

HENNEPIN COUNTY
MINNESOTA

2023 Budget



HENNEPIN COUNTY
MINNESOTA

2023 BUDGET

As approved on December 15, 2022 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

2023 Operating Budget

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I. Budget Message

HENNEPIN COUNTY

MINNESOTA

January 2, 2023

Honorable Board of County Commissioners:

Hennepin County's North Star, our directional path, is to serve residents. The 2023 budget grounds itself in Hennepin County's core values of continuous improvement, customer service, diversity and inclusion, employee engagement and workforce development; and emphasizes strategies and activities to reduce disparities; and includes actions that support the county's Climate Action Plan.

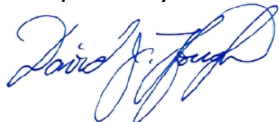
I am pleased to present the approved 2023 Hennepin County Budget. The budget totals \$2.7 billion, with a net property tax levy of \$930,849,945. This property tax levy is a 3.5% increase over 2022.

The operating portion of the budget totals \$2.3 billion, an increase of \$84.9 million or 3.9% percent over the adjusted 2022 budget. The capital portion of the budget totals \$447.7 million, an increase of \$101 million or 29.1 percent over the adjusted 2022 amount. 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 2023 budget demonstrates our commitment to our mission and goals and is embedded in our solid fiscal stewardship that remains evident in over four decades of AAA bond ratings. Employees have shown great fortitude over the past several years 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

The 2023 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 2023 operating and capital budget submissions. The schedule on page I-4 identifies key stages in the formulation of the operating and capital budgets.

The ongoing global coronavirus 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 and ARPA 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.

For 2023, the operating budget guidelines directed departments to submit a budget request that required no more than 102% percent of each department's 2022 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 2023 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 are not recommended

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.

Departments submitted budget requests to the Office of Budget and Finance on July 1, 2022. During August, department staff met with County Administration and the Office of Budget and Finance to clarify and resolve areas of concern.

On September 20, 2022, 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 27, the county administrator recommended, and the Hennepin County Board of Commissioners approved a maximum levy of \$930.8 million – and increase of 3.50% when compared to the 2022 adopted property tax lev.

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 at 6:00 p.m. on November 29, 2022. On December 15, 2022 the county board adopted the 2023 budget by resolution, authorizing appropriations and establishing staffing complements for county departments.

The final approved property tax levy for 2023 is \$930.8 million – and increase of 3.50% when compared to last year.

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 (HCRRRA) was established to plan, design and implement rail transit in Hennepin County. The final approved HCRRRA 2023 budget is \$30,781,161, with a property tax levy of \$32,000,000.

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 2023 budget is \$19,762,447, 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 2023 operating budget is \$1,370,376,000.

2022 Fiscal Year	2023 Operating Budget	2023 - 2027 Capital Improvement Program	Related Activities
January			2022 Fiscal Year begins
February		2023 - 2027 CIP instructions distributed	
March		Departmental preliminary capital project requests submitted to Facility Services or Public Works Administration	Recap of FY 2021 Financials completed and distributed
April	2023 Operating Budget instructions & targets distributed	Capital project descriptions and cost estimates returned to departments.	
May	Departments develop 2023 budget requests consistent with property tax targets and other budget guidelines	departments finalize capital project requests; and departments meet with County Administration regarding CIP as required	
June			
July	2023 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 2023 - 2027 project requests	2nd Quarter 2022 Financials/Year-end Projections completed and distributed
August			
September	County Board Briefing on 2023 budget and tax levy; County Administrator presents Proposed 2023 Budget; and County Board adopts maximum proposed property tax levy for 2023	County Administrator finalizes the proposed 2023 Capital Budget; CBTF finalizes its recommended 2023 - 2027 CIP	
October	Beginning in October, the County Board holds a series of public hearings to review and discuss proposed 2023 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 2023 operating and capital budgets; and holds a public meeting for budget and levy discussion.		3rd Quarter 2022 Financials/Year-end projections completed and distributed
December	County Board approves a final 2023 property tax levy and adopts a 2023 Operating and Capital Budget; and Budget Office finalizes property tax levy certifications and reporting to State agencies.		2022 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 2023 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: **2023 Capital Budget and 2023-2027 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 2023 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.

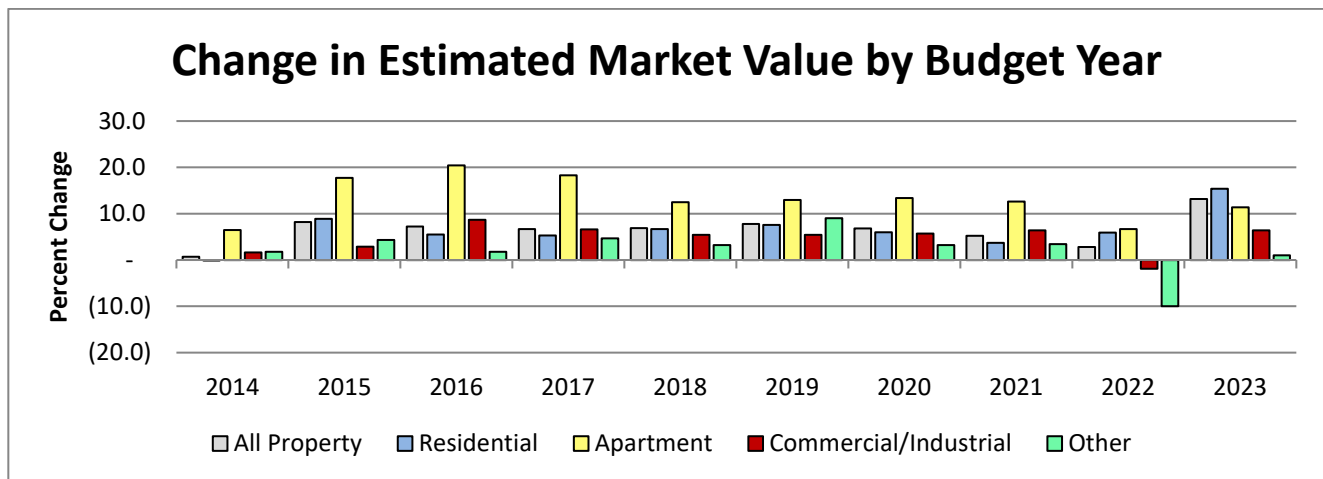
Estimated Market Value

Estimated Market Value (EMV) represents the estimated selling price of a property, given a willing buyer and seller. In the assessment year 2022, for taxes payable in 2023, Hennepin County's total EMV was \$233.3 billion, an increase of \$27.2 billion, or 13.2 percent, from taxes payable in 2022. In Minneapolis, property values increased by \$3.9 billion, or 6.5 percent. Suburban property values rose by \$23.2 billion, or 16.0 percent.

Suburban properties account for 72.3 percent of Hennepin County's estimated market value with the remaining 27.7 percent in the City of Minneapolis. Residential property accounts for most of the property value in both Minneapolis (59.4 percent) and suburban Hennepin County (73.2 percent).

Residential values in suburban Hennepin rose 18.1 percent and in the City of Minneapolis residential properties increased about 7.3%. Residential properties comprise 69.4 percent of all property value in the county.

Apartments comprise 12.4 percent of Hennepin County's total EMV, making up 9.3 percent of the total EMV in Suburban Hennepin County, and 20.5 percent of total EMV in Minneapolis. Commercial and industrial property values account for 17.2 percent of Hennepin County's total EMV (19.6 percent of EMV in Minneapolis and 16.2 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 69.4 percent of the EMV, but after the conversion to (unadjusted) tax capacity, residential properties comprise 58.7 percent of tax capacity. Similarly, commercial/industrial property represents 17.2 percent of the countywide EMV, but the tax capacity of those commercial/industrial properties accounts for 27.9 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 2023, approximately \$27.2 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 2023, approximately \$30.5 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	69.4%	58.7%	62.4%
Commercial/Industrial	17.2%	27.9%	23.4%
Apartment	12.4%	12.1%	12.8%
Other/Personal	1.0%	1.3%	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 2023, the total adjusted tax capacity of taxable property in Hennepin County is estimated to be \$2.6 billion, a 14.4 percent increase from taxes payable in 2022.

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 2023, local governments were required to adopt a maximum property tax levy by September 30, 2023, 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 2023 budget and levy were discussed. The final 2023 tax levy had to be adopted and certified to the County Auditor by December 30, 2023. Hennepin County met all statutory requirements for establishing the 2023 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 2023 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

2023 BUDGET

COMPUTATION OF LEVIES BY FUND

	TOTAL BUDGET	INCOME FROM OTHER SOURCES	PROPERTY TAX REQUIREMENT	COLLECTION RATE	GROSS PROPERTY TAX LEVY
General Fund	\$867,549,620	\$299,352,568	\$568,197,052	98.5%	\$576,849,799
Human Services	689,270,146	401,287,186	287,982,960	98.5%	292,368,487
Opioid Special Revenue	2,333,333	2,333,333	0	0.0%	0
Hennepin Health	376,515,658	376,515,658	0	0.0%	0
Transportation Sales Tax	28,800,000	28,800,000	0	0.0%	0
Solid Waste Enterprise Fund	93,598,351	93,348,351	250,000	98.5%	253,807
Glen Lake Golf Course	1,052,685	1,052,685	0	0.0%	0
Radio Communications	<u>4,159,961</u>	<u>4,159,961</u>	0	0.0%	0
Total Operating	<u>\$2,063,279,754</u>	<u>\$1,206,849,742</u>	<u>\$856,430,012</u>		<u>\$869,472,093</u>
Debt Retirement - Countywide	192,402,673	95,402,673	97,000,000	100.0%	97,000,000
Ballpark Sales Tax Revenue	2,665,000	2,665,000	0	0.0%	0
Capital Improvements	<u>447,655,800</u>	<u>446,815,800</u>	<u>840,000</u>	98.5%	852,792
Total Non-Operating	<u>\$642,723,473</u>	<u>\$544,883,473</u>	<u>\$97,840,000</u>		<u>\$97,852,792</u>
GRAND TOTAL	<u>\$2,706,003,227</u>	<u>\$1,751,733,215</u>	<u>\$954,270,012</u>		<u>\$967,324,885</u>
Less County Program Aid			<u>(\$36,474,940)</u>		<u>(\$36,474,940)</u>
County Property Tax Levy			<u>\$917,795,072</u>		<u>\$930,849,945</u>

2023 BUDGET**TAX CAPACITY
TAX CAPACITY RATES**

	2021 Actual	2022 Budget	2023 Budget
ESTIMATED MARKET VALUE			
Minneapolis	\$556,449,536	\$60,615,089,528	\$64,577,324,700
Suburban	<u>1,630,687,200</u>	<u>146,131,156,000</u>	<u>168,738,771,500</u>
TOTAL ESTIMATED MARKET VALUE	<u>\$188,921,092,385</u>	<u>\$206,746,245,528</u>	<u>\$233,316,096,200</u>
NET TAX CAPACITY			
Minneapolis	\$696,691,201	\$703,853,801	\$760,371,933
Suburban	<u>1,564,015,754</u>	<u>1,631,179,765</u>	<u>1,911,246,008</u>
TOTAL NET TAX CAPACITY	<u>\$2,260,706,955</u>	<u>\$2,335,033,566</u>	<u>\$2,671,617,941</u>
TAX CAPACITY RATE (OPERATING)			
General Fund	21.750%	22.466%	20.517%
Human Services	12.396%	11.936%	10.396%
Solid Waste Fund	<u>0.000%</u>	<u>0.000%</u>	<u>0.010%</u>
OPERATING RATE SUBTOTAL	34.146%	34.401%	30.923%
Countywide Debt Retirement	3.959%	4.035%	3.601%
Capital Improvements	<u>0.084%</u>	<u>0.094%</u>	<u>0.032%</u>
TOTAL TAX CAPACITY RATE	38.189%	38.530%	34.556%

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.

2023 BUDGET

2023 Expenditures and Revenues

By Fund

(Page 1 of 2)

I. Governmental Funds								
	General Fund	Human Services	Opioid Settlement	Transportation Sales Tax	Ballpark Sales Tax Revenue	Capital Improvement	Debt Retirement	Governmental Subtotals
BUDGET EXPENDITURES								
Public Works	73,604,967			28,800,000				102,404,967
Law, Safety and Justice	375,295,420							375,295,420
Health	86,815,912							86,815,912
Human Services		689,270,146	2,333,333					691,603,479
Disparity Reduction	19,029,113							19,029,113
Resident Services	136,747,955							136,747,955
Operations	176,056,253				2,665,000		192,402,673	371,123,926
Capital Improvements						447,655,800		447,655,800
TOTAL EXPENDITURES	\$867,549,620	\$689,270,146	\$2,333,333	\$28,800,000	\$2,665,000	\$447,655,800	\$192,402,673	\$2,230,676,572
BUDGET REVENUES								
Property Taxes	553,039,122	275,665,951				840,000	97,000,000	926,545,073
Other Taxes								
Wheelage Tax	20,800,000							20,800,000
Sales and Use Taxes				146,200,000	43,607,845			189,807,845
Other Non-Property Taxes	2,914,100							2,914,100
Other Taxes Total	23,714,100			146,200,000	43,607,845			213,521,945
Total Taxes	576,753,222	275,665,951		146,200,000	43,607,845	840,000	97,000,000	1,140,067,018
Intergovernmental-Federal	26,366,194	192,566,559				15,475,000	1,205,504	235,613,257
Intergovernmental-State								
County Program Aid	24,157,931	12,317,009						36,474,940
Highway Maintenance	18,826,423					47,520,000		66,346,423
Community Corrections	19,569,407							19,569,407
Community Health		2,699,292						2,699,292
Human Services		106,393,295						106,393,295
Public Defender	5,100,000							5,100,000
Other	9,971,356					750,000		10,721,356
Total State	77,625,117	121,409,596				48,270,000		247,304,713
Intergovernmental-Local	6,406,434	7,407,823				8,410,000	12,356,488	34,580,745
Total Intergovernmental	110,397,745	321,383,978				72,155,000	13,561,992	517,498,715
Investment Earnings	16,922,500							16,922,500
Fees for Services	64,672,916	51,282,620						115,955,536
Fines and Forfeitures	247,500							247,500
Licenses and Permits	6,085,892	2,225,000						8,310,892
Other Revenue								
Indirect Cost Allocation	23,936,318							23,936,318
Dec. / (Inc.) In Fund Balance	33,404,050	36,254,437		48,681,500	16,109,905			134,449,892
Miscellaneous	29,906,977	2,458,160	2,333,333			2,115,000		36,813,470
Total Other Revenue	87,247,345	38,712,597	2,333,333	48,681,500	16,109,905	2,115,000	-	195,199,680
Total Current Revenue	862,327,120	689,270,146	2,333,333	194,881,500	59,717,750	75,110,000	110,561,992	1,994,201,841
Other Financing Sources / (Uses)								
Bond Proceeds						217,475,800		217,475,800
Transfer From / (To) Other Funds	5,222,500			(166,081,500)	(57,052,750)	155,070,000	81,840,681	18,998,931
Total Revenue	867,549,620	689,270,146	\$2,333,333	\$28,800,000	\$2,665,000	\$447,655,800	\$192,402,673	\$2,230,676,572

