645,284	\$4,215,639	\$4,275,830

Mission

Hennepin County Library works to nourish minds, transform lives, and build community together.

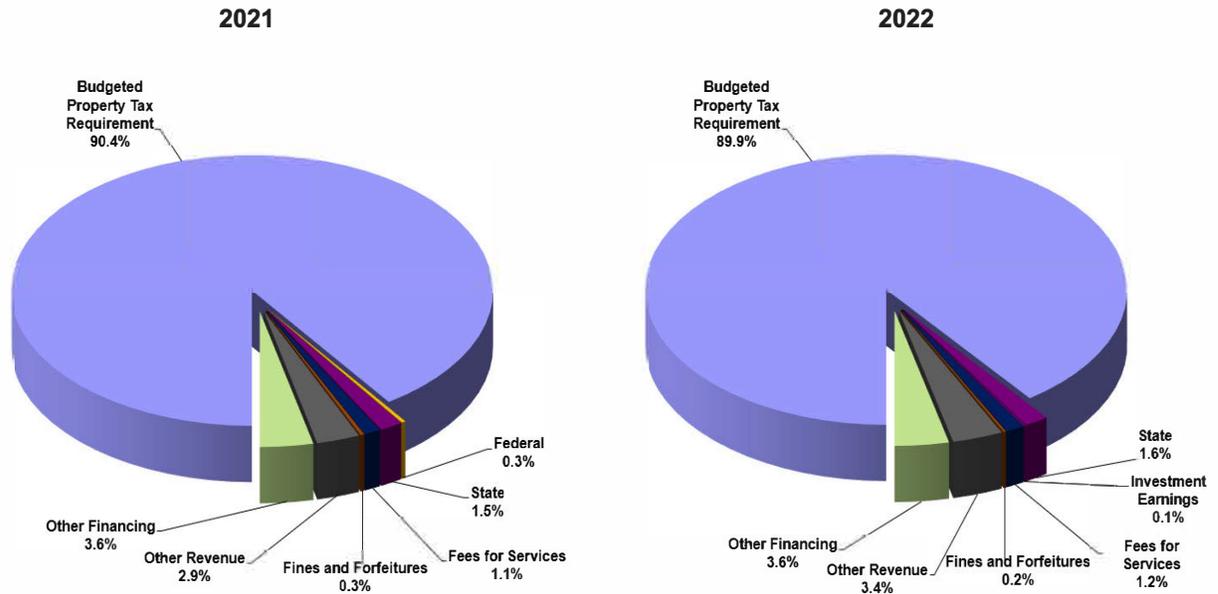
Department Description:

The Hennepin County Library (HCL) 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 provides 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.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$77,216,830	\$61,532,006	\$61,747,502
Other Taxes	34,310	0	0
Federal	2,231,538	179,177	0
State	1,680,801	1,040,000	1,104,150
Local	0	0	0
Investment Earnings	61,587	25,000	70,000
Fees for Services	676,626	738,250	853,500
Fines and Forfeitures	149,603	177,200	117,700
Licenses and Permits	0	0	0
Other Revenue	1,692,189	1,973,025	2,328,500
Other Financing	-4,936,240	2,425,000	2,500,000
Total Revenues	\$78,807,242	\$68,089,658	\$68,721,352
Personnel Services	\$44,117,708	\$46,394,257	\$47,332,483
Commodities	1,002,236	805,600	1,196,810
Services	27,593,556	14,976,998	14,099,784
Public Aid Assistance	0	0	0
Capital Outlay	4,217,554	5,091,350	5,098,050
Other Charges	640,080	821,453	994,225
Grants	0	0	0
Total Expenditures	\$77,571,134	\$68,089,658	\$68,721,352
Budgeted Positions (Full-Time Equivalents)	559.9	542.3	543.1

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

Revenue Comparison



Significant Budget Changes

The property tax budget in 2022 of \$61.7 or \$0.2 million is relatively flat when compared to the 2021 adjusted property tax budget of \$61.5 million. Overall, the 2022 budget of \$68.7 million represents a \$0.6 million or 0.9 percent increase from the 2021 adjusted budget of \$68.1 million, this is primarily due to the replacement of furniture.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Public Library	76,248,851	66,757,615	67,490,413
Law Library	1,322,283	1,332,043	1,230,939
Total Expenditures	\$77,571,134	\$68,089,658	\$68,721,352

Budget Commentary

The Library was committed to developing a 2022 budget plan that maximized access to library services with reduced resources. The plan would be consistent with the social distancing and other safety measures needed in response to the ongoing pandemic. Most importantly, the plan would honor the library's commitment to work with the community, our partners, and others county departments to address systemic racism and the resulting disparities.