2023 BUDGET

2023 Expenditures and Revenues By Fund (Page 2 of 2)

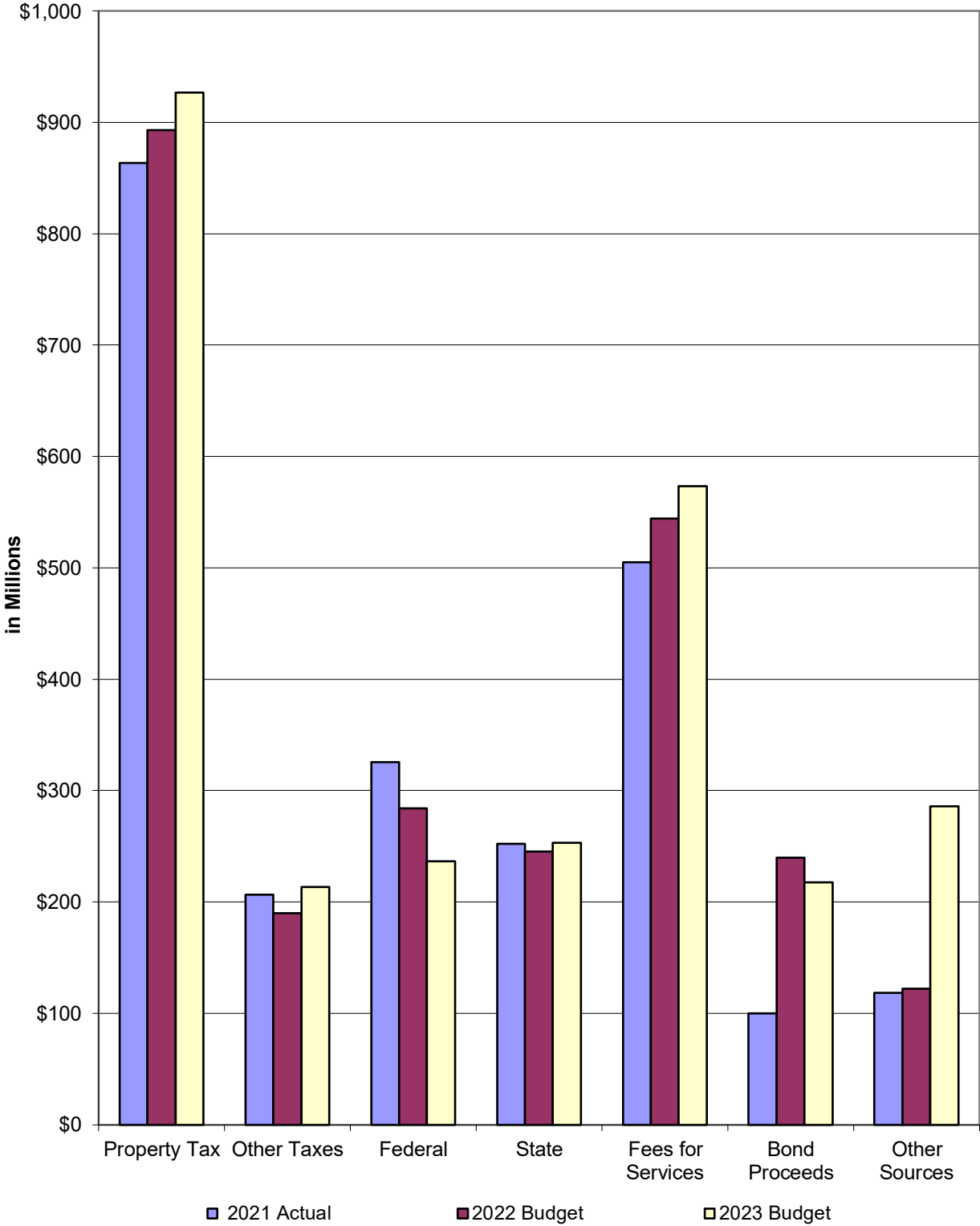
II. Enterprise Funds					
	Hennepin Health	Solid Waste Enterprise	Radio Comm.	Glen Lake Golf Course	Governmental & Enterprise Totals
BUDGET EXPENDITURES					
Public Works		93,598,351		1,052,685	197,056,003
Law, Safety and Justice			4,159,961		379,455,381
Health	376,515,658				463,331,570
Human Services					691,603,479
Disparity Reduction					19,029,113
Resident Services					136,747,955
Operations					371,123,926
Capital Improvements					447,655,800
TOTAL EXPENDITURES	\$376,515,658	\$93,598,351	\$4,159,961	\$1,052,685	\$2,706,003,227
BUDGET REVENUES					
Property Taxes		250,000			926,795,073
Other Taxes					
Wheelage Tax					20,800,000
Sales and Use Taxes					189,807,845
Other Non-Property Taxes					2,914,100
Other Taxes Total					213,521,945
Total Taxes		250,000			1,140,317,018
Intergovernmental-Federal		700,000			236,313,257
Intergovernmental-State					
County Program Aid					36,474,940
Highway Maintenance					66,346,423
Community Corrections					19,569,407
Community Health					2,699,292
Human Services					106,393,295
Public Defender					5,100,000
Other		5,756,180			16,477,536
Total State		5,756,180			253,060,893
Intergovernmental-Local					34,580,745
Total Intergovernmental		6,456,180			523,954,895
Investment Earnings	525,000	245,000			17,692,500
Fees for Services	377,809,257	74,786,702	4,597,569		573,149,064
Fines and Forfeitures		30,000			277,500
Licenses and Permits		1,039,400			9,350,292
Other Revenue					
Indirect Cost Allocation					23,936,318
Dec. / (Inc.) In Fund Balance	(1,818,599)	9,814,988	(437,608)		142,008,673
Miscellaneous		976,081		1,052,685	38,842,236
Total Other Revenue	(1,818,599)	10,791,069	(437,608)	1,052,685	204,787,227
Total Current Revenue	376,515,658	93,598,351	4,159,961	1,052,685	2,469,528,496
Other Financing Sources / (Uses)					
Bond Proceeds					217,475,800
Transfer From / (To) Other Funds					18,998,931
Total Revenue	\$376,515,658	\$93,598,351	\$4,159,961	\$1,052,685	\$2,706,003,227

2023 BUDGET

SOURCES OF REVENUE

	2021 ACTUAL	2022 BUDGET	2023 BUDGET
Property Tax	\$863,587,950	\$892,760,103	\$926,795,073
Other Taxes	206,447,335	189,819,280	213,521,945
Federal	325,493,268	284,006,407	236,313,257
State	252,328,365	245,128,228	253,060,893
Local	26,476,986	36,208,194	34,580,745
Investment Earnings	(6,820,665)	6,175,000	17,692,500
Fees for Services	504,954,979	544,234,849	573,149,064
Fines and Forfeitures	391,990	222,700	277,500
Licenses and Permits	8,687,290	9,826,264	9,350,292
Other Revenue			
Budgeted Use of Fund Balance	-	1,694,791	143,608,673
Miscellaneous	<u>62,529,918</u>	<u>58,717,063</u>	<u>61,178,554</u>
Total Other Revenue	62,529,918	60,411,854	204,787,227
Subtotal - Current Revenue	<u>2,244,077,417</u>	<u>2,268,792,879</u>	<u>2,469,528,496</u>
Other Financing Sources / (Uses)			
Bond Proceeds	100,000,000	239,839,500	217,475,800
Other Financing	<u>27,349,397</u>	<u>9,118,464</u>	<u>18,998,931</u>
Total Other Financing	127,349,397	248,957,964	236,474,731
TOTAL REVENUES	<u>\$2,371,426,814</u>	<u>\$2,517,750,843</u>	<u>\$2,706,003,227</u>

SOURCES OF REVENUE 2021 - 2023

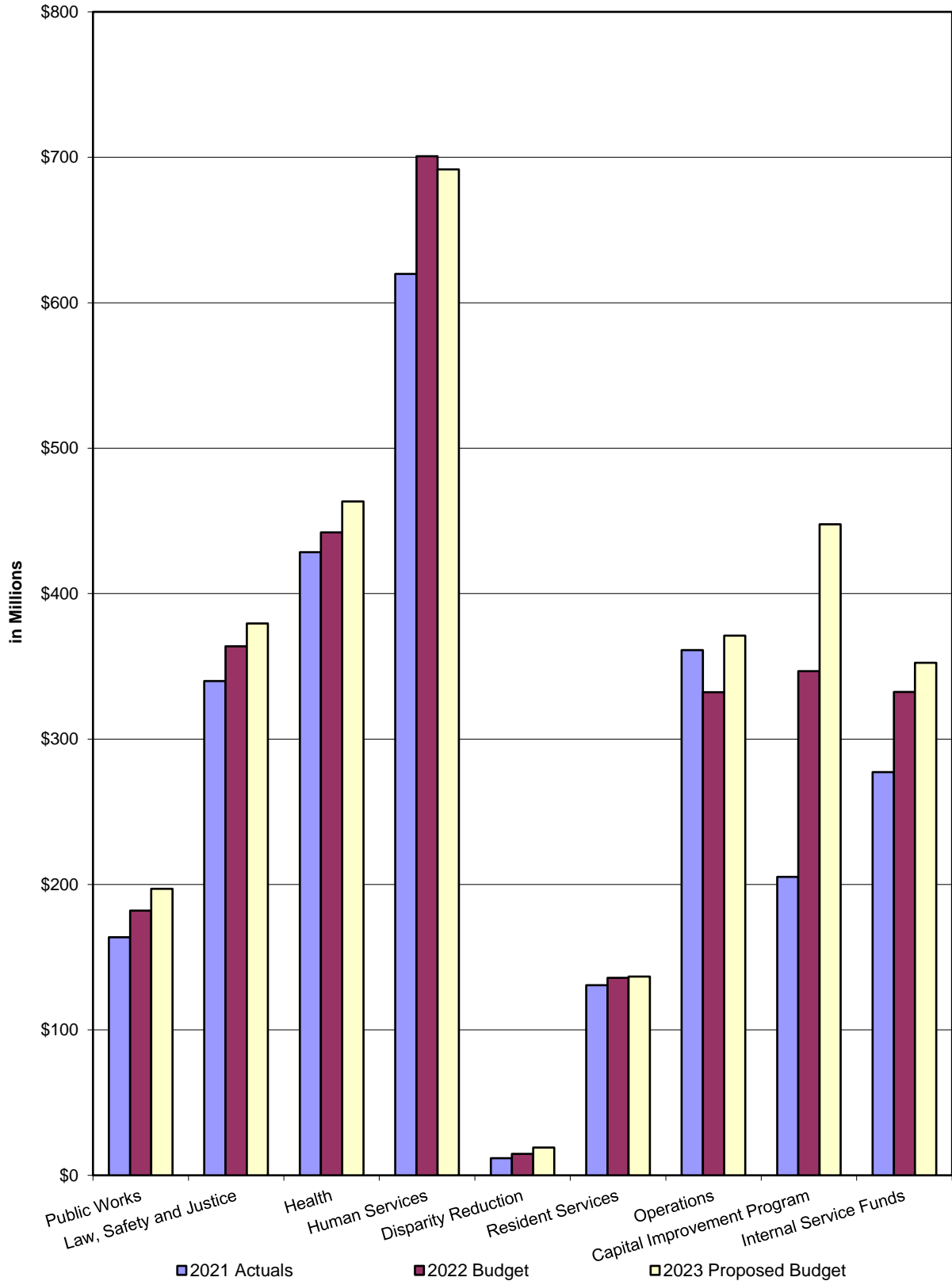


2023 BUDGET

EXPENDITURES AND FTE SUMMARY

MAJOR PROGRAM	2021 ACTUAL		2022 BUDGET		2023 BUDGET	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
Public Works	\$163,678,670	410.6	\$181,942,001	420.5	\$197,056,003	444.4
Law, Safety and Justice	339,889,763	2,401.3	363,717,069	2,469.0	379,455,381	2,430.3
Health	428,433,791	420.3	442,133,999	456.0	463,331,570	456.0
Human Services	619,846,071	3,339.3	700,674,614	3,571.9	691,603,479	3,613.7
Disparity Reduction	11,861,722	39.0	14,689,136	70.0	19,029,113	89.3
Resident Services	114,976,808	937.9	135,723,533	1,004.7	136,747,955	1,005.1
Operations	361,194,381	728.8	332,187,712	769.6	371,123,926	785.0
Capital Improvements	205,239,253	0.0	346,682,778	0.0	447,655,800	0.0
Internal Service Funds	<u>0</u>	<u>458.6</u>	<u>0</u>	<u>501.4</u>	<u>0</u>	<u>510.4</u>
Total	<u>\$2,245,120,459</u>	<u>8,735.8</u>	<u>\$2,517,750,843</u>	<u>9,263.1</u>	<u>\$2,706,003,227</u>	<u>9,334.1</u>

EXPENDITURES BY MAJOR PROGRAM 2021 - 2023



PERSONNEL COMPARISON BY DEPARTMENT
 FULL-TIME EQUIVALENTS (FTEs)

PROGRAM / DEPARTMENT	2021 BUDGET	2022 BUDGET	2023 BUDGET	Chg 2022-2023
PUBLIC WORKS				
Public Works Services.....	314.0	325.5	340.2	14.7
Environment and Energy.....	96.6	95.0	104.2	9.2
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	410.6	420.5	444.4	23.9
LAW, SAFETY AND JUSTICE				
Law, Safety & Justice Operations.....	50.5	72.5	74.5	2.0
County Attorney's Office.....	476.0	511.0	508.3	(2.7)
Adult Representation Services.....	33.0	52.0	74.0	22.0
Court Functions	0.0	0.0	0.0	0.0
Public Defender's Office.....	32.8	28.3	24.1	(4.2)
Sheriff's Office.....	822.0	853.0	855.0	2.0
Dept of Community Corrections & Rehabilitation.....	987.0	952.2	894.4	(57.8)
Radio Communications.....	0.0	0.0	0.0	0.0
TOTAL	2,401.3	2,469.0	2,430.3	(38.7)
HEALTH				
Hennepin Health.....	120.5	123.5	124.5	1.0
NorthPoint Health and Wellness.....	251.6	276.9	270.4	(6.5)
Medical Examiner's Office.....	45.2	52.6	58.1	5.5
Hennepin Uncompensated Care.....	0.0	0.0	0.0	0.0
Health Administration.....	3.0	3.0	3.0	0.0
Sexual Assault Resources Services.....	0.0	0.0	0.0	0.0
TOTAL	420.3	456.0	456.0	0.0
HUMAN SERVICES AND PUBLIC HEALTH				
TOTAL	3,339.3	3,571.9	3,613.7	41.8
DISPARITY REDUCTION				
Disparity Reduction Administration.....	1.0	15.0	25.3	10.3
Outreach and Community Supports.....	0.0	7.0	11.0	4.0
Education Support Services.....	15.0	15.0	16.0	1.0
Purchasing and Contract Services.....	23.0	33.0	37.0	4.0
TOTAL	39.0	70.0	89.3	19.3
RESIDENT SERVICES				
Resident Services Administration.....	0.0	0.0	10.0	10.0
Resident and Real Estate Services.....	178.1	189.6	191.0	1.4
Elections.....	14.0	55.0	38.0	(17.0)
Service Centers.....	135.5	149.0	148.0	(1.0)
Assessor.....	60.0	60.0	66.0	6.0
Examiner of Titles.....	8.0	8.0	9.0	1.0
Libraries.....	542.3	543.1	543.1	0.0
TOTAL	937.9	1,004.7	1,005.1	0.4
OPERATIONS				
Board of Commissioners.....	25.0	25.0	25.0	0.0
County Administration.....	17.0	18.0	17.0	(1.0)
Strategic Planning and Analytics.....	17.0	24.0	30.0	6.0
Housing and Economic Development.....	38.0	42.0	42.0	0.0
Office of Budget & Finance.....	84.1	90.1	90.1	0.0
Facility Services.....	272.7	298.3	295.9	(2.4)
Central Information Technology.....	25.1	25.1	26.1	1.0
Human Resources.....	120.9	119.2	129.2	10.0
Audit, Compliance and Investigation Services.....	25.2	25.2	26.7	1.5
Emergency Management.....	17.0	14.0	15.5	1.5
Communications.....	47.8	56.3	55.6	(0.7)
Operations Administration.....	39.0	32.5	32.0	(0.5)
General County Purposes.....	0.0	0.0	0.0	0.0
TOTAL	728.8	769.6	785.0	15.4
INTERNAL SERVICE FUNDS				
IT Internal Services Fund.....	414.4	457.4	463.4	6.0
Fleet Services.....	29.2	29.0	29.0	0.0
Self Insurance (Work Comp & Property).....	8.0	8.0	11.0	3.0
Employee Health Plan Self Insurance	6.0	6.0	6.0	0.0
Other Employee Benefits.....	0.0	0.0	0.0	0.0
Hennepin County Energy Center.....	1.0	1.0	1.0	0.0
TOTAL	458.6	501.4	510.4	9.0
GRAND TOTAL	8,735.8	9,263.1	9,334.2	71.1

III. Fund Summaries

2023 BUDGET

GENERAL FUND SUMMARY (Page 1 of 2)

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$815,434,018</u>	<u>\$835,382,237</u>	<u>\$867,549,620</u>
<u>CURRENT REVENUES</u>			
Property Taxes	493,105,434	521,971,018	553,039,122
Other Taxes			
Mortgage Registry/Deed Tax	4,073,966	3,100,000	2,790,000
Wheelage Tax	20,294,603	20,800,000	20,800,000
Other	<u>594,832</u>	<u>124,100</u>	<u>124,100</u>
Total Other Taxes	24,963,401	24,024,100	23,714,100
Total Property and Other Taxes	518,068,835	545,995,118	576,753,222
Intergovernmental Revenue			
Federal	79,090,492	37,795,063	26,366,194
State - County Program Aid	22,498,204	23,507,652	24,157,931
State - Highway Maintenance	18,343,055	20,184,249	18,826,423
State - Community Corrections	-	-	-
State - Public Defender	5,245,410	5,100,000	5,100,000
State - Other	<u>55,473,302</u>	<u>30,597,042</u>	<u>29,540,763</u>
Total State	101,559,971	79,388,943	77,625,117
Other Local Intergovernmental	5,024,120	3,191,004	6,406,434
Total Intergovernmental Revenue	185,674,583	120,375,010	110,397,745
Investment Income	(6,128,862)	5,215,000	16,922,500
Fees for Services			
Service Center Fees	532,900	706,500	535,500
North Point Patient Reimbursements	21,716,525	28,748,041	32,040,025
Assessor - Services Provided To Munic.	1,778,217	3,146,843	2,952,035
Boarding of Prisoners	161,716	663,670	491,300
Correction Facility Fees	219,180	699,207	688,740
Public Records Fees	11,081,038	8,125,000	7,562,500
Client Fees	750,362	451,250	451,250
Sheriff Fees	4,107,771	5,483,549	6,084,711
Other Fees and Service Charges	<u>14,566,042</u>	<u>13,234,820</u>	<u>13,866,855</u>
Total Fees for Services	54,913,751	61,258,880	64,672,916

2023 BUDGET

GENERAL FUND SUMMARY (Page 2 of 2)

	2021 ACTUAL	2022 BUDGET	2023 BUDGET
Total Fines and Forfeitures	319,584	192,700	247,500
Licenses and Permits			
Drivers Licenses	1,218,113	1,494,648	1,458,931
Vital Certificates	1,073,389	841,468	1,165,891
Motor Vehicle Licenses	826,039	1,617,273	935,070
Other Licenses and Permits	<u>2,646,522</u>	<u>2,542,155</u>	<u>2,526,000</u>
Total Licenses and Permits	5,764,063	6,495,544	6,085,892
Other Revenue			
Budgeted Use of Fund Balance	0	37,679,499	33,404,050
Miscellaneous	<u>52,573,901</u>	<u>53,621,486</u>	<u>53,843,295</u>
Total Other Revenue	52,573,901	91,300,985	87,247,345
Total Current Revenues	811,185,855	830,833,237	862,327,120
<u>OTHER FINANCING SOURCES / (USES)</u>	<u>\$1,376,479</u>	<u>\$4,549,000</u>	<u>\$5,222,500</u>
<u>TOTAL REVENUES</u>	<u>\$812,562,334</u>	<u>\$835,382,237</u>	<u>\$867,549,620</u>
<u>Increase / (Decrease) to Fund Balance</u>	<u>(\$2,871,684)</u>		

2023 BUDGET

GENERAL FUND EXPENDITURES AND FTE SUMMARY

LINE OF BUSINESS / DEPARTMENT	2021		2022		2023	
	ACTUAL	FTE	BUDGET	FTE	BUDGET	FTE
PUBLIC WORKS						
Public Works Services Subtotal	\$60,455,662	314.0	\$69,056,528	325.5	\$73,604,967	340.2
LAW, SAFETY AND JUSTICE						
Law, Safety and Justice Operations	14,546,584	62.3	18,575,653	84.3	17,013,191	74.5
Adult Representation Services	4,659,458	33.0	8,541,532	52.0	12,187,991	74.0
County Attorney's Office	60,551,568	464.2	64,867,637	499.2	69,978,068	508.3
Court Functions	1,946,416	0.0	1,526,600	0.0	175,824	0.0
Public Defender's Office	9,577,535	32.8	9,909,708	28.3	9,251,802	24.1
Sheriff's Office	127,663,251	822.0	134,885,889	853.0	141,206,586	855.0
<u>Community Corrections & Rehabilitation</u>	<u>117,478,109</u>	<u>987.0</u>	<u>121,241,926</u>	<u>952.2</u>	<u>125,481,958</u>	<u>894.4</u>
Subtotal	336,422,920	2,401.3	359,548,945	2,469.0	375,295,420	2,430.3
HEALTH						
Health Administration	420,941	3.0	633,572	3.0	557,509	3.0
NorthPoint Health and Wellness	39,268,130	251.6	47,393,350	276.9	47,767,839	270.4
Medical Examiner's Office	8,492,006	45.2	9,443,578	52.6	10,290,564	58.1
Hennepin Uncompensated Care	43,485,278	0.0	26,000,000	0.0	27,000,000	0.0
<u>Sexual Assault Resources Service</u>	<u>911,095</u>	<u>0.0</u>	<u>1,200,000</u>	<u>0.0</u>	<u>1,200,000</u>	<u>0.0</u>
Subtotal	92,577,449	299.8	84,670,500	332.5	86,815,912	331.5
DISPARITY REDUCTION						
Disparity Reduction Administration	5,562,575	7.0	7,439,802	15.0	10,455,372	25.3
Outreach and Community Supports	121,944	0.0	656,915	7.0	1,347,316	11.0
Education Support Services	1,091,991	15.0	1,977,530	15.0	1,942,075	16.0
<u>Purchasing and Contract Services</u>	<u>5,085,212</u>	<u>23.0</u>	<u>4,614,889</u>	<u>33.0</u>	<u>5,284,350</u>	<u>37.0</u>
Subtotal	11,861,722	45.0	14,689,136	70.0	19,029,113	89.3
RESIDENT SERVICES						
Resident Services Administration	0	0.0	0	0.0	1,743,265	10.0
Resident and Real Estate Services	25,805,714	178.1	33,886,329	189.6	32,649,726	191.0
Elections	2,886,373	14.0	9,686,626	55.0	6,518,506	38.0
Service Centers	10,196,094	135.5	12,320,457	149.0	13,348,261	148.0
Assessor	6,738,626	60.0	7,844,424	60.0	8,944,355	66.0
Examiner of Titles	1,396,161	8.0	1,466,525	8.0	1,549,558	9.0
<u>Libraries</u>	<u>67,953,840</u>	<u>542.3</u>	<u>70,519,172</u>	<u>543.1</u>	<u>71,994,284</u>	<u>543.1</u>
Subtotal	114,976,808	937.9	135,723,533	1,004.7	136,747,955	1,005.1
OPERATIONS						
Board of Commissioners	2,991,205	25.0	3,319,530	25.0	3,801,690	25.0
County Administration	6,216,821	17.0	3,899,460	18.0	3,885,015	17.0
Strategic Planning and Analytics	2,241,955	17.0	2,504,493	24.0	3,921,591	30.0
Housing and Economic Development	61,709,230	38.0	15,153,923	42.0	14,358,752	42.0
Office of Budget and Finance	15,531,080	84.1	16,816,637	90.1	17,438,834	90.1
Facility Services	61,453,386	272.7	69,093,697	298.3	70,958,829	295.9
Central Information Technology	4,859,189	25.1	5,776,056	25.1	5,275,352	26.1
Human Resources	16,721,992	114.9	18,163,878	119.2	20,473,735	129.2
Audit, Compliance, and Investigation Svcs.	3,518,514	25.2	4,288,052	25.2	4,349,739	26.7
Emergency Management	2,456,406	17.0	2,614,397	14.0	2,840,313	15.5
Communications	7,674,007	47.8	8,383,217	56.3	8,532,679	55.6
Operations Administration	6,010,245	39.0	4,653,327	32.5	3,262,895	32.0
<u>General County Purposes</u>	<u>7,755,427</u>	<u>0.0</u>	<u>17,026,928</u>	<u>0.0</u>	<u>16,956,829</u>	<u>0.0</u>
Subtotal	199,139,457	722.8	171,693,595	769.6	176,056,253	785.0
TOTAL	\$815,434,018	4,720.7	\$835,382,237	4,971.3	\$867,549,620	4,981.3

2023 BUDGET

Special Revenue Funds

HUMAN SERVICES FUND SUMMARY

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$619,846,071</u>	<u>\$700,674,614</u>	<u>\$689,270,146</u>
<u>CURRENT REVENUES</u>			
Property Taxes	279,068,436	274,135,085	275,665,951
Other Taxes	177,689	0	0
Intergovernmental Revenue			
Federal - Administrative Grants	14,798,009	18,750,981	17,186,552
Federal - Title XX - Human Services Grants	6,723,791	6,723,791	6,723,791
Federal - Title IVE - Foster Care	6,336,840	5,778,000	6,646,000
Federal - Grants for Training and Employment Programs	23,646,868	25,685,943	19,740,689
Federal - General, CARES, ARPA	75,128,054	47,525,026	16,387,802
Federal - Title IVD - Child Support	15,528,280	19,577,687	17,546,434
Federal - Medical Assistance (MA) Administration	57,103,375	65,430,267	68,750,315
Federal - Food Stamp (SNAP) Administration	16,427,021	16,244,303	16,045,975
Federal - TANF Administration	4,226,415	5,419,617	5,448,540
Federal - Community Health	9,373,249	8,219,194	16,165,461
Federal Incentive - Child Support and MA	<u>2,297,364</u>	<u>1,925,000</u>	<u>1,925,000</u>
Total Federal	231,589,268	221,279,809	192,566,559

2023 BUDGET

HUMAN SERVICES FUND SUMMARY

	2021 ACTUAL	2022 BUDGET	2023 BUDGET
State - Grants for Human Services	35,185,786	40,175,698	45,461,525
State - County Program Aid	13,460,764	12,422,124	12,317,009
State - Market Value Homestead Credit	25,997	0	0
State - Vulnerable Children and Adults Act	12,335,278	12,617,812	12,617,812
State - Grants for Training and Employment Programs	4,886,311	5,910,806	5,243,700
State - Administrative	3,223,142	3,800,100	1,234,051
State - General Assistance	5,567,467	5,230,000	5,200,000
State - Community Health	3,471,039	2,040,118	2,699,292
State - Medical Assistance/Medicare	<u>30,132,536</u>	<u>32,869,050</u>	<u>36,636,207</u>
Total State	108,288,320.00	115,065,708	121,409,596
Other Local Intergovernmental	4,987,762	3,255,992	7,407,823
Investment Income	<u>853</u>	<u>0</u>	<u>0</u>
Fees for Services			
Patient Fees	8,220,976	9,389,841	9,175,248
Medicaid/GAMC/Targeted Case Management	30,741,656	32,657,945	36,480,849
Medicare	314,049	669,955	709,308
Other Services	<u>5,043,462</u>	<u>11,167,791</u>	<u>4,917,215</u>
Total Fees and Services	44,320,143	53,885,532	51,282,620
Health Licenses	1,934,128	2,209,320	2,225,000
Other Revenue	1,784,620	2,354,000	2,458,160
Total Current Revenues	672,151,219	672,185,446	653,015,709
OTHER FINANCING SOURCES / (USES)	<u>0</u>	<u>28,489,168</u>	<u>36,254,437</u>
TOTAL REVENUES	<u>\$672,151,219</u>	<u>\$700,674,614</u>	<u>689,270,146</u>
Increase / (Decrease) to Fund Balance	<u>\$52,305,148</u>		

2023 BUDGET
Special Revenue Funds

OPIOID SETTLEMENT FUND

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,333,333</u>
<u>CURRENT REVENUES</u>			
Other Revenue	0	0	2,333,333
Total Current Revenues	0	0	2,333,333
OTHER FINANCING SOURCES / (USES)	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL REVENUES</u>	<u>\$0</u>	<u>\$0</u>	<u>2,333,333</u>
<u>Increase / (Decrease) to Fund Balance</u>	<u>\$0</u>		

2023 BUDGET

Special Revenue Funds

TRANSPORTATION SALES TAX FUND SUMMARY

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$24,021,962</u>	<u>\$28,200,000</u>	<u>\$28,800,000</u>
<u>CURRENT REVENUES</u>			
Sales Tax Revenue	<u>139,232,766</u>	<u>125,800,000</u>	<u>146,200,000</u>
Total Current Revenue	<u>139,232,766</u>	<u>125,800,000</u>	<u>146,200,000</u>
<u>OTHER FINANCING SOURCES / (USES)</u>			
Transfers to Other Funds	<u>(33,791,058)</u>	<u>(38,088,250)</u>	<u>(166,081,500)</u>
Budgeted Use / (Increase) of Fund Balance		<u>(59,511,750)</u>	<u>48,681,500</u>
<u>TOTAL REVENUES</u>	<u>\$105,441,708</u>	<u>\$28,200,000</u>	<u>\$28,800,000</u>
<u>Increase / (Decrease) to Fund Balance</u>	<u>\$ 81,419,746</u>		
<p>Notes: This fund summary shows budgeted uses of the 0.5% Hennepin County transportation sales and use tax and \$20 per motor vehicle excise tax.</p> <p>In 2023, Total Expenditures includes \$27.3 million for grants to support light rail, commuter rail and bus rapid transit operations, and \$1.5 million for other expenses including administrative fees paid to the MN Department of Revenue for collection and administration of the tax.</p> <p>Transfers To Other Funds includes \$138 million for capital project contributions (Fund 55) and \$28 million for debt service (Fund 70).</p>			

2023 BUDGET

Special Revenue Funds

BALLPARK SALES TAX REVENUE FUND SUMMARY

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$2,320,619</u>	<u>\$2,538,000</u>	<u>\$2,665,000</u>
<u>CURRENT REVENUES</u>			
Sales Tax Revenue	41,531,281	39,995,180	43,607,845
Investment Earnings	43,000	0	0
Total Current Revenues	41,574,281	39,995,180	43,607,845
<u>OTHER FINANCING SOURCES / (USES)</u>			
Transfers to Other Funds	(29,116,883)	(25,212,950)	(57,052,750)
Budgeted Use of Fund Balance		(12,244,230)	16,109,905
<u>TOTAL REVENUES</u>	<u>\$12,457,398</u>	<u>\$2,538,000</u>	<u>\$2,665,000</u>
<u>Increase / (Decrease) to Fund Balance</u>	<u>10,136,779</u>		

Notes: This fund summary shows budgeted uses of the 0.15% Hennepin County Ballpark sales and use tax. 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.

In 2023, Total Expenditures include \$2.2 million for Minnesota Ballpark Authority expenses and \$500,000 for administrative fees paid to the MN Department of Revenue.

Transfers To Other Funds includes \$52 million for debt service, \$2.5 million for additional library hours, and \$2.5 million for the Youth Sports Program.

2023 BUDGET

CAPITAL IMPROVEMENTS FUND SUMMARY

Basis of Accounting: Modified Accrual	2021 ACTUALS	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$205,239,253</u>	<u>\$346,682,778</u>	<u>\$447,655,800</u>
<u>CURRENT REVENUE</u>			
Property Taxes	1,843,927	2,154,000	840,000
Other Taxes	279,552	0	0
<u>Intergovernmental Revenue</u>			
Federal	13,551,278	22,601,468	15,475,000
State - Highway and Bridge Aids	33,268,049	23,232,000	47,520,000
State - Other	5,000,176	22,000,000	750,000
Local	<u>4,400,865</u>	<u>17,605,810</u>	<u>8,410,000</u>
Total Intergovernmental Revenue	56,220,368	85,439,278	72,155,000
Investment Income	46,278	0	0
Fees for Services	496,692	0	0
Other Revenue	<u>3,860,815</u>	<u>1,350,000</u>	<u>2,115,000</u>
<u>Total Current Revenue</u>	<u>62,747,632</u>	<u>88,943,278</u>	<u>75,110,000</u>
<u>Other Financing</u>			
Bond Proceeds	127,187,243	239,839,500	217,475,800
Building & Land Sales	15,500	0	0
Transfers (To) From Other Funds	<u>9,408,558</u>	<u>17,900,000</u>	<u>155,070,000</u>
<u>Total Other Financing</u>	<u>136,611,301</u>	<u>257,739,500</u>	<u>372,545,800</u>
<u>TOTAL REVENUES</u>	<u>\$199,358,933</u>	<u>\$346,682,778</u>	<u>\$447,655,800</u>

2023 BUDGET

DEBT RETIREMENT FUND SUMMARY

Basis of Accounting: Modified Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$159,734,305</u>	<u>\$157,956,118</u>	<u>\$192,402,673</u>
<u>CURRENT REVENUES</u>			
Property Taxes	\$90,400,000	\$94,500,000	\$97,000,000
Other Taxes	56,860	0	0
Intergovernmental Revenue			
Federal - Interest Subsidy Payments	1,252,552	1,330,066	1,205,504
State - Other	41,480	0	0
Other local intergovernmental	<u>9,987,638</u>	<u>12,155,388</u>	<u>12,356,488</u>
Total Intergovernmental Revenue	11,281,670	13,485,454	13,561,992
Investment Earnings	1,301	0	0
Total Current Revenues	101,739,831	107,985,454	110,561,992
<u>OTHER FINANCING SOURCES / (USES)</u>			
Transfer From Other Funds	56,915,365	49,970,664	81,840,681
<u>TOTAL REVENUES</u>	<u>\$158,655,196</u>	<u>\$157,956,118</u>	<u>\$192,402,673</u>
<u>Increase / (Decrease) to Fund Balance</u>	<u>(1,079,110)</u>		

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

In 2023, Transfer From Other Funds includes \$52 million for Ballpark debt, \$28.1 million for Transportation Sales Tax Debt, and \$1.8 million for Energy Center debt.