Disparity reduction is at the core of the library's mission. Literacy is an essential skill in all areas of life, and the bedrock that strong communities are built upon. The library will continue to be a place where youth and adults find support to be successful readers and build skills that lead to successful futures.

During 2020/2021, the library sought to bridge the digital divide by participating in the distribution of CARES-funded laptops and internet hotspots. Library buildings were outfitted with expanded Wi-Fi antennas to broadcast internet access into our parking lots and green spaces. Throughout the past year, the library invested in deeper community partnerships to help deliver targeted services to residents with the greatest needs. Early literacy kits, meal distribution, and pop-up events with book giveaways were high-impact, high-visibility components of our pandemic response.

Commentary:

After years of intentional positioning library buildings as public gathering spaces, COVID-19 pandemic precautions limited building access.

In the earliest days of the countywide pandemic response, the library worked to leverage its abundant online resources. In some cases, vendors provided remote access to tools that were previous only available while sitting at a physical terminal within the library.

In addition to serving existing patrons, the library sought to attract new patrons through an innovative library card program.

Collection management staff adopted an agile approach to deploying the library's collection budget throughout the library's pandemic response, prioritizing downloadable titles.

Throughout the pandemic, the law library continued to fulfill its mission by adapting to remote service models.

Additional Resources:

<https://www.hclib.org>

Mission

Operations Administration activities, programs and services support and further the vision and overarching goals of the county.

Department Description:

Operations Administration consists of four divisions: Emergency Management, Communications & Engagement Services, Digital Experience, and Business Information Office.

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

Communications & Engagement Services offers strategic services to engage audiences through web and other digital communications, print, video and community engagement.

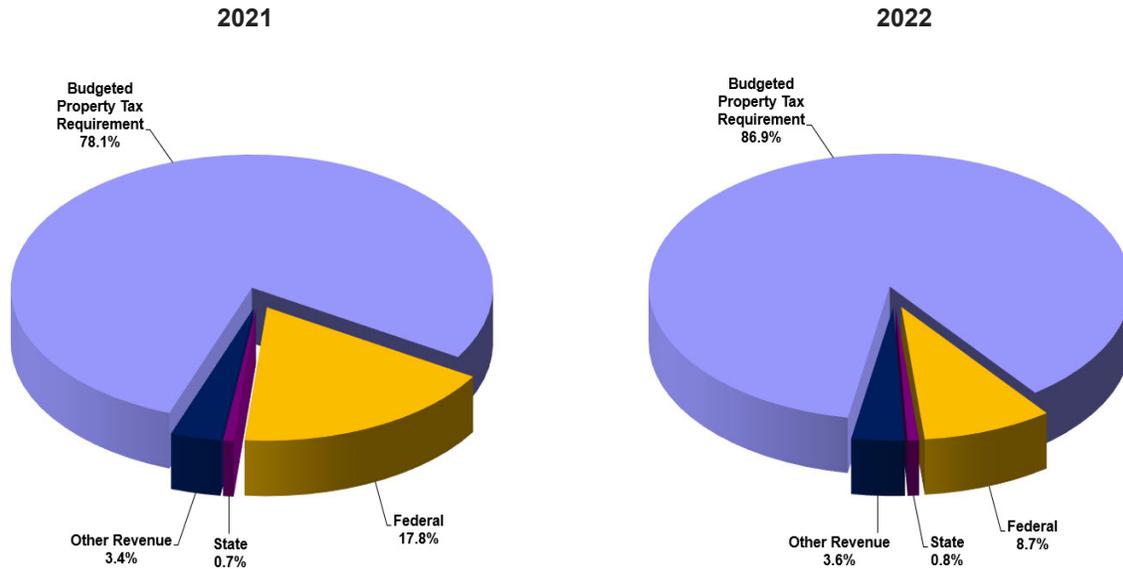
Digital Experience directs the prioritized delivery of consistently positive and accessible digital service that exceeds residents' expectations and increases their trust in the county.