FUTURE LEVY REQUIREMENTS - GENERAL OBLIGATION PROPERTY TAX SUPPORTED DEBT

2023 Budget

Based on Actual General Obligation Debt Outstanding

Series Year	2010C-D	2014A-B	2016B-C	2017C	2018A-B	2019C	2020A-B	2021A	2022A-B	TOTAL DEBT SERVICE LEVY
2023	7,837,109	11,148,113	13,900,163	8,524,688	20,741,306	5,395,950	14,836,238	6,004,005	8,612,429	97,000,000
2024	7,782,509	11,195,888	13,749,750	8,524,425	20,851,517	5,403,825	14,686,350	5,925,255	8,210,469	96,329,988
2025	7,711,949		13,591,725	8,524,425	21,041,508	5,401,725	14,544,075	5,846,505	17,199,519	93,861,431
2026	7,647,269		13,441,575	8,524,163	21,224,254	5,405,400	11,961,863	8,140,755	17,235,901	93,581,180
2027	7,575,460		13,277,250	8,523,113	24,569,900	5,403,563	11,959,238	8,142,855	13,774,104	93,225,481
2028	7,495,917		13,130,250	8,526,000	24,647,477	5,406,450	11,966,063	8,140,230	10,300,494	89,612,880
2029	7,421,094		6,247,500	8,526,788	24,729,609	5,413,275	11,965,275	8,143,118	10,293,196	82,739,855
2030	7,817,259		6,090,000	8,524,950	17,212,783		11,966,850	8,140,230	10,289,679	70,041,751
2031	7,826,532		5,932,500	8,525,213	17,286,763		11,764,988	8,141,805	10,283,904	69,761,704
2032	7,740,773		5,775,000	8,526,788	17,361,472		8,145,375	8,141,805	10,293,931	65,985,144
2033	7,642,268		7,717,500	8,523,638	17,440,977		8,145,375	8,144,955	10,298,247	67,912,958
2034	7,530,810		16,033,500	8,525,738	17,523,895		8,148,000	8,145,218	10,308,119	76,215,280
2035	7,416,696		16,035,075	8,526,788	17,608,847		8,147,213	8,142,068	10,312,031	76,188,716
2036			16,537,500	8,526,000	17,694,449		8,147,738	8,145,480	10,325,090	69,376,257
2037				8,527,838	17,795,072		8,148,788	8,145,270	10,335,495	52,952,463
2038					17,892,862		8,144,325	8,140,020	10,341,392	44,518,599
2039							8,149,575	8,140,020	10,342,185	26,631,780
2040							8,147,475	8,144,640	4,237,118	20,529,233
2041								8,190,000	4,234,525	12,424,525
2042									4,225,653	4,225,653
TOTALS	99,445,647	22,344,000	161,459,288	127,880,550	315,552,997	37,830,188	188,974,800	148,104,233	201,453,480	1,303,045,182

2023 BUDGET

Enterprise Funds

HENNEPIN HEALTH FUND SUMMARY

Basis of Accounting: Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$335,856,342</u>	<u>\$357,463,499</u>	<u>\$376,515,658</u>
<u>SOURCE OF REVENUE</u>			
<u>Intergovernmental & Grants</u>	2,081,803		
<u>Fees for Services</u>			
State Premium Revenue	326,617,466	357,586,045	377,809,257
Total Fees and Services	<u>328,699,268</u>	<u>357,586,045</u>	<u>377,809,257</u>
Investment Income	(470,362)	525,000	525,000
<u>Other Revenue</u>			
Miscellaneous Revenue	2,309,480		
Total Other Revenue			
<u>Capital Contributions</u>			
<u>(Increase)/Decrease in Net Assets</u>	5,317,955	(647,546)	(1,818,599)
<u>TOTAL REVENUES</u>	<u>\$330,538,386</u>	<u>\$357,463,499</u>	<u>\$376,515,658</u>

2023 BUDGET

Enterprise Funds

SOLID WASTE ENTERPRISE FUND SUMMARY

Basis of Accounting: Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$78,139,638</u>	<u>\$83,638,031</u>	<u>\$93,598,351</u>
<u>CURRENT REVENUES</u>			
Property Taxes	0	0	250,000
Other Taxes	205,787	0	0
Intergovernmental Revenue			
Federal Grants	4,477	1,000,000	700,000
State Grants	4,170,367	5,441,577	5,756,180
Local Government Grants	0	0	0
Total Intergovernmental Revenue	4,174,844	6,441,577	6,456,180
Investment Earnings	(272,953)	435,000	245,000
Fees and Services			
Special Assessments	1,691,591	1,900,000	5,500,000
Solid Waste Tipping Fees	29,206,724	28,715,000	31,025,000
Solid Waste Mgmt Fees - Hauler Collected	27,980,769	27,290,000	27,475,000
Other Fees and Services	15,701,091	9,265,699	10,786,702
Total Fees and Services	74,580,175	67,170,699	74,786,702
Licenses and Permits			
Solid/Hazardous Waste Licenses	989,100	1,121,400	1,039,400
Fines and Penalties			
Solid Waste and Other Fines	72,407	30,000	30,000
Other Revenue	703,368	8,439,355	10,791,069
<u>TOTAL CURRENT REVENUES</u>	<u>\$80,452,727</u>	<u>\$83,638,031</u>	<u>\$93,598,351</u>
<u>Increase / (Decrease) to Fund Balance</u>	2,313,089		

2023 BUDGET

Enterprise Funds

GLEN LAKE GOLF COURSES FUND SUMMARY
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Basis of Accounting: Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$1,061,408</u>	<u>\$1,047,442</u>	<u>\$1,052,685</u>
<u>CURRENT REVENUES</u>			
<u>Other Revenue</u>	<u>1,297,735</u>	<u>1,047,442</u>	<u>1,052,685</u>
<u>TOTAL REVENUES</u>	<u>\$1,297,735</u>	<u>\$1,047,442</u>	<u>\$1,052,685</u>
<u>Increase/(Decrease) in Net Assets</u>	<u>236,327</u>	<u>0</u>	<u>0</u>

2023 BUDGET

Enterprise Funds

RADIO COMMUNICATIONS FUND SUMMARY

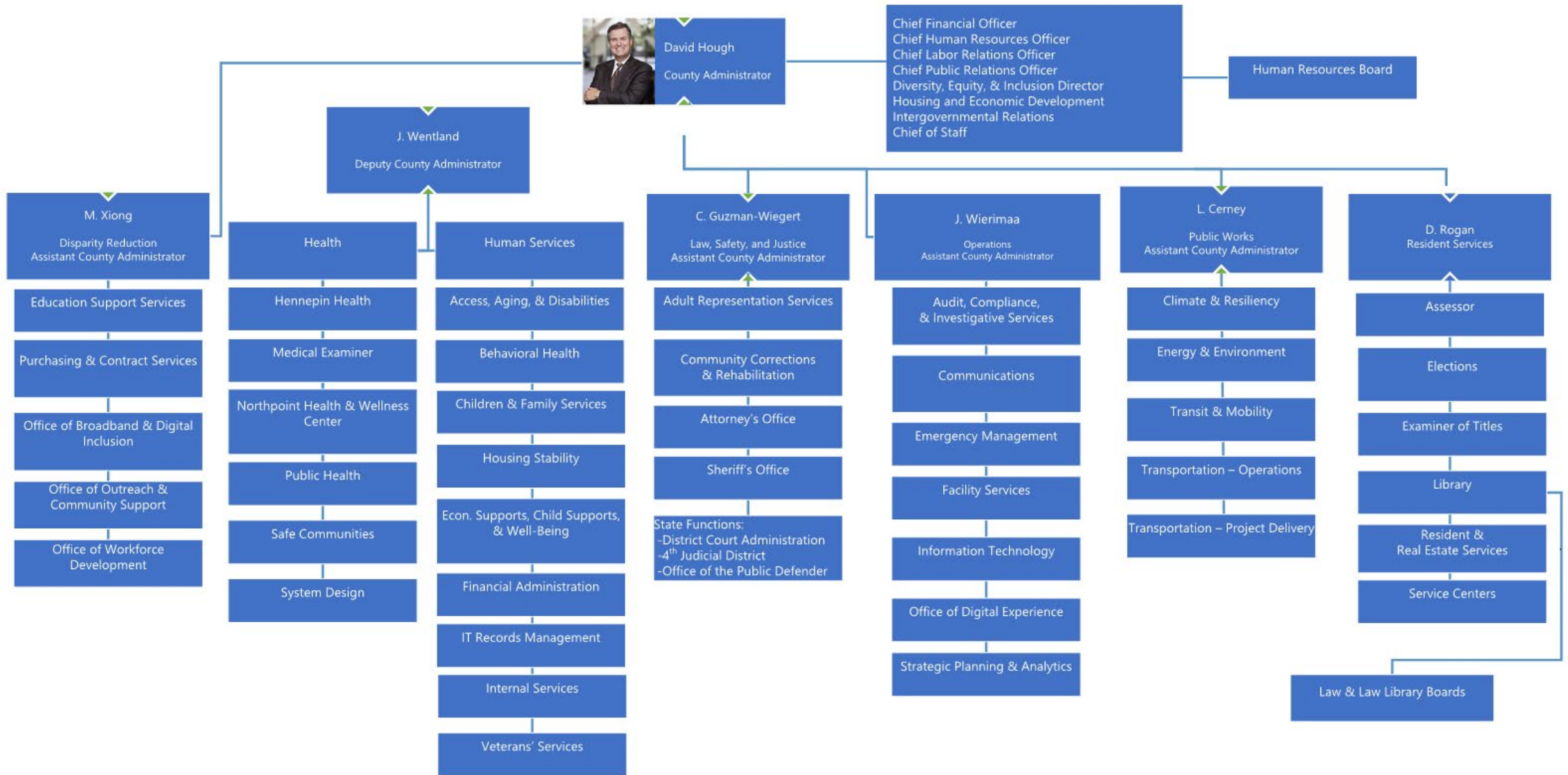
Basis of Accounting: Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
<u>TOTAL EXPENDITURES</u>	<u>\$3,466,843</u>	<u>\$4,168,124</u>	<u>\$4,159,961</u>
<u>SOURCE OF REVENUE</u>			
<u>Fees for Services</u>	<u>4,026,754</u>	<u>4,333,693</u>	<u>4,597,569</u>
<u>Other Financing</u>	<u>(9,825)</u>	<u>0</u>	<u>0</u>
<u>Total Current Revenue</u>	<u>4,016,929</u>	<u>4,333,693</u>	<u>4,597,569</u>
<u>(Increase)/Decrease in Net Assets</u>	<u>(550,086)</u>	<u>(165,569)</u>	<u>(437,608)</u>
<u>TOTAL REVENUES</u>	<u>\$3,466,843</u>	<u>\$4,168,124</u>	<u>\$4,159,961</u>

2023 BUDGET

INTERNAL SERVICE FUND SUMMARIES

Basis of Accounting: Accrual	2021 ACTUAL	2022 BUDGET	2023 BUDGET
FUND: Fleet Services			
Program Expenditures	<u>\$17,784,043</u>	<u>\$19,209,273</u>	<u>\$19,640,991</u>
Charges for Services	21,110,557	19,209,273	19,640,991
Net Assets Increase/(Decrease)	3,326,514	0	0
FUND: Energy Center			
Program Expenditures	<u>\$9,960,887</u>	<u>\$10,320,256</u>	<u>\$13,453,784</u>
Charges for Services	9,948,253	10,320,256	13,453,784
Net Assets Increase/(Decrease)	(12,634)	0	0
FUND: Employee Health Plan Self Insurance			
Program Expenditures	<u>\$147,765,467</u>	<u>\$160,518,018</u>	<u>\$182,693,158</u>
Charges for Services	130,183,608	160,518,018	182,693,158
Net Assets Increase/(Decrease)	(17,581,859)	0	0
FUND: Information Technology Internal Services			
Program Expenditures	<u>\$79,193,362</u>	<u>\$102,998,652</u>	<u>\$103,174,614</u>
Charges for Services	88,600,244	102,998,652	103,174,614
Net Assets Increase/(Decrease)	9,406,882	0	0
FUND: Self Insurance			
Program Expenditures	<u>\$12,534,677</u>	<u>\$14,368,752</u>	<u>\$18,391,010</u>
Charges for Services	11,697,177	14,368,752	18,391,010
Net Assets Increase/(Decrease)	(837,500)	0	0
FUND: Other Employee Benefits			
Program Expenditures	<u>\$9,997,814</u>	<u>\$25,000,000</u>	<u>\$15,000,000</u>
Charges for Services	9,997,814	25,000,000	15,000,000
Net Assets Increase/(Decrease)	0	0	0

IV. Major Programs



Hennepin County

Hennepin County

2023 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.

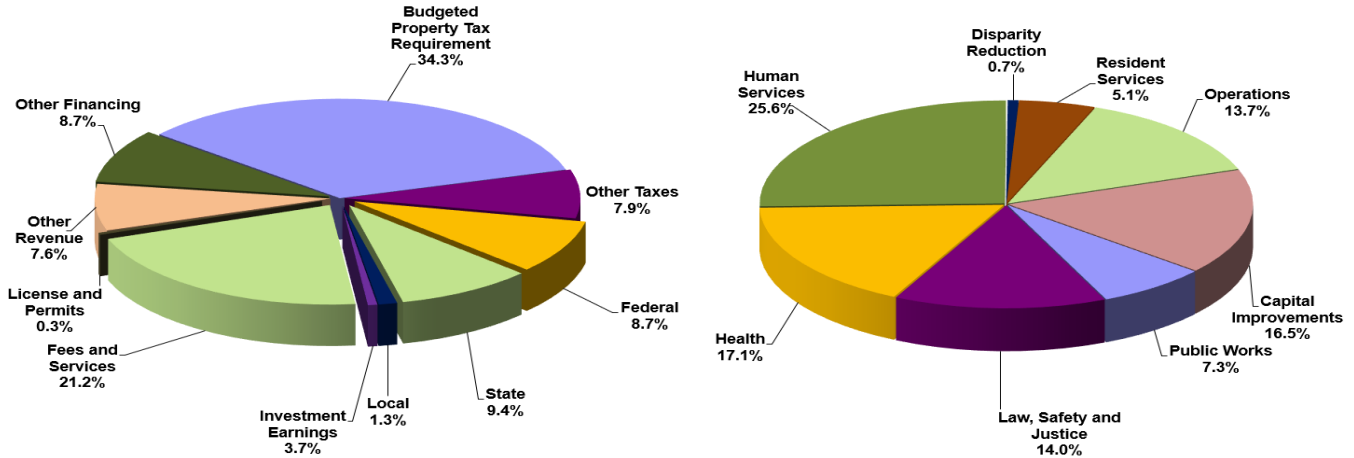
Revenue and Expenditure Information:

	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$892,749,787	\$928,689,879	\$963,270,013
Sales and Other Taxes	206,447,335	189,819,280	213,521,945
Federal	325,493,268	284,006,407	236,313,257
State	216,289,264	209,198,452	216,585,953
Local	26,476,986	36,208,194	34,580,745
Interest on Investments	(6,820,660)	6,175,000	17,692,500
Fees and Services	504,954,979	544,234,849	573,149,064
Fines and Forfeitures	391,990	222,700	277,500
Licenses and Permits	8,687,290	9,826,264	9,350,292
Other Revenue	62,529,918	60,411,854	204,787,227
Other Financing	127,349,397	248,957,964	236,474,731
Total Revenues	\$2,364,549,554	\$2,517,750,843	\$2,706,003,227
Public Works	\$163,678,670	\$181,942,001	\$197,056,003
Law, Safety and Justice	339,889,763	363,717,069	379,455,381
Health	428,433,791	442,133,999	463,331,570
Human Services	619,846,071	700,674,614	691,603,479
Disparity Reduction	11,861,722	14,689,136	19,029,113
Resident Services	114,976,808	135,723,533	136,747,955
Operations	361,194,381	332,187,713	371,123,926
Capital Improvements	205,239,253	346,682,778	447,655,800
Total Expenditures	\$2,245,120,459	\$2,517,750,843	\$2,706,003,227

* 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 2023 budget by revenue category and the lines of business. For further detail on significant changes in revenues and expenditures by category or major program, see Sections II-V.

Revenue Highlights:

The 2023 revenue budget for Hennepin County is \$2.7 billion, which is an increase of 7.5 percent or \$188.3 million from the 2022 adjusted budget. The 2023 capital improvement component totals \$447.7 million, which is an increase of approximately \$101.0 million or 29.1 percent when compared to the 2022 adjusted capital budget. When capital is excluded, the 2023 operating portion of the budget reflects an increase of \$87.3 million or 4.0 percent when compared to the 2022 adjusted budget. The county will operate with 9,334.1 authorized full-time equivalents (FTEs), 71.0 more than the 2022 adjusted budget.

Property Tax Revenues:

Property tax revenue contributes \$963.3 million or 35.6 percent of the 2023 budgeted revenues and when compared to the 2022 adjusted budget, it will increase by \$34.6 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 to the General Fund and Human Services funds. CPA for 2023 is budgeted at \$36.5 million, which is an increase of 1.5 percent compared to the 2022 adjusted budget.

Sales and Other Taxes:

In 2023, Sales and Other Taxes are budgeted at \$213.5 million, or 12.5 percent of total 2023 budget revenue, with the major components being \$146.2 million in Transportation Sales Tax revenue for transit projects; \$43.6 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:

In 2023, federal revenues comprise \$236.3 million, or 8.7 percent, of all county revenues and are decreasing \$47.7 million or 16.8 percent from the 2022 adjusted budget. \$20.9 million of the decrease is from one-time COVID response funds for Emergency Rental Assistance in Human Services. Human Services has programmed \$192.6 million in 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. The General Fund budgeted \$26.4 million in the Operations, Resident Services, Public Safety, and Health lines of business. Most federal revenues in Operations supports housing grants, workforce services, and activities related to emergency management/services. Law, Safety and Justice federal revenues consist of reimbursements for administrative costs related to child support collection, child protection, housing stability, guardianship or conservatorship matters, victim emergency funds, welfare fraud, reimbursement for meals at the Juvenile Detention Center 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.

Hennepin County

Revenue Highlights Continued:

State:

Revenues from the State of Minnesota are budgeted at \$216.6 million, or 8.0 percent of all county revenues. State funding is based on caseloads, statewide funding formulas, approved plans, and particular service requirements. These funds 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 increased \$7.4 million or 3.5 percent when compared to the 2022 adjusted budget of \$209.2 million. Public health general grants are increasing \$4.6 million and Human Services Medical Assistance grants are increasing \$3.8 million. These increases are slightly offset by a decrease of \$2.4 million in the Out of Home Placement program due to decreased non-federal foster care expenses.

Local:

The 2023 local revenue budget of \$34.5 million has decreased by \$1.6 million from the 2022 adjusted budget of \$36.2 million. This category represents revenues from local governments and increases or decreases each year with changes in the Capital Improvement budget.

Fees for Services:

User fees are charges to individuals that utilize specific government services and activities and provide 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 2023, the total revenues generated from fees charged for services are \$573.1 million, representing 21.2 percent of the total county revenue budget, and reflects an increase of \$28.9 million or 5.0 percent from the 2022 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 2023, these revenues are programmed at \$410.0 million or 71.5 percent of total Fees for Services revenues. This is an increase of \$23.5 million, or 6.0 percent, from the 2022 adjusted budget of \$386.5 million. Most of the change is due to an overall increase in the base premium for the Prepaid Medical Assistance Program (PMAP), an expected increase in the volume of patient visits driven the NorthPoint clinic expansion, and overall enrollment driven by the continuation of the Federal Health Emergency.

The Solid Waste program, collects fees for services associated with management of solid waste. In 2023, \$71.0 million is budgeted as revenue from tipping fees, ordinances, and solid waste fees.

The Human Services fund has programmed \$51.3 million in fees for services revenue in 2023. A major portion of fee revenue is payments from third party payers and state and federal reimbursements for patient fees and services.

The Law, Safety and Justice program, which includes the Radio Communication Fund, has budgeted \$19.1 million in 2023 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 fees, civil fees, court fees, program participation fees, leased antenna space along with leased Mobile Data Computers and radios.

The Resident Services program has budgeted \$16.8 million in fee for service revenue from sources like property assessments, public records, service centers and the recording of abstract and torrens properties.

Hennepin County

Revenue Highlights Continued:

Other Revenue:

A wide variety of sources contribute to the \$204.8 million categorized as Other Revenue in 2023. Other revenue includes building rental, parking revenue, fund balance and indirect cost allocation revenue.

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 2023 budget, the overall utilization of fund balance in the governmental funds and net assets in the enterprise funds is set to increase to \$143.6 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 2023 are \$217.5 million, a decrease of \$22.4 million from the 2022 adjusted budget. Details concerning the county's debt retirement and debt management can be found in the Debt Retirement section of the Operations program. Approximately \$19.0 million is due to transfers in from other funding sources.

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Public Works	410.6	420.5	444.4
Law, Safety and Justice	2,401.3	2,469.0	2,430.3
Health	420.3	456.0	456.0
Human Services	3,339.3	3,571.9	3,613.7
Disparity Reduction	45.0	70.0	89.3
Resident Services	937.9	1,004.7	1,005.1
Operations	722.8	769.6	785.0
Capital Improvements	0.0	0.0	0.0
Internal Service Funds	458.6	501.4	510.4
Total Full-time Equivalent (FTEs)	8,735.8	9,263.1	9,334.1

Line of Business: Public Works

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



Line of Business Description:

Public Works is advancing quality of life and reducing disparities in Hennepin County by taking action on climate change, protecting and preserving the environment, and providing an integrated network of roads, bridges, bikeways, sidewalks and transitways.

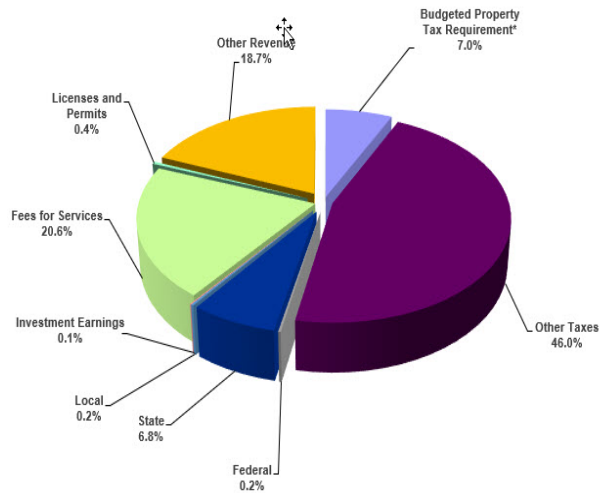
Public Works connects people to places through planning, designing, engineering, and constructing roads, bridges, and transit lines. Using innovative technologies, Public Works maintains, operates, and preserves the county's highway system. Public Works also manages solid waste, delivers clean energy, 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$18,886,592	\$21,196,240	\$25,538,645
Other Taxes	159,814,663	146,696,100	167,096,100
Federal	99,004	1,000,000	700,000
State	22,513,429	25,625,826	24,582,603
Local	250,181	493,700	669,565
Investment Earnings	-272,953	435,000	245,000
Fees for Services	74,615,875	67,295,245	74,872,002
Fines and Forfeitures	76,719	30,000	30,000
Licenses and Permits	1,428,579	1,599,869	1,495,400
Other Revenue	6,297,408	-44,341,729	67,908,188
Other Financing	-33,791,058	-38,088,250	-166,081,500
Total Revenues	\$249,918,439	\$181,942,001	\$197,056,003
Personnel Services	\$42,394,610	\$48,392,749	\$52,488,870
Commodities	4,682,065	5,187,952	5,094,244
Services	69,948,910	76,231,520	86,092,274
Public Aid Assistance	38	0	0
Capital Outlay	470,849	17,000	115,500
Other Charges	37,342,140	44,617,247	44,794,582
Grants	8,840,057	7,495,533	8,470,533
Total Expenditures	\$163,678,670	\$181,942,001	\$197,056,003
Budgeted Positions (Full-Time Equivalents)	410.6	420.4	444.4

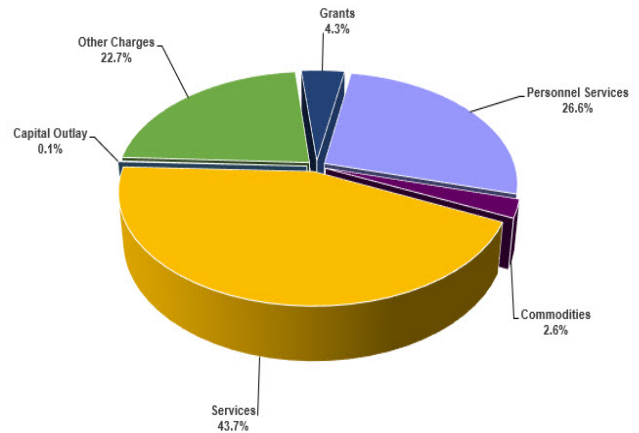
*Reflects the adjusted property tax requirement budget, not actual property tax collection.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Public Works Services	60,455,662	69,056,528	73,604,967
Environment and Energy	78,139,638	83,638,031	93,598,351
Glen Lake Golf Courses	1,061,408	1,047,442	1,052,685
Transportation Sales Tax & Development	24,021,962	28,200,000	28,800,000
Total Expenditures	\$163,678,670	\$181,942,001	\$197,056,003

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Public Works Services	314.0	325.4	340.2
Environment and Energy	96.6	95.0	104.2
Glen Lake Golf Courses	0	0	0
Transportation Sales Tax & Development	0	0	0
Budgeted Positions (Full-Time Equivalents)	410.6	420.4	444.4

Revenue Summary:

The 2023 Public Works budgeted revenues are \$197.1 million, an increase of \$15.1 million over the 2022 adjusted budget. Details about the major sources of revenue include:

Budgeted Property Tax Requirement

The 2023 adopted budget includes property taxes of \$25.5 million, an increase of \$4.3 million, or 20 percent, when compared to the 2022 adjusted budget amount.

Other Taxes

The 2023 adopted budget includes Other Taxes of \$167.1 million, which is an \$20.4 million increase, or 14 percent, from the 2022 adjusted budget. The increase is attributable to higher anticipated Transportation Sales and Use Tax in 2023 to be used for transit investments serving the county.

Federal

Federal revenue in the 2023 adopted budget is \$700,000, which is a decrease of about \$300,000, or 30 percent, from the 2022 adjusted budget.

State

The 2023 adopted budget for State revenue is \$24.6 million. This is a decrease of \$1.0 million, or 4 percent, over the 2022 adjusted budget due to decreased State Aid from the Minnesota Department of Transportation.

Other Revenue

Other Revenue in the 2023 adopted budget is \$67.9 million, reflecting use of Fund Balance for capital projects funded by the Transportation Sales Tax. (See the Other Financing section below for more information.)

Other Financing

The 2023 adopted budget for Other Financing is (\$166.1) million and reflects 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 2023 adopted budget totals \$6.5 million, a decrease of \$58,000, or 0.6 percent, over the 2022 adjusted budget.

Climate Change and Resiliency

The 2023 adopted budget totals \$1.8 million, an increase of \$40,000, or 2 percent, over the 2022 adjusted budget.

Transit and Mobility

The Transit and Mobility department is a newly created department for the 2023 budget. The adopted budget of \$1.5 million will support greater alignment of efforts around integration of transit internally, particularly with climate action, disparity reduction, and transportation project development.

Transportation Operations

The 2023 adopted budget is \$42.2 million, which is an increase of \$2.2 million, or 5 percent, from the 2022 adjusted budget.

Transportation Project Delivery

The 2023 adopted budget is \$21.5 million, an increase of \$0.9 million, or 4 percent, from the 2022 adjusted budget.

Environment and Energy

The 2023 adopted budget is \$93.6 million, which is an increase of \$10 million, or 12 percent, from the 2022 adjusted budget. The adopted budget reflects county priorities to expand forestry, natural resources, and zero-waste efforts to advance the organization's climate and equity driven priorities.

Glen Lake Golf Courses

The 2023 adopted budget remains nearly unchanged at \$1.1 million.

Transportation Sales Tax and Development

The 2023 adopted budget is \$28.8 million, which is an increase of \$600,000, or 2 percent, from the 2022 adjusted budget.

Mission

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

Department Description:

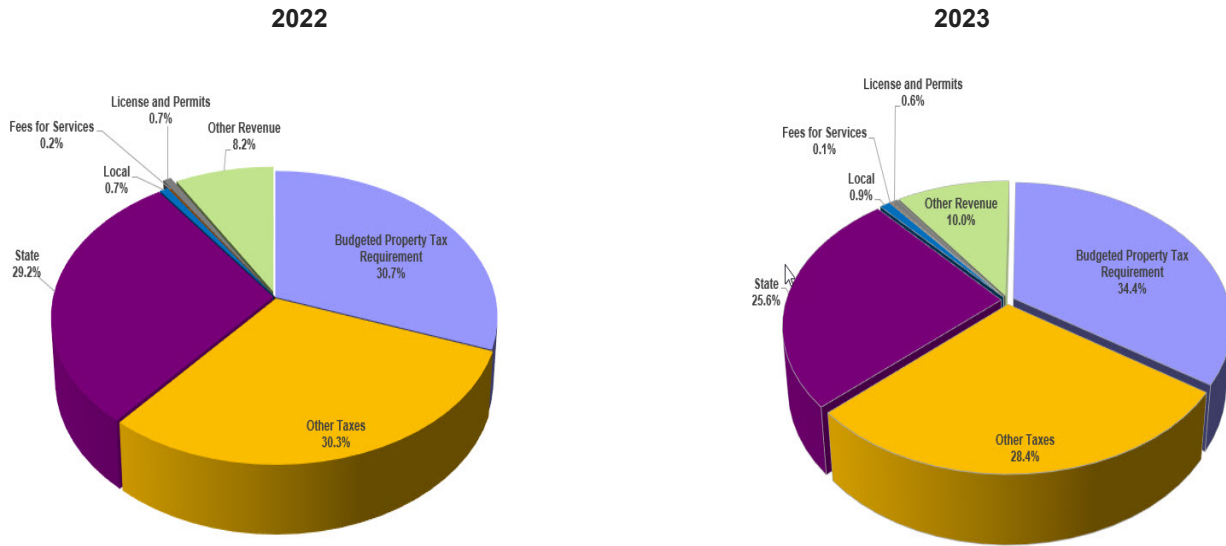
Public Works Services connects people to places through planning, designing, engineering, and constructing roads, bridges, and transit lines. Using innovative technologies, Public Works Services maintains, operates, and preserves the county's highway system and supports the build-out of the regional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

Public Works Services 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$18,886,592	\$21,196,240	\$25,288,645
Other Taxes	20,376,110	20,896,100	20,896,100
Federal	94,527	0	0
State	18,343,062	20,184,249	18,826,423
Local	250,181	493,700	669,565
Investment Earnings	0	0	0
Fees for Services	35,700	124,546	85,300
Fines and Forfeitures	4,312	0	0
Licenses and Permits	439,479	478,469	456,000
Other Revenue	4,296,305	5,683,224	7,382,934
Other Financing	0	0	0
Total Revenues	\$62,726,269	\$69,056,528	\$73,604,967
Personnel Services	\$33,056,202	\$37,787,578	\$40,535,290
Commodities	4,441,186	4,785,227	4,690,919
Services	22,260,579	25,921,824	27,690,121
Public Aid Assistance	38	0	0
Capital Outlay	470,849	17,000	115,500
Other Charges	226,807	544,899	573,137
Grants	0	0	0
Total Expenditures	\$60,455,662	\$69,056,528	\$73,604,967
Budgeted Positions (Full-Time Equivalents)	314.0	325.4	340.2

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

Revenue Comparison



Significant Budget Changes

The 2023 adopted budget is \$73.6 million, which reflects a \$4.5 million, or 6.6 percent, increase from the 2022 adjusted budget. The 2023 adopted budget includes the addition of \$1.5 million for the new Transit and Mobility department.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Administration	5,507,549	6,537,559	6,479,461
Climate Change	94,800	1,802,574	1,842,990
Transit and Mobility	0	0	1,520,077
Transportation Project Delivery	17,964,888	20,647,875	21,533,262
Transportation Operations	36,888,425	40,068,520	42,229,177
Total Expenditures	\$60,455,662	\$69,056,528	\$73,604,967

Budget Commentary

Public Works Administration

Supports the entire Public Works Line of Business by integrating the following areas: Assistant County Administrator - Public Works Office, Financial Services, and Information Technology. For 2023, Public Works Administration will continue aligning work under the priority of reducing disparities.

Climate Change and Resiliency

Leads the implementation of the county's Climate Action Plan, with the goal of reducing greenhouse gas emissions, and building resilience through climate adaptation efforts with a focus on vulnerable communities.

Transit and Mobility

Supports greater alignment of efforts around integration of transit internally, particularly with climate action, disparity reduction, and transportation project development. The department will enhance accountability and support efforts of external partners, including Metro Transit and the Metropolitan Council. Hennepin County is a major funding partner in the Metro Transit Light Rail Transit system for both capital projects and operations, through the county's transportation sales tax. This department will ensure the county's financial interests are met in these areas, primarily the delivery of the Green Line Extension and Blue Line Extension projects. Additionally, the department will focus on coordinating the buildout of other transit projects such as arterial bus rapid transit and highway bus rapid transit.

Transportation Operations

Maintains the county's road infrastructure and is organized into the following areas: Asset Management, Road Operations, and Traffic Operations. The Asset Management division is responsible for oversight of the county's transportation assets, development of pavement and maintenance programs, and the use and management of the highway right of way. The Road Operations division operates and maintains the county highway road system to ensure safe and convenient use by the traveling public. Projects supported by the division include snow and ice emergency response, roadway patching and repair, mowing and sweeping, and storm water management. The Traffic Operations division operates and maintains the county's traffic related sign, signal, and traffic management control assets to enhance safety, efficiency, and reliability for users of the county's transportation system.

Transportation Project Delivery

Plans, designs and constructs the capital transportation program for the county and is organized into the following areas: Capital Programming, Planning, Design, Bridge, and Construction. The Capital Programming division develops the transportation Capital Improvement Program (CIP) and assists in the fund management of capital and operating projects. The Planning division is responsible for multi-modal and safety planning, traffic counting, and mapping, as well as intergovernmental coordination and review and analysis of proposed legislation. The Design division prepares plans, specifications, cost estimates, agreements, environmental reports, and other documents for roadway projects in the transportation CIP. The Bridge division inspects and inventories existing bridges and structures, and coordinates municipal project development where county facilities and interests may be affected. The Construction division provides contract administration for the transportation CIP to ensure the proper execution of contracts and quality work and materials.

Key Results:

Key Result	2021 Actual	2022 Estimate	2023 Goal
Engineering costs as a percent of actual capital project costs	23%	22%	22%
Hours to plow			
Urban	4:28	4:17	4:30
Rural	4:23	4:20	4:30
Pavement Surface Rating (PSR)	62%	61%	67%
Accounts receivable bills processed	6,775	6,133	6,291
Accounts payable invoices processed	8,986	8,764	8,875

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.