Business Information Office is a strategic technical liaison bridging our customers' business objectives with the County's technology mission and serve our customers through strong partnerships, advocacy, business competency and technical expertise.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$12,871,204	\$12,934,016	\$13,330,585
Other Taxes	0	0	0
Federal	8,798,325	2,941,983	1,340,332
State	49,980	117,000	117,000
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	392,963	557,611	546,458
Other Financing	0	0	0
Total Revenues	\$22,112,472	\$16,550,610	\$15,334,375
Personnel Services	\$10,867,954	\$12,010,213	\$12,308,041
Commodities	4,035,781	765,806	305,175
Services	5,811,187	2,543,093	2,507,529
Public Aid Assistance	12,100	0	0
Capital Outlay	37,375	0	0
Other Charges	48,633	1,191,498	173,630
Grants	34,637	40,000	40,000
Total Expenditures	\$20,847,667	\$16,550,610	\$15,334,375
Budgeted Positions (Full-Time Equivalents)	96.8	103.8	108.8

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

Revenue Comparison



Significant Budget Changes

When compared to the 2021 adjusted budget, the 2022 Operations Administration expenditures will decrease by \$1.2 million or 7.4 percent, revenues will decrease by \$1.6 million or 44.6 percent, and property tax will increase by approximately \$396,600 or 3.0 percent. The majority of the decrease stems from one-time 2021 CARES Act Relief federal reimbursement for COVID related expenses which accounts for \$1.0 million of the decrease for revenue and expenses. Another contributor to the overall decrease stems from the sunsetting of the Emergency Management Performance Grant-COVID Supplemental Grant which includes two limited duration staff and overall timing and utilization of the multi-year grants which is based on operational plan for each of those grants.

Other notable changes occur in Communications & Engagement Services, Digital Experience, and Business Information Office. In 2022, the reorganization of staff will occur to better align with operational activities to support countywide departments and organizational initiatives.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
Emergency Mgmt	2,621,844	3,090,583	2,527,104
Communications & Engagement Svcs	9,464,791	7,434,079	8,683,681
Digital Experience	1,649,040	1,823,392	1,449,901
Business Information Office	7,111,992	4,202,556	2,673,689
Total Expenditures	\$20,847,667	\$16,550,610	\$15,334,375

Additional Resources:

Hennepin County:
Phone: (612)348-3000
Website: www.hennepin.us

Emergency Management:
Phone: (612)596-0250
Email: Emergency.Management@hennepin.us
Website: www.hennepin.us/residents/emergencies/emergency-management

Mission

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

Department Description:

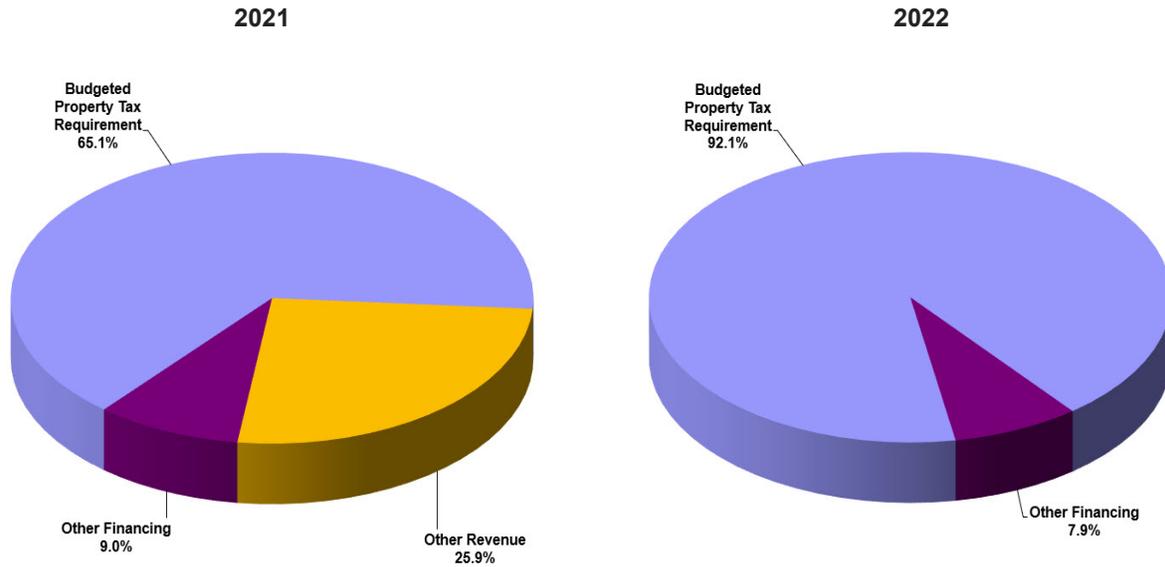
General County Purposes includes:

- Hennepin History Museum, County Fair, Extension Services, National Association of Counties, Association of Minnesota Counties, that the county supports through funding as required or permitted by state law.
- Minneapolis Employee Retirement Fund (MERF) Payments for former city entities (Minneapolis Workhouse, Center Hospital)
- Municipal Building Commission (MBC)
- Ballpark Office expenses and the Hennepin Youth Sports Program reimbursed through sales tax.
- Commercial Paper Program
- Hennepin University Partnership (HUP)
- Countywide Tuition
- Contingency

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$25,104,211	\$17,555,746	\$29,225,633
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	75,817	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	7,000,000	0
Other Financing	0	2,425,000	2,500,000
Total Revenues	\$25,180,028	\$26,980,746	\$31,725,633
Personnel Services	\$6,899,504	\$1,169,200	\$1,176,521
Commodities	41,224	15,000	17,600
Services	3,578,392	4,335,478	4,336,658
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	3,132,471	19,113,068	23,771,854
Grants	1,700,573	2,348,000	2,423,000
Total Expenditures	\$15,352,163	\$26,980,746	\$31,725,633
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Revenue Comparison



Significant Budget Changes

The 2022 approved General County Purposes budget is \$31.7 million, a net increase of \$4.7 million from the 2021 adjusted budget. Of the increase, \$4.6 million is associated with the contingency budget and \$75,000 in the Hennepin County Youth Sports.

Division Budgets:	2020 Actual	2021 Budget	2022 Budget
County Revenue	0	0	0
Contingency	0	16,221,052	20,829,446
Municipal Building Commission	3,329,249	3,766,308	3,766,308
Hennepin Youth Sports	1,777,573	2,425,000	2,500,000
Other General Govt	10,245,341	4,568,386	4,629,879
Total Expenditures	\$15,352,163	\$26,980,746	\$31,725,633

Budget Commentary

The 2022 approved Contingency budget is approximately \$20.8 million which is a increase of \$4.6 million when compared to the 2021 adjusted budget.

Key Results:

<u>Dues & Contributions:</u>	<u>2020 Actuals</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
National Association of Counties (NACO)	\$23,049	\$23,049	\$23,049
Association of Minnesota Counties (AMC)	93,570	90,640	90,640
MN Historical Society (St. Anthony Falls Heritage Board)	31,000	31,000	31,000
Youth Coordinating Board	74,523	74,523	74,523
Brooklyn Bridge Alliance	57,500	57,500	57,500
Greater Mpls/St. Paul	158,000	25,000	150,000
Greater Metropolitan Workforce Council	0	10,400	10,400
Minnesota African American Heritage Museum	0	125,000	0
Miscellaneous Dues & Contributions	0	7,939	7,939
Total	\$437,642	\$445,051	\$445,051

Additional Resources:

- hennepincountyfair.com
- hennepinhistory.org
- extension.umn.edu
- municipalbuildingcommission.org
- hennepin.us/youthsports
- hup.umn.edu

Ballpark Sales Tax Revenues

Operations

2022 BUDGET

Adopted Budget

Mission

The Ballpark Sales Tax is authorized by Minnesota State Statute to make payments on the sales tax revenue bonds issued to fund Hennepin County's contribution to the downtown baseball stadium, and to fund other authorized uses.

Department Description:

Budgeted funds are primarily used to make principal and interest payments due on Hennepin County's sales tax revenue bonds issued to fund a portion of the costs of the Twins baseball stadium. Sales tax revenue is collected on all taxable goods and services in the county at the rate of 0.15 percent and is distributed by the Minnesota Department of Revenue to a bond trustee. The bond trustee makes all debt service payments. Other authorized uses for remaining sales taxes include contributions to a ballpark capital improvement account, the Minnesota Ballpark Authority's administrative costs, youth activities, and library programs.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes	35,561,447	39,210,961	39,995,180
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	43,000	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	-903,472	-12,244,230
Other Financing	-29,116,883	-35,802,489	-25,212,950
Total Revenues	\$6,487,564	\$2,505,000	\$2,538,000
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	360,454	500,000	500,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	1,930,296	2,005,000	2,038,000
Total Expenditures	\$2,290,750	\$2,505,000	\$2,538,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

Budget Commentary

Other Financing consists of transfers to other funds for debt service (\$20.2 million), additional library hours (\$2.5 million), and youth activities (\$2.5 million). Other Revenue is the use of fund balance (\$12.2 million).