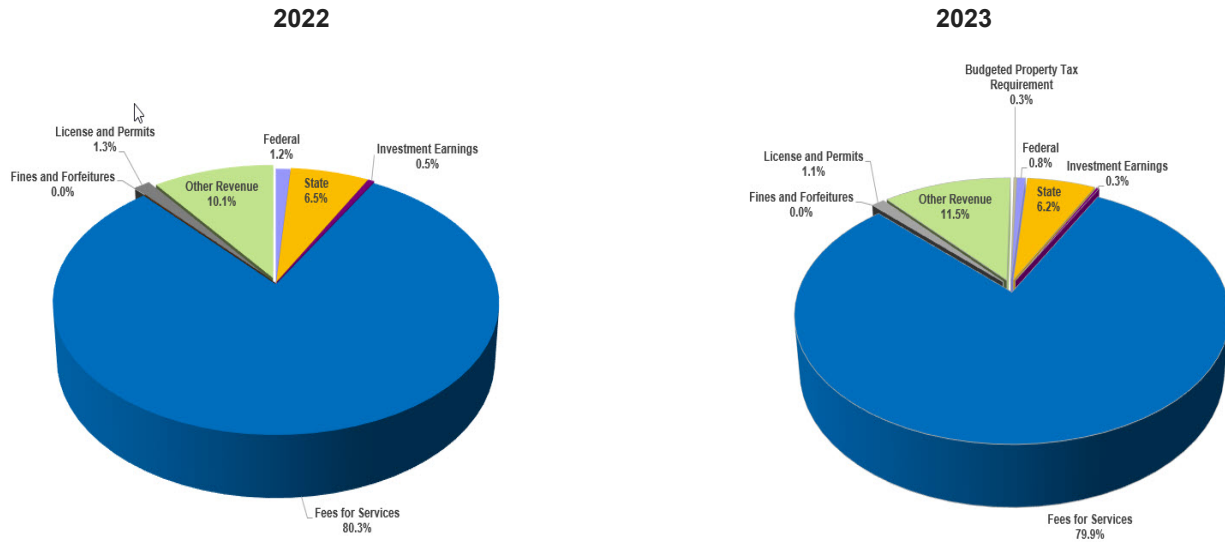
Department Description:

We engage communities to develop and enact sustainable solutions that enhance the quality of life and the environment in Hennepin County. We focus on reducing and responsibly managing waste, protecting and preserving ecosystems, delivering clean energy and promoting environmental stewardship.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$250,000
Other Taxes	205,787	0	0
Federal	4,477	1,000,000	700,000
State	4,170,367	5,441,577	5,756,180
Local	0	0	0
Investment Earnings	-272,953	435,000	245,000
Fees for Services	74,580,175	67,170,699	74,786,702
Fines and Forfeitures	72,407	30,000	30,000
Licenses and Permits	989,100	1,121,400	1,039,400
Other Revenue	703,368	8,439,355	10,791,069
Other Financing	0	0	0
Total Revenues	\$80,452,727	\$83,638,031	\$93,598,351
Personnel Services	\$8,646,372	\$10,016,929	\$11,339,087
Commodities	132,005	284,950	279,550
Services	46,884,744	49,361,698	57,548,168
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	13,636,460	16,478,921	15,961,013
Grants	8,840,057	7,495,533	8,470,533
Total Expenditures	\$78,139,638	\$83,638,031	\$93,598,351
Budgeted Positions (Full-Time Equivalents)	96.6	95.0	104.2

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

Revenue Comparison



Significant Budget Changes

In 2023, Environment and Energy will have an adopted operating budget of \$93.6 million, funded mostly by non-property tax revenue. The adopted budget also includes 104.2 full-time equivalent (FTE) positions, which is a 10.2 FTE increase from the 2022 adjusted budget. The Solid Waste Enterprise (Fund 34) receives revenues from fees that pay for waste prevention, recycling, and other environmental programs. The adopted budget reflects significant increases to operating costs because of inflation, labor, commodity pricing, and contract price escalators. The department manages the use of fund balance to ensure the long-term health of the Solid Waste Enterprise Fund to manage the solid waste system and advance the county's zero waste goal.

The adopted budget reflects county priorities to expand forestry, natural resources and zero-waste efforts to advance the organization's climate and equity driven priorities. In addition to solid waste management fees, the adopted budget also uses \$250,000 of property tax revenue for forestry and conservation work.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Administration and Planning	5,462,662	7,663,666	8,323,513
Environmental Protection	5,405,487	7,209,406	9,140,879
Environmental Response	4,731,390	5,500,000	4,000,000
Solid Waste	62,540,100	63,264,959	72,133,959
Total Expenditures	\$78,139,638	\$83,638,031	\$93,598,351

Key Results:

Results	2021 Actual	2022 Estimate	2023 Goal
Energy Production (Megawatt hours of electricity)	220,114	202,000	205,000
Awards to environmental responses grantees	\$4,731,390	\$1,860,000	\$4,000,000
Recycling Rate	39%	40%	42%

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 executive course and driving range. 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	2021 Actual	2022 Budget	2023 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	1,297,735	1,047,442	1,052,685
Other Financing	0	0	0
Total Revenues	\$1,297,735	\$1,047,442	\$1,052,685
Personnel Services	\$692,036	\$588,242	\$614,493
Commodities	97,541	117,775	123,775
Services	149,817	147,998	153,985
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	122,014	193,427	160,432
Grants	0	0	0
Total Expenditures	\$1,061,408	\$1,047,442	\$1,052,685
Budgeted Positions (Full-Time Equivalents)	0	0	0

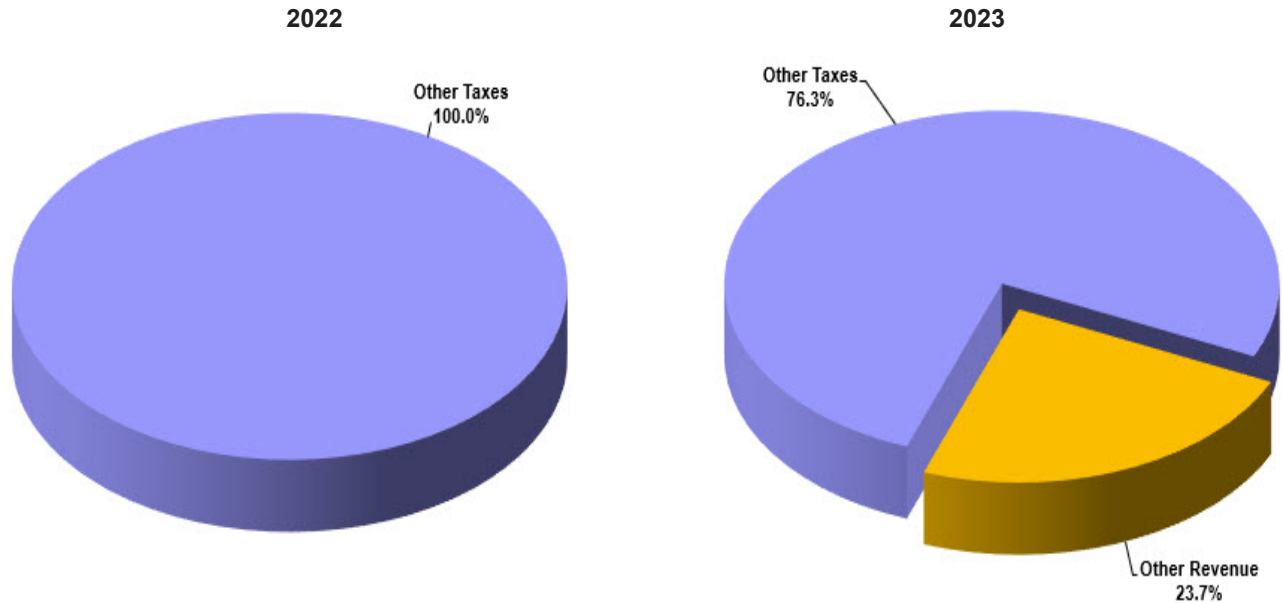
Mission

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	139,232,766	125,800,000	146,200,000
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	-59,511,750	48,681,500
Other Financing	-33,791,058	-38,088,250	-166,081,500
Total Revenues	\$105,441,709	\$28,200,000	\$28,800,000
Personnel Services	\$0	\$0	\$0
Commodities	11,333	0	0
Services	653,771	800,000	700,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	23,356,858	27,400,000	28,100,000
Grants	0	0	0
Total Expenditures	\$24,021,962	\$28,200,000	\$28,800,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

Revenue Comparison



Significant Budget Changes

Revenue:
Other Revenue represents a Budgeted Use/ (Increase) of Fund Balance. Other Financing represents transfers out of the transportation sales tax fund into other funds. The 2022 adopted budget includes a \$28.1 million transfer to the Debt Service fund to pay debt service on bonds issued for the Southwest Light Rail Transit capital project (project # 1005876), and a \$10 million transfer to the Capital Fund to fund the Bottineau Light Rail Transit capital project (project # 1005877).

Expenditures:
Other Charges includes \$26.7 million for grants to the Metropolitan Council to support Blue Line LRT, Green Line LRT, Northstar Commuter Rail, and Orange Line BRT transit operations. The Orange Line BRT began passenger service in December 2021.

Line of Business: Law, Safety and Justice

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

Line of Business Description:

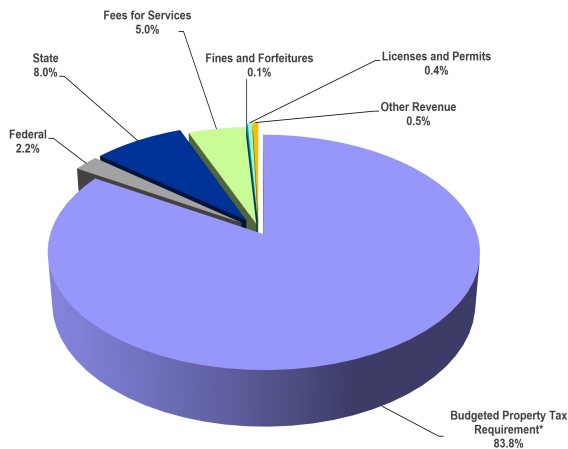
The Law, Safety and Justice line of business includes law enforcement, criminal prosecution, legal representation for clients experiencing poverty, and correctional programs. The departments contributing to this major line of business are Law, Safety & Justice Operations, County Attorney's Office, Adult 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$284,480,614	\$299,356,417	\$317,970,056
Other Taxes	0	0	0
Federal	12,774,320	11,346,177	8,201,697
State	30,121,675	30,715,892	30,394,212
Local	42,703	30,000	30,000
Investment Earnings	0	0	0
Fees for Services	14,178,279	18,495,193	19,117,376
Fines and Forfeitures	270,570	75,000	200,000
Licenses and Permits	1,717,477	1,500,000	1,500,000
Other Revenue	1,775,845	2,198,390	2,042,040
Other Financing	-1	0	0
Total Revenues	\$345,361,482	\$363,717,069	\$379,455,381
Personnel Services	\$272,304,811	\$288,679,322	\$305,902,486
Commodities	6,893,186	7,764,540	8,381,677
Services	56,237,637	58,740,352	59,969,952
Public Aid Assistance	20,537	0	0
Capital Outlay	588,714	660,958	1,053,028
Other Charges	3,844,879	7,871,897	4,148,238
Grants	0	0	0
Total Expenditures	\$339,889,763	\$363,717,069	\$379,455,381
Budgeted Positions (Full-Time Equivalents)	2,401.3	2,469.0	2,430.3

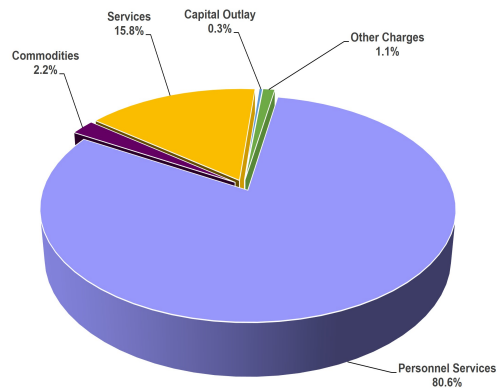
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Law, Safety and Justice Operations	14,546,584	18,575,653	17,013,191
County Attorney's Office	60,551,568	64,867,637	69,978,068
Adult Representation Services	4,659,458	8,541,532	12,187,991
Court Functions	1,946,416	1,526,600	175,824
Public Defender's Office	9,577,535	9,909,708	9,251,802
Sheriff's Office	127,663,251	134,885,889	141,206,586
Department of Community Corrections and Rehabilitation	117,478,109	121,241,926	125,481,958
Radio Communications	3,466,843	4,168,124	4,159,961
Total Expenditures	\$339,889,763	\$363,717,069	\$379,455,381

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Law, Safety and Justice Operations	62.3	84.3	74.5
County Attorney's Office	464.2	499.2	508.3
Adult Representation Services	33.0	52.0	74.0
Court Functions	0	0	0
Public Defender's Office	32.8	28.3	24.0
Sheriff's Office	822.0	853.0	855.0
Department of Community Corrections and Rehabilitation	987.0	952.2	894.4
Radio Communications	0	0	0
Budgeted Positions (Full-Time Equivalents)	2,401.3	2,469.0	2,430.3

Revenue Summary:

The 2023 Law, Safety and Justice Line of Business accounts for approximately 43 percent of the expenditures in the County Revenue Fund, and 100 percent of the Radio Communications Fund. The Law, Safety and Justice Line of Business will operate with 2,430.3 authorized full-time equivalents (FTEs) which is a decrease of 38.7 FTEs over the 2022 adjusted budget.

The 2023 operating expenditures for the Law, Safety and Justice Line of Business have increased by 4.3 percent or \$15.7 million over the 2022 adjusted budget for a total operating budget of \$379.5 million.

Property Tax Revenues: In 2023, property tax revenues will fund \$318.0 million or 83.7 percent of the Law, Safety and Justice Line of Business total expected revenues of \$379.5 million. The majority of the property tax will support the Sheriff's Office at \$122.5 million and the Department of Community Corrections and Rehabilitation at \$100.6 million. The County Attorney's Office will be funded by \$64.0 million, Law, Safety & Justice Operations by \$16.4 million, Adult Representation Services by \$10.0, the Public Defender's Office by \$4.1 million and Court Functions by about \$176,000.

Federal Revenue: Federal revenue accounts for 2.1 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 8.0 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, state monies are used to partially reimburse expenses in the Public Defender's Office; and police state aid and grants related to peace officers training and public safety efforts.

Fees for Services Revenue: Fees for Services are the second largest sources of non-property tax revenue at 5.0 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 2023, other revenue has been budgeted at \$2.0 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:

Law, Safety & Justice Operations: The Law, Safety and Justice Operations budget will decrease 8.4 percent to \$17.0 million and includes 74.5 full-time equivalents (FTEs).

County Attorney's Office: The Attorney's Office budget will increase by 7.9 percent to \$69.9 million and includes 508.3 FTEs.

Adult Representation Services: The ARS budget will increase by 42.7 percent to \$12.2 million and includes 74.0 FTEs.

Court Functions: The Court Functions budget will decrease by 88.5 percent to about \$176,000 and operates without FTEs.

Public Defender's Office: The Public Defender's Office budget will decrease by 6.6 percent to \$9.2 million and includes 24.1 FTEs.

Sheriff's Office: The Sheriff's Office budget will increase by 4.7 percent to \$141.2 million and includes 855.0 FTEs.

Department of Community Corrections and Rehabilitation: The DOCCR's budget will increase 3.5 percent to \$125.5 million and includes 894.4 FTEs.

Radio Communications: The Radio Communication Fund will decrease 0.2 percent to \$4.1 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:

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

Law, Safety and Justice 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.

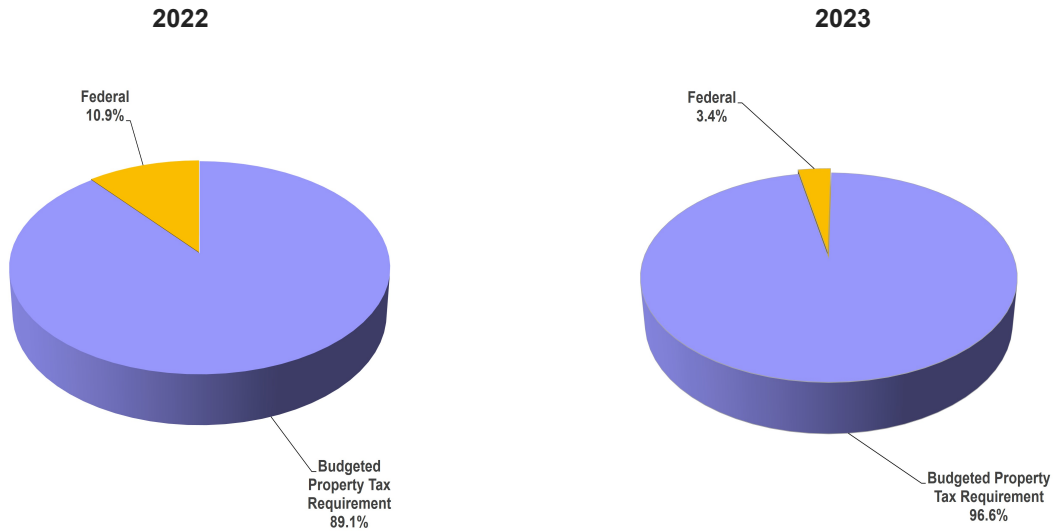
Law, Safety and Justice Information Technology coordinates and aligns the technology strategies of Hennepin County Information Technology for the Law, Safety and Justice Line of Business.

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$13,930,653	\$16,548,587	\$16,441,052
Other Taxes	0	0	0
Federal	1,499,821	2,027,066	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	\$15,430,474	\$18,575,653	\$17,013,191
Personnel Services	\$7,940,445	\$11,215,135	\$11,313,636
Commodities	41,768	102,927	60,104
Services	6,316,536	5,722,329	5,538,881
Public Aid Assistance	0	0	0
Capital Outlay	209,290	0	0
Other Charges	38,544	1,535,262	100,570
Grants	0	0	0
Total Expenditures	\$14,546,584	\$18,575,653	\$17,013,191
Budgeted Positions (Full-Time Equivalents)	62.3	84.3	74.5

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

Revenue Comparison



Significant Budget Changes

In 2023, Law, Safety & Justice Operations will have an appropriation of \$17.0 million which will be funded by expected property tax revenue of \$16.4 million and non-property tax revenue of about \$572,000. When compared to the 2022 adjusted budget, the operating budget has decreased by 8.4 percent or \$1.5 million. Property tax revenues have decreased by 0.6 percent or about \$107,500, with non-property tax revenues decreasing by \$1.4 million. The department will operate with 74.5 full-time equivalents (FTEs); which is a decrease of 9.8 FTEs from the 2022 adjusted budget.

In 2023, the changes to the budget are primarily driven by the centralization of the Attorney's Office IT division into Law, Safety and Justice Operating IT. Additional increases stem from Services expenditures, with an increase in costs for file storage, as well as increases for general salary adjustments, merit increases and health insurance expense.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Law, Safety & Justice Administration	1,381,376	1,645,409	1,816,477
Criminal Justice Coordinating Committee	478,700	742,158	750,749
Law, Safety & Justice IT	11,646,828	14,738,372	14,445,965
Law, Safety & Justice Initiatives	1,039,679	1,449,714	0
Total Expenditures	\$14,546,584	\$18,575,653	\$17,013,191

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.

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.

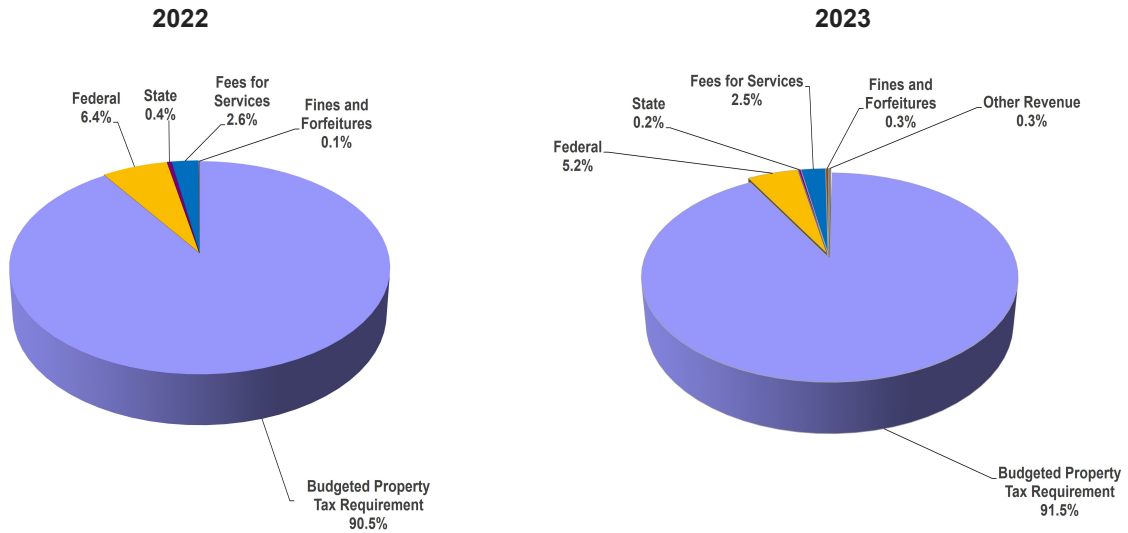
The Criminal Divisions represent the State of Minnesota, prosecuting adults charged with felonies, and all crimes committed by juveniles. The Criminal Divisions include Adult Prosecution, Juvenile Prosecution, the Gang Unit, Community Prosecution, Special Litigation, the Victim Witness Program and the 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$54,093,373	\$58,708,096	\$64,032,220
Other Taxes	0	0	0
Federal	3,491,638	4,130,829	3,656,427
State	256,440	274,212	162,421
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	1,644,409	1,691,500	1,756,500
Fines and Forfeitures	150,628	50,000	175,000
Licenses and Permits	0	0	0
Other Revenue	4,272	13,000	195,500
Other Financing	0	0	0
Total Revenues	\$59,640,761	\$64,867,637	\$69,978,068
Personnel Services	\$53,740,683	\$57,372,714	\$61,853,230
Commodities	55,289	103,000	169,709
Services	6,547,413	7,058,010	7,828,979
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	208,183	333,913	126,150
Grants	0	0	0
Total Expenditures	\$60,551,568	\$64,867,637	\$69,978,068
Budgeted Positions (Full-Time Equivalents)	464.2	499.2	508.3

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

Revenue Comparison



Significant Budget Changes

In 2023, the Hennepin County Attorney's Office (HCAO) will have an expense appropriation of \$69.9 million which will be funded by expected property tax revenue of \$64.0 million and non-property tax revenue of \$5.9 million. When compared to the 2022 adjusted budget, the operating budget has increased by 7.9 percent or \$5.1 million. Property tax revenues have increased by 9.1 percent or \$5.3 million, and all other revenues decreased by 3.5 percent or about \$398,000; this is in large part due to several grants expiring in 2023 as well as reductions in American Rescue Plan Act funding. It should also be noted that the Information Technology (IT) function (approximately \$2M) within HCAO transitioned to Law, Safety and Justice (LSJ) Administration which significantly inflated the year-over-year expense budget and property tax percentage increases.

HCAO transitioned a number of positions to full-time, permanent status. Along with salary adjustments, merit increases, health insurance premium and other fringe benefit increases, the shift to permanent staffing is the biggest factor impacting the 2023 budget. HCAO eliminated three vacant positions through the 2023 budget process and transitioned nine IT staff to LSJ Administration. Seven positions will be supported through the American Rescue Plan Act. In non-personnel areas of the budget, expenses increased by 9 percent; again, this percentage is overstated due to the IT transition to LSJ Administration.

Note: the 2023 budget was prepared by former Hennepin County Attorney Michael O. Freeman whose term ended January 1, 2023.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Criminal	33,518,172	36,270,578	39,256,771
Civil and Administration	27,033,396	28,597,059	30,721,297
Total Expenditures	\$60,551,568	\$64,867,637	\$69,978,068

Budget Commentary

In 2022, due to an increase in serious crime in the metro area, the Hennepin County Attorney's Office (HCAO) reviewed an immense number of cases -- over 11,200 adult felonies and over 2,700 juvenile cases. The number of adult cases represents a 5-year high. And although the number of juvenile cases submitted to our office represents only a slight increase since 2021, the seriousness of those cases has increased: we are now seeing more motorvehicle theft, assaults, and gun possessions by juveniles than in years prior.

HCAO continues to face a significant backlog of criminal cases due to the pandemic. The office has moved resources around, including pulling attorneys in from non-criminal divisions, to address these cases but the backlog remains.

We have continued important partnerships to address the increases in crime. We have convened partners in business, faith, law enforcement and local government as part of Minnesota Hope, Education, and Law and Safety (HEALS) 2.0. The focus of this group has been on juvenile carjacking cases and violent crime. We have also partnered with the City of Minneapolis and their new Community Safety Commissioner, Cedric Alexander. As part of Operation Endeavor, we have embedded a senior prosecutor within the Minneapolis Police Department. This has led to a decrease in major crime statistics compared to the same time last year and the cases are coming to our prosecutors in better shape. Although the crime statistics represent a downward shift, the prosecution function of the criminal justice system is toward the back end of the process and there will remain significant work to do.

Key Results:

Race and Equity, Disparity Reduction

- Race & Equity workplan in place to identify current and future disparity projects and policy development
- Many Victim Witness staff are bilingual and bicultural; Latino, African American, Somali, Asian and Caucasian victims have a culturally appropriate advocate
- Engaged in a sex trafficking initiative which supports women and members of the BIPOC community who are disproportionately represented in this crime

Adult Prosecution

- Trials in 2022: 202 trials -- a 24% increase over 2021
- APD reviewed 104 homicide cases compared to 126 in 2021, 94 in 2020 and 61 in 2019
- Prosecuted cases involving Jamal Smith and Lyndon Wiggins. Jamal Smith was convicted of murder in the first degree for the Highway 169 road rage shooting that killed a Plymouth baseball coach. Lyndon Wiggins was sentenced to life in prison without the possibility of release for the kidnapping and murder of a real estate agent on New Year's Eve.

Adult Services

- HCAO has experienced an increase in inquiries from concerned family and community members about loved ones or neighbors with serious mental illness who are living in the community. Filed community-initiated petitions rather than petitioning when an individual is in a hospital.
- Provided mental health resources outreach to underserved populations. The goal is to empower underserved families and individuals with knowledge about resources and the commitment process.

Child Protection

- Through the Be@School Program increased diversity of community agencies by contracting with two new BIPOC owned businesses and increasing the contract to Division of Indian Work to serve additional American Indian families.
- Provided legal representation and advocacy for all Children and Family Services state ward and adoption work:
 - Reduced the number of state wards from 364 to 246
 - Finalized 179 adoptions
 - 74% of adoptions were in relative/kinship homes
- Participated in almost 250 pre-permanency five month decision point attorney-client case staffings. Reviewed children who have been in out of home placement for the past five months. Assessed reasonable efforts to reunify, engage non-custodial parents, complete the relative search and work on a concurrent permanency plan.

Child Support

- 2022 Child Support collection: \$87,290,403 (estimated)
- 2021 Child Support collection: \$94,723,316
- Collaborated with our client and Adult Representation Services to develop a diversion process for contempt cases

Civil

- Advised on key issues related to transitions in two county-wide elected offices
- Completed work to update Epic affiliate agreement, which required a team approach with six attorneys representing four county departments plus the Hennepin Healthcare hospital
- Conducted proactive training for numerous client departments, including overviews on litigation, subpoenas, and new supervisor training

Key Results:

Community Engagement

- Collaborated with the civil division to initiate nuisance actions against notorious problem properties which impact livability in underserved communities
- Developed electronic versions of impact statements for community members to access and submit more easily
- Organized several legal summits to answer questions from community members about custody, parenting time, child support and mental health resources
- Established the Housing Readiness/Bench Warrant Forgiveness Project to support defendants in seeking assistance from the Public Defenders Office to quash warrants and resolve cases, thus providing a route to stable housing

Community Prosecution

- Actively expanded diversion criteria and effective ways to hold criminal actions accountable and foster rehabilitation
- In partnership with the U.S. Attorney's Office, took on a carjacking initiative which put one experienced criminal attorney in charge of all carjacking cases and led to increased accountability and investigations

Domestic Abuse Service Center

- DASC had over 23,000 contacts with individuals accessing services
- Successfully increased access and eliminated barriers for many due to the transition to remote service delivery. Services will continue to be offered via phone and in person.
- Collaborated with Hennepin County Security to establish the Safe Spaces initiative. DASC supervisors trained over 90 security officers and continues to serve as a resource for individuals referred through this initiative.
- Provided culturally specific and responsive presentations to the community for Domestic Violence Awareness Month in October. Presentations were made in various languages to increase accessibility, education around domestic violence and awareness of resources.

Juvenile Prosecution

- Developed a pilot program for diversion youth to participate in a work readiness, job training program. Contracted with a community organization to develop and implement the pilot that helps young people explore jobs and careers, build a resume, learn and practice interviewing, and engage in hands-on apprenticeships and internships.
- Dedicated staff to work closely with law-enforcement to increase victim services and improve the investigation and prosecution of carjacking cases.

Special Litigation

- Complex Financial Crimes continued its groundbreaking work to hold people accountable for fraud, wage theft, and preying on vulnerable adults, including filing the first-ever complaint under Minnesota's new wage theft law
- Handled well over 100 appeals and numerous oral arguments at the Minnesota Court of Appeals and Minnesota Supreme Court
- Advised trial attorneys on cases and complex legal issues, and oversaw efforts on the statewide Conviction Review Unit

Victim Witness

- Approximately 50 victim witness staff provide resources, information to victims of crime and coordination of court appearances
- 3,072 subpoenas in juvenile cases and 46,319 in adult cases
- Services to approximately 7,861 victims of crime in adult and juvenile cases

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.

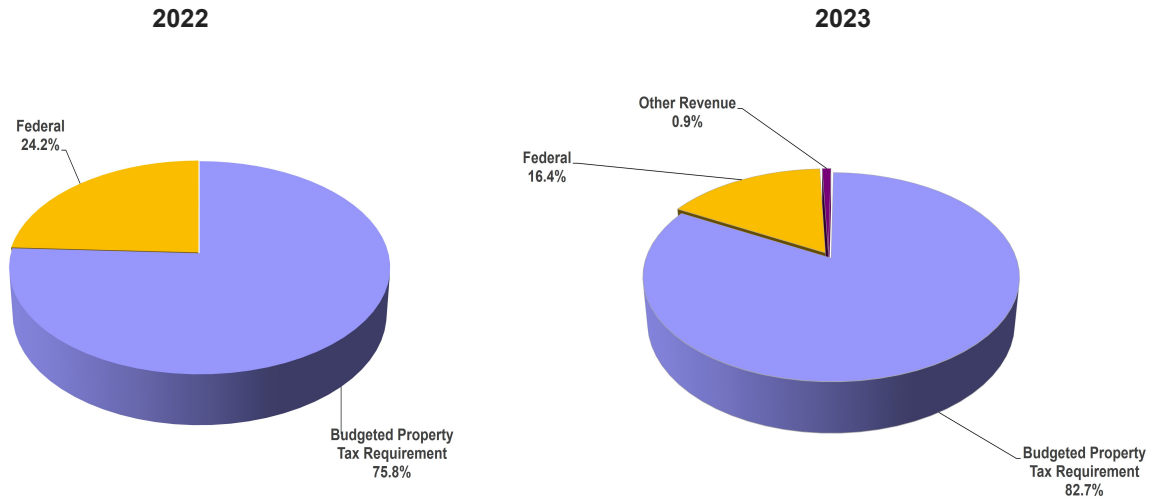
Department Description:

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, principal attorneys, 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$4,331,175	\$6,471,825	\$10,077,991
Other Taxes	0	0	0
Federal	1,990,296	2,069,707	2,000,000
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	110,000
Other Financing	0	0	0
Total Revenues	\$6,321,471	\$8,541,532	\$12,187,991
Personnel Services	\$3,853,340	\$6,295,683	\$9,967,510
Commodities	19,232	16,850	24,640
Services	739,040	1,497,369	2,096,291
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	47,845	731,630	99,550
Grants	0	0	0
Total Expenditures	\$4,659,458	\$8,541,532	\$12,187,991
Budgeted Positions (Full-Time Equivalents)	33.0	52.0	74.0

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

Revenue Comparison



Significant Budget Changes

Overall budget increase reflects an increase of 22.0 new full-time equivalent positions to support growth in both the operations and functions of ARS. Primarily driving these increases is the creation of a new Mental Health Commitment division, which will provide a holistic model of representation to individuals who are subject to a civil commitment for mental illness or substance use disorders. The Mental Health Commitment division represents an increase of 10.0 FTEs and \$1.7 million to the 2023 budget. Additional increases in FTEs and funds are mostly driven by an increase in operational staff, including additional attorneys, IT support, community health workers and administrative support.

Budget Commentary

Approximately 72% of ARS clients are Black, Indigenous, and people of color, and all are experiencing poverty. To reduce disparities and address racism as a public health crisis, ARS continues to expand our practice areas to ensure equitable access to justice for all. The new Mental Health Commitment division will make our holistic approach and resources available to some of our most vulnerable residents. Additionally, we are investing in the interdisciplinary nature of our team, bringing on more people to support our clients and staff in a variety of disciplines. Among these are parent mentors, who provide peer support to parents with a child protection case by drawing on their own lived experience with child protection.

ARS continues to be lean and accountable when it comes to climate impact. We produce and print limited paper documents, mostly for our clients who are unable or unwilling to access them electronically. We have limited our use of business cards, utilizing our QR codes to provide our agency and individual contact information. We continue to maximize our use of technology to electronically sign and send legal documents now that the courts have expanded these opportunities. We also fully utilize remote meeting platforms to avoid unnecessary travel for our colleagues, clients and other stakeholders when feasible and appropriate. We continue to search for ways to leverage technology for correspondence without creating barriers for our clients.