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.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$90,400,000	\$90,400,000	\$94,500,000
Other Taxes	45,904	0	0
Federal	1,304,492	1,252,552	1,330,066
State	28,352	0	0
Local	10,157,315	12,031,119	12,155,388
Investment Earnings	19,067	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	46,861,072	60,493,695	49,970,664
Total Revenues	\$148,823,341	\$164,177,366	\$157,956,118
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	1,059,986	1,400,000	1,400,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	145,489,034	162,777,366	156,556,118
Grants	0	0	0
Total Expenditures	\$146,549,019	\$164,177,366	\$157,956,118
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Major Program: Capital Improvement Program

Countywide Capital Projects



Program Description:

The capital budget provides resources that fund county building, facility modification and transportation construction projects during the budget year. Capital projects contained within the budget are often implemented in multiple years; requiring funding in preceding and/or succeeding years due to their magnitude and construction scheduling. Proposed capital projects are reviewed by citizen representatives serving on the Capital Budgeting Task Force (CBTF) as well as County Administration. Program needs, operating cost implications, revenues and expenditures are reviewed in order to develop a five-year Capital Improvement Program (CIP) that provides for the sound financial planning of future infrastructure needs of the county. The program is reassessed annually as new conditions and circumstances arise.

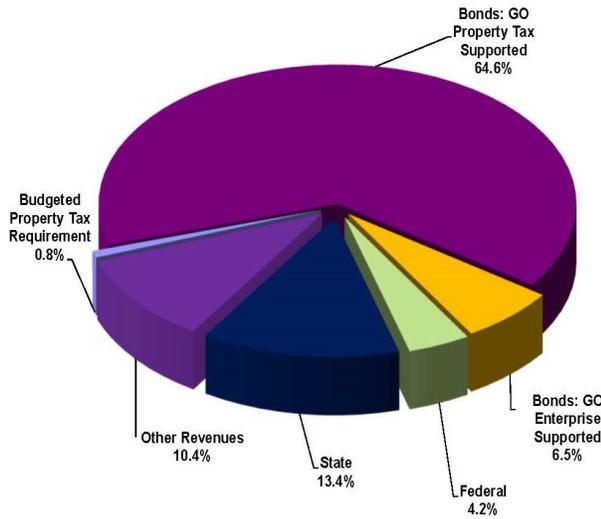
FOR SPECIFIC DETAILS REGARDING THE CAPITAL BUDGET AND EACH PROJECT, REFER TO THE 2022 CAPITAL BUDGET AND 2022 - 2026 CAPITAL IMPROVEMENT PROGRAM which is available on the County's internet site.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement*	\$3,004,000	\$1,875,000	\$2,154,000
Other Taxes	5,416	0	0
Federal	6,679,805	8,620,900	14,174,000
State	43,282,565	39,909,861	45,232,000
Local	5,571,218	3,035,000	16,365,000
Investment Earnings	981,866	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	2,343,759	5,110,380	1,350,000
Other Financing	342,686,822	132,413,319	257,739,500
Total Revenues	\$404,555,740	\$190,964,460	\$337,014,500
Personnel Services			
Commodities	6,331,371	0	0
Services	15,498,959	0	0
Public Aid Assistance	0	0	0
Capital Outlay	125,465,331	190,964,460	337,014,500
Other Charges	314,649,524	0	0
Grants	0	0	0
Total Expenditures	\$461,945,185	\$190,964,460	\$337,014,500
Budgeted Positions (Full-Time Equivalents)	0	0	0

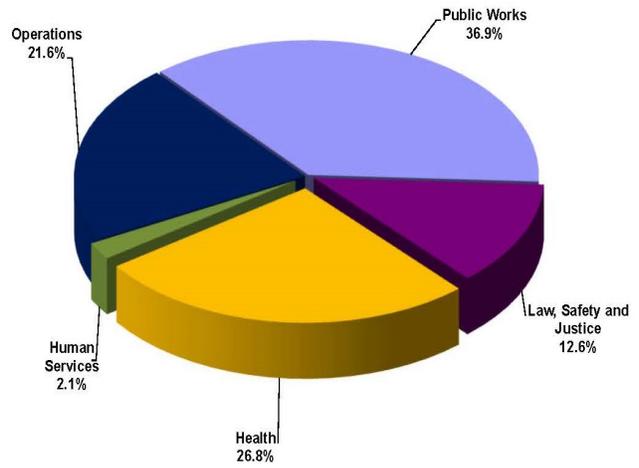
* Reflects the adjusted property tax requirement budget, not actual property tax collected.

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Countywide Capital Projects	461,945,185	190,964,460	337,014,500
Total Expenditures	\$461,945,185	\$190,964,460	\$337,014,500

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Countywide Capital Projects	0	0	0
Budgeted Positions (Full-Time Equivalents)	0	0	0

Revenue Summary:

The capital budget for 2022 (excluding debt retirement, which is discussed in the Debt Retirement section of Operations) is \$337.0 million. This represents an increase of \$146.1 million or 76.5 percent compared to the adjusted 2021 budget of \$191.0 million, but less than the 2020 adjusted budget of \$461.4 million. Significant annual decreases/increases in the capital budget are common due to the ever changing mix of projects, their implementation schedules, and the changing revenue sources available to fund those initiatives. This year's budget increase is driven by three projects that moved from the out-years of the prior five-year capital improvement program to receiving approval for 2022 implementation: \$43.5 million for a new anaerobic digestion facility, \$20.0 million toward a new Sheriff's law enforcement center, and \$46.0 million toward the medical center's purple parking ramp expansion. (see the capital budget and capital improvement program for additional project detail for these planned investments and all other projects).

Other Financing - is the main funding source of the annual capital budget (71.2%) and is mostly general obligation (GO) bonding, which supports capital investments across all county programs. For 2022, general obligation bonding is budgeted at \$239.8 million which is an increase of \$109.2 million from the \$130.6 million budgeted in 2021, mostly due to the addition of the three projects previously noted.

Intergovernmental (federal, state and local) revenues of \$75.8 million are included in the 2022 capital budget, which is up from the 2021 level of \$51.6 million. The variance between federal, state and local revenues is almost exclusively related to road and bridge construction projects where the funding formulas vary based on the class of road or bridge being reconstructed as well as the construction schedule of given projects.

Budgeted Property Tax Requirement - The 2022 capital budget includes \$2.2 million in property tax funding which is \$300,000 more than the \$1.9 million budgeted in 2021. Property Taxes are utilized in the capital budget only as a funding source of last resort- typically for preliminary capital project planning or studies that would not be eligible for any other type of funding source.

Expenditure Summary:

Expenditure Area	<u>2022 Budget</u>	<u>2023 Plan</u>	<u>2024 Plan</u>	<u>2025 Plan</u>	<u>2026 Plan</u>	<u>2022-2026 CIP</u>
Public Works	124,330,000	136,900,000	143,885,000	172,505,000	311,855,000	889,475,000
Law, Safety and Justice	42,470,000	21,310,000	6,540,000	4,795,000	0	75,115,000
Health	90,305,000	46,000,000	16,500,000	10,500,000	0	163,305,000
Human Services	7,000,000	0	0	0	0	7,000,000
Operations	<u>72,909,500</u>	<u>104,122,000</u>	<u>80,410,000</u>	<u>41,705,000</u>	<u>13,210,000</u>	<u>312,356,500</u>
Total	337,014,500	308,332,000	247,335,000	229,505,000	325,065,000	1,447,251,500

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 within the 2022 CAPITAL BUDGET AND 2022 - 2026 CAPITAL IMPROVEMENT PROGRAM which is available on the County's internet site.

Major Program: Internal Service Funds

Fleet Services
 Energy Center
 Employee Health Plan Self Insurance
 Information Technology Internal Services
 Self Insurance
 Other Employee Benefits

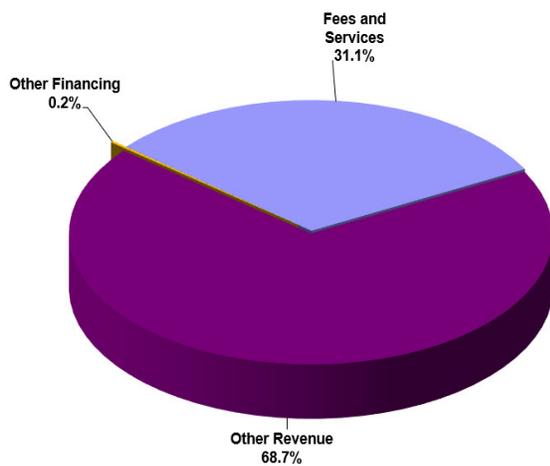
Program Description:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government or to other governmental units, on a cost-reimbursement basis.

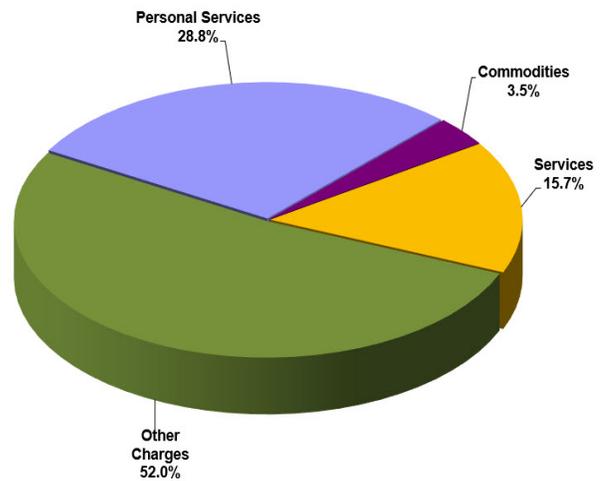
Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	3,358,620	120,567	0
State	0	0	0
Local	0	0	0
Investment Earnings	553,823	0	0
Fees for Services	99,088,000	106,551,763	102,815,886
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	171,195,052	212,595,720	227,608,722
Other Financing	2,530,983	700,000	700,000
Total Revenues	\$276,726,478	\$319,968,050	\$331,124,608
Personnel Services	\$78,811,859	\$92,961,100	\$95,191,188
Commodities	22,002,032	14,848,457	11,593,047
Services	37,122,372	49,422,323	51,980,017
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	130,872,755	162,736,170	172,227,733
Grants	0	0	0
Total Expenditures	\$268,809,019	\$319,968,050	\$331,124,608
Budgeted Positions (Full-Time Equivalents)	452.4	458.6	501.4

Revenue and Expenditure Comparison

2022 Revenue



2022 Expenditures



Department Expenditure Summary:	2020 Actual	2021 Budget	2022 Budget
Fleet Services	17,561,234	18,605,826	19,162,952
Energy Center	8,865,061	10,145,955	10,320,256
Employee Health Plan Self Insurance	118,927,635	150,680,289	160,503,013
Information Technology Internal Services	92,068,660	102,336,977	101,795,818
Self Insurance	8,964,108	13,199,003	14,342,569
Other Employee Benefits	22,422,321	25,000,000	25,000,000
Total Expenditures	\$268,809,019	\$319,968,050	\$331,124,608

Budgeted Positions:	2020 Actual	2021 Budget	2022 Budget
Fleet Services	28.0	29.2	29.0
Energy Center	1.0	1.0	1.0
Employee Health Plan Self Insurance	6.0	6.0	6.0
Information Technology Internal Services	410.4	414.4	457.4
Self Insurance	7.0	8.0	8.0
Other Employee Benefits	0	0	0
Budgeted Positions (Full-Time Equivalents)	452.4	458.6	501.4

Mission

To provide appropriate, economical, reliable, safe and environmentally responsible vehicles and equipment to all county departments.

Department Description:

Fleet Services manages, procures, and provides maintenance to more than 1,200 pieces of equipment for county departments that include cars, trucks, vans, boats, trailers, on-road equipment, and off-road equipment for conducting official county business.

- Accident Reporting
- Acquisition/Disposal
- Fuel and Maintenance
- Motor Pool
- Vehicle and Driver Safety

Fleet Services supports 6 Business Lines, 20 departments, and 80 distinguished divisions with safe, reliable, economical, and environmentally responsible fleet vehicles, as well as equipment and services that best allow them to promote health, safety, well-being, and quality of life to county residents.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	21,301	12,009	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	63,193	55,000	55,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	17,485,202	17,838,817	18,407,952
Other Financing	1,117,953	700,000	700,000
Total Revenues	\$18,687,647	\$18,605,826	\$19,162,952
Personnel Services	\$2,634,776	\$3,087,477	\$3,264,612
Commodities	3,540,488	3,428,000	3,636,286
Services	2,624,478	3,182,955	2,957,138
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	8,761,493	8,907,394	9,304,916
Grants	0	0	0
Total Expenditures	\$17,561,234	\$18,605,826	\$19,162,952
Budgeted Positions (Full-Time Equivalents)	28.0	29.2	29.0

Mission

Supply reliable and economical heating and cooling utilities, and operate the plant in a safe and environmentally sound manner.

Department Description:

The Hennepin County Energy Center supplies steam, chilled water, electrical distribution and other utilities to county and private sector customers. The Energy Center sets operating policies and procedures, manages contracts, sets rates, meets regulatory requirements and manages maintenance and capital projects.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	9,218,255	10,145,955	10,320,058
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	198
Other Financing	0	0	0
Total Revenues	\$9,218,255	\$10,145,955	\$10,320,256
Personnel Services	\$140,287	\$142,810	\$157,922
Commodities	3,745,089	4,829,047	4,854,581
Services	2,797,352	2,887,856	2,951,165
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	2,182,333	2,286,242	2,356,588
Grants	0	0	0
Total Expenditures	\$8,865,061	\$10,145,955	\$10,320,256
Budgeted Positions (Full-Time Equivalents)	1.0	1.0	1.0

Mission

The Employee Health Plan Self Insurance Fund is to enhance and maintain the wellness of the Hennepin County employees and dependents and retirees while supporting the mission and vision of Hennepin County.

Department Description:

This department is an internal service fund that accounts for the county's employee health plan and the HealthWorks programs.

Employee Health Plan Self Insurance records premium revenue and claims expense.

HealthWorks connects employees, their dependents, and retirees with wellness programs and services to help them maintain or improve their health.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	2,598	434	0
State	0	0	0
Local	0	0	0
Investment Earnings	552,849	0	0
Fees for Services	6,943,931	17,500,000	19,000,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	114,968,865	133,179,855	141,503,013
Other Financing	0	0	0
Total Revenues	\$122,468,243	\$150,680,289	\$160,503,013
Personnel Services	\$530,013	\$622,771	\$624,610
Commodities	2,594	25,000	23,500
Services	8,157,778	10,674,084	10,811,603
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	110,237,250	139,358,434	149,043,300
Grants	0	0	0
Total Expenditures	\$118,927,635	\$150,680,289	\$160,503,013
Budgeted Positions (Full-Time Equivalents)	6.0	6.0	6.0

Mission

To leverage technology that improves residents' lives.

Department Description:

Information Technology Internal Services infrastructure and technology services are critical elements in providing effective and efficient services throughout the county. To keep pace with the changing county needs within the current technology environment, central information technology provides business value throughout the county by:

- Helping customers utilize web, cloud, and technology service providers to meet their business objectives.
- Creating an environment that is secure and recoverable from other technology related disasters.
- Supporting the workforce with increasingly mobile, secure access that is available at the times staff require to perform their jobs.
- Providing customers with collaboration and data management tools.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	1,353,936	75,099	0
State	0	0	0
Local	0	0	0
Investment Earnings	974	0	0
Fees for Services	82,862,622	78,850,808	73,440,828
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	7,900,130	23,411,070	28,354,990
Other Financing	1,413,031	0	0
Total Revenues	\$93,530,693	\$102,336,977	\$101,795,818
Personnel Services	\$44,819,319	\$52,257,392	\$53,319,011
Commodities	14,704,455	6,550,910	3,047,680
Services	22,968,173	31,730,300	34,294,398
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	9,576,713	11,798,375	11,134,729
Grants	0	0	0
Total Expenditures	\$92,068,660	\$102,336,977	\$101,795,818
Budgeted Positions (Full-Time Equivalents)	410.4	414.4	457.4

Note: In 2021, Information Technology Central Services (fund 60) was merged into Information Technology Internal Services (Fund 62) and for year over year comparative purposes, the 2020 financial information includes Central Services.

Mission

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

Department Description:

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

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	1,980,785	33,025	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	8,418,535	13,165,978	14,342,569
Other Financing	0	0	0
Total Revenues	\$10,399,320	\$13,199,003	\$14,342,569
Personnel Services	\$8,265,145	\$11,850,650	\$12,941,241
Commodities	9,405	15,500	31,000
Services	574,591	947,128	982,128
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	114,967	385,725	388,200
Grants	0	0	0
Total Expenditures	\$8,964,108	\$13,199,003	\$14,342,569
Budgeted Positions (Full-Time Equivalents)	7.0	8.0	8.0

Other Employee Benefits
Internal Service Funds

2022 BUDGET
Adopted Budget

Mission

The Other Employee Benefits Fund is used to account for the cost of compensated absences along with the cost of other post employment benefits 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 along with post employment healthcare benefits relating to governmental funds on a cost-reimbursement.

Revenue and Expenditure Information	2020 Actual	2021 Budget	2022 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	22,422,321	25,000,000	25,000,000
Other Financing	0	0	0
Total Revenues	\$22,422,321	\$25,000,000	\$25,000,000
Personnel Services	\$22,422,321	\$25,000,000	\$25,000,000
Commodities	0	0	0
Services	0	0	0
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$22,422,321	\$25,000,000	\$25,000,000
Budgeted Positions (Full-Time Equivalents)	0	0	0



Regional medical examiner's facility

The new Regional Medical Examiner's Facility, opening in 2022 in Minnetonka, will serve the residents of Hennepin, Dakota and Scott counties. Starting in 2015, the three counties joined forces to provide more efficient and effective medical examiner services for residents. The new facility serves as the home base for the tri-county service area.

For additional budget information visit:
hennepin.us/budgets



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