Key Results:

- Continued providing high-quality full representation to tenants in housing court through significant increases in case numbers after the eviction moratorium ended
- Launched a team to holistically represent vulnerable individuals in probate court subject to guardianship and conservatorship proceedings
- Co-sponsored and partnered on initiatives to reduce racial disparities in all service areas, including bringing on an immigration attorney
- Secured \$1 million in grant funding to develop a program to provide early intervention for parents struggling with stability

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.

Line of Business 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: temporary hospital confinement and representation in criminal cases.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$2,258,600	\$1,526,600	\$175,824
Total Revenues	\$2,258,600	\$1,526,600	\$175,824
Services	1,925,879	1,526,600	175,824
Public Aid Assistance	20,537	0	0
Total Expenditures	\$1,946,416	\$1,526,600	\$175,824
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 2023 Court Functions authorized operating budget when compared to the 2022 adjusted budget represent transfers of budget authority to the Adult Representation Services Department as well as Human Services and Public Health.

Budget Commentary

The 2023 budget is comprised as follows:

- \$103,530 for the Temporary hospital confinement of Mental Health Court clients.
- \$72,294 for legal assistance for indigent clients in criminal cases.

Mission

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

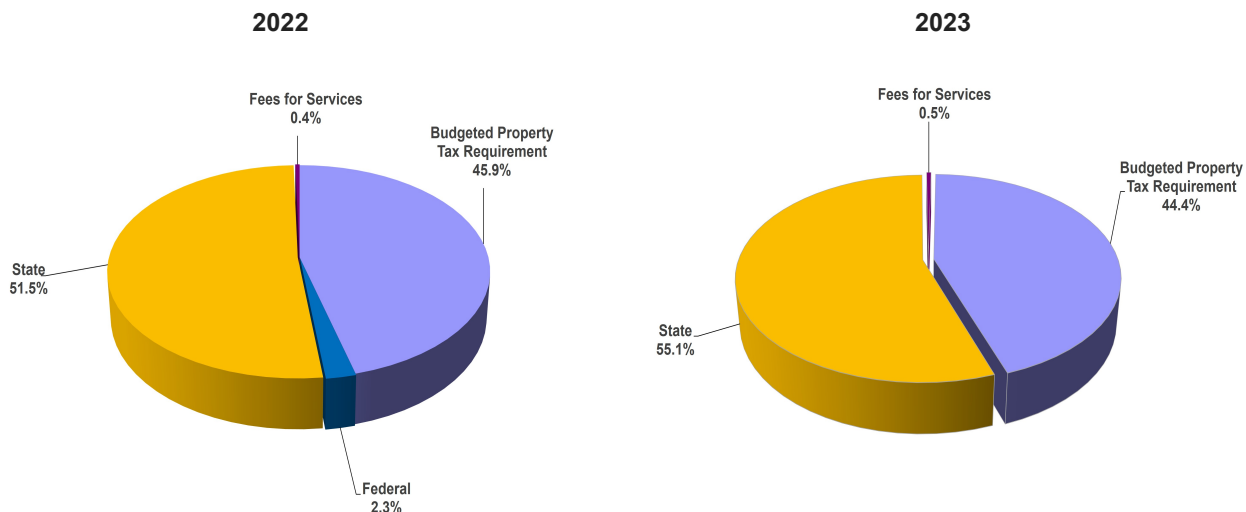
Department Description:

The Hennepin County Public Defender's office represents people in the criminal and juvenile justice systems who cannot afford an attorney. We vindicate 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 Hennepin County Public Defender represents children involved in child protection cases.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$4,244,861	\$4,543,263	\$4,109,802
Other Taxes	0	0	0
Federal	56,864	224,445	0
State	5,245,410	5,100,000	5,100,000
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	52,912	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	\$9,600,048	\$9,909,708	\$9,251,802
Personnel Services	\$5,354,026	\$5,220,038	\$4,825,889
Commodities	111,856	46,000	62,500
Services	4,091,492	4,389,525	4,318,713
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	20,161	254,145	44,700
Grants	0	0	0
Total Expenditures	\$9,577,535	\$9,909,708	\$9,251,802
Budgeted Positions (Full-Time Equivalents)	32.8	28.3	24.0

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

Revenue Comparison



Significant Budget Changes

The 2023 budget reflects a 9.5 percent decrease in the property tax requirement compared to the 2022 budget. Significant drivers of the decreased property tax include a reduction of 4.3 FTEs as a result of attrition, a decrease in IT costs, and a reduction of rent expenses.

When compared to the 2022 budget, the 2023 budget will decrease by about \$658,000, primarily driven by the above noted reduction in personnel.

Budget Commentary

The Hennepin County Public Defender's Office (PDO) continues to update its staff mentorship programs, law clerk programs, internship programs, training programs and employee development efforts despite significant attrition in 2022. The office continues to increase diversity in staff and consistently works on behalf of its clients to achieve excellent results on their behalf.

The PDO handled more cases in 2022 than in 2021, and it is expecting an even greater increase in 2023 as the pandemic continues to recede and the prosecution continues to file backlog cases.

Key Results:

- Continued to represent clients through the stresses of the pandemic and backlog
- Update training programs despite attrition, and attract and develop excellent employees
- Moved the attorneys and support staff for the Juvenile Division of the PDO to be centralized with the other teams of the division

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:

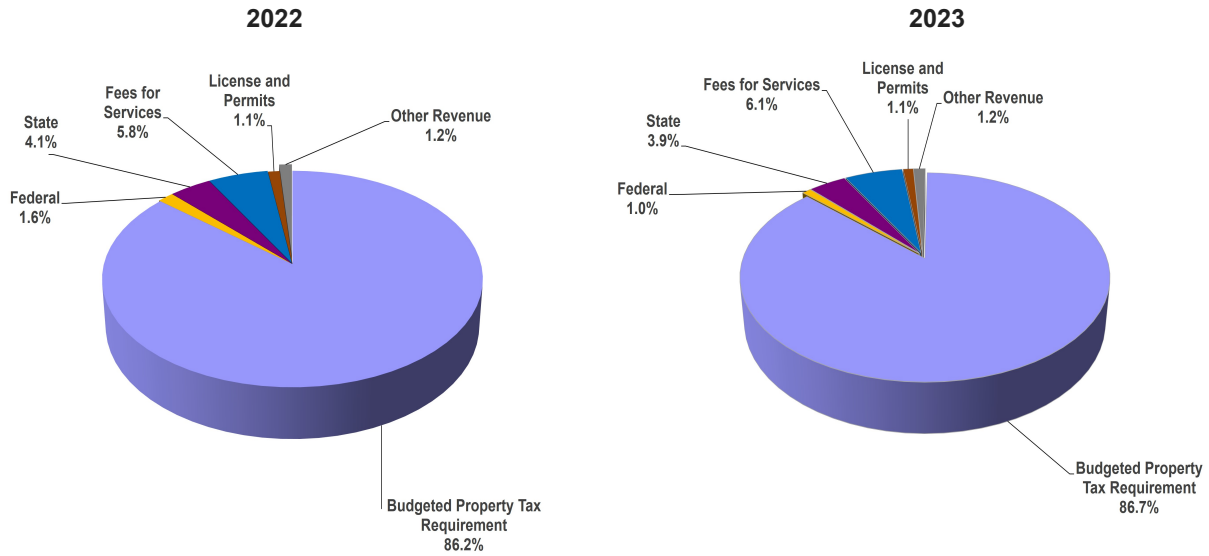
Minnesota State Statutes provides that the Sheriff is the Chief Law Enforcement Officer of the County, empowered to use all resources necessary "to keep and preserve the peace of the county." Minnesota State Statutes specifically confer upon the Sheriff the mandate to perform critical public safety functions:

- 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$106,650,494	\$116,187,182	\$122,495,494
Other Taxes	0	0	0
Federal	4,918,068	2,142,972	1,335,214
State	4,893,302	5,508,934	5,562,384
Local	28,353	0	0
Investment Earnings	0	0	0
Fees for Services	5,657,298	7,852,392	8,553,746
Fines and Forfeitures	119,942	25,000	25,000
Licenses and Permits	1,717,477	1,500,000	1,500,000
Other Revenue	1,430,861	1,669,409	1,734,748
Other Financing	0	0	0
Total Revenues	\$125,415,795	\$134,885,889	\$141,206,586
Personnel Services	\$104,596,572	\$109,434,839	\$114,499,682
Commodities	4,993,060	5,249,098	5,915,922
Services	16,354,829	17,125,026	18,246,322
Public Aid Assistance	0	0	0
Capital Outlay	279,391	585,958	978,028
Other Charges	1,439,399	2,490,968	1,566,632
Grants	0	0	0
Total Expenditures	\$127,663,251	\$134,885,889	\$141,206,586
Budgeted Positions (Full-Time Equivalents)	822.0	853.0	855.0

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

Revenue Comparison



Significant Budget Changes

The majority of the 2023 budget increase is the result of increases in personnel costs. Personnel Services increased because of the general salary adjustment and health insurance increases. Other increases are associated with operating the Hennepin County Jail, the body worn camera program, supplies for the Forensic Sciences Laboratory, and vehicles operated by the Sheriff's Office.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Administrative	11,939,810	11,962,943	12,385,455
Public Safety Services	20,145,657	20,991,193	21,710,619
911 Dispatch	12,578,121	12,985,290	13,437,644
Sheriff IT Technology	6,413,983	7,112,872	7,652,316
Investigative Services	7,707,861	8,833,187	8,937,430
Forensic Sciences	5,493,570	5,717,181	6,353,176
Criminal Intelligence	2,326,533	2,305,179	2,414,921
Adult Detention Court	53,424,079	54,565,282	58,521,724
Services Sheriff Other	7,604,352	10,412,763	9,793,301
Revenue	29,284	0	0
Total Expenditures	\$127,663,251	\$134,885,889	\$141,206,586

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:

	2021	2022	2023
	Actuals	Actuals	Estimates
Number of police/fire/medical dispatched calls	614,362	640,541	675,000
Number of jail bookings	18,208	22,006	26,000
Number of court security escorts	18,797	24,808	30,000
Number of crime scene responses	2,213	1,664	2,000
Number of mortgage foreclosure sales	173	338	400

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.

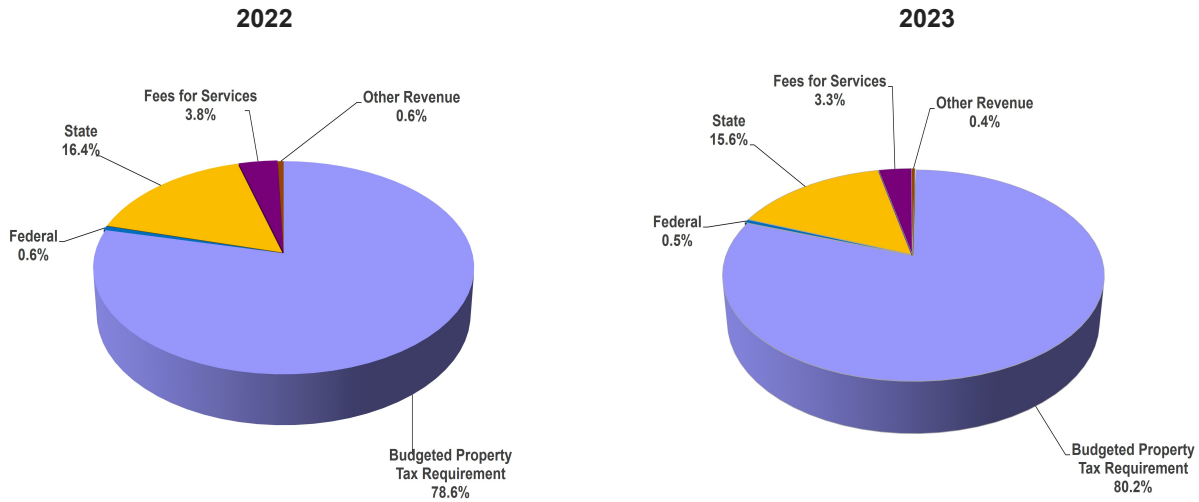
DOCCR operates with five divisions: Corrections Administration, Information Technology Systems, Operations & Innovations Services, Field Services, and Institutions. The core activities of DOCCR's mission falls within Field Services and Institutions.

- Field Services includes pre-trial; juvenile and adult probation; along with the oversight, development and expansion of community based services.
- Institutions include the Adult Corrections Facility and the Juvenile Detention Center. The division also operates Client and Community Restoration like Sentence to Service (STS), Electronic Home Monitoring (EHM), Community Productive Day employment program, and One-Day DWI programming services.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$98,971,458	\$95,370,864	\$100,637,673
Other Taxes	0	0	0
Federal	817,633	751,158	637,917
State	19,726,522	19,832,746	19,569,407
Local	14,350	30,000	30,000
Investment Earnings	0	0	0
Fees for Services	2,796,904	4,575,608	4,167,561
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	340,712	681,550	439,400
Other Financing	9,824	0	0
Total Revenues	\$122,677,405	\$121,241,926	\$125,481,958
Personnel Services	\$95,528,219	\$97,553,363	\$101,802,792
Commodities	1,586,361	2,091,665	2,053,802
Services	19,876,751	20,881,993	21,219,942
Public Aid Assistance	0	0	0
Capital Outlay	100,034	75,000	75,000
Other Charges	386,745	639,905	330,422
Grants	0	0	0
Total Expenditures	\$117,478,109	\$121,241,926	\$125,481,958
Budgeted Positions (Full-Time Equivalents)	987.0	952.2	894.4

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

Revenue Comparison



Significant Budget Changes

In 2023, DOCCR has an appropriation of \$125.4 million in expenditures and is funded with \$100.6 million in property tax revenues and \$24.8 million in non-property tax revenues. When compared to the 2022 adjusted budget, the expenditure budget will increase by \$4.2 million or 3.5 percent; property tax will increase by \$5.2 million or 5.5 percent; and non-property tax revenues will decrease by \$1.0 million or 4.0 percent.

The primary driver for the property tax increase stems from Personnel Services category, with additional increases being the result of expenditures related to client service contracts, security upgrades, software maintenance and licensure; along with body camera equipment. Other contributors to the property tax increase stem from reduced revenues in the institutions due to operational changes from the pandemic; one-time 2022 American Rescue Plan Act (ARPA) funds; the reduction of Community Corrections Act funding provided through the Minnesota Department of Corrections; and the elimination of the Sex Offender Personal Computer Monitoring Fee.

When reviewing the 2023 DOCCR budget expenditures, the majority falls within personnel and accounts for \$101.8 million or 81.1 percent of the total budget and represents an increase of \$4.2 million when compared to the 2022 adjusted budget. DOCCR will also operate with 894.4 full-time equivalents (FTEs) which is a decrease of 57.8 FTEs when compared to the 2022 adjusted budget. This reduction is primarily driven by the closure of the Youth Residential Treatment Center.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Corrections Administration	1,075,900	1,233,105	1,286,361
Information Technology Systems	1,206,911	1,629,072	1,818,980
Operations & Innovation Services	13,472,195	8,486,019	9,559,324
Field Services	50,662,265	56,634,653	58,515,596
Institutional Services	51,060,838	53,259,077	54,301,697
Total Expenditures	\$117,478,109	\$121,241,926	\$125,481,958

Budget Commentary

With the closure of the Youth Residential Treatment Center, the 2023 budget was realigned and resources were reallocated to develop a new program called Field Services Client Programming (FSCP). This program will lead the work of reimagining residential treatment for justice-involved youth and plan for a new service delivery model to address early prevention services for youth; adult services related to employment, treatment, and housing; along with expanded community-based services. With the centralization services, FSCP is able to gain a stronger support network of service for the clients, their families, and the community via greater oversight, utilization of services, along with program outcomes.

Hennepin County has recognized the importance of eliminating disparities and addressing the significant environmental, societal, and economic impacts of climate change. In 2023, DOCCR will continue to address these initiatives through the following:

Disparity 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. In keeping with DOCCR's history of fee elimination to address these disparities, the 2023 budget reflects the elimination of the Sex Offender Personal Computer Monitoring Fee.

Climate Action

DOCCR is committed to climate action and in 2023, in collaboration with the Workforce Development and the Climate & Resiliency departments, the Community Productive Day program implemented a program called Forestry Pathway. Data has shown a correlation between trees and how they improve air quality, reduce storm water, increase property values, and reduce energy costs. The Forestry Pathway program 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, educating, and training clients in the high-demand forestry field and thereby putting our clients on a path to well-being.

DOCCR is also reducing the size of its Sentence to Service fleet, which will assist in a lower dependence on gas, oil, and reduce our carbon footprint. The Adult Correctional Facility will be installing solar panels that produce about 33 percent of the total electrical load at the men's section of the facility.

Key Results:

- On any given day, DOCCR supervises 18,800 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 and in 2022, DOCCR completed approximately 8,600 bail evaluations. DOCCR also assisted the 4th Judicial District Court by completing approximately 1,800 felony pre-sentence investigations.
- On any given day, DOCCR supervises approximately 800 juveniles on probation, 55 youth in the Sentenced to Service program, and 33 youth on electronic home monitoring.
- In 2022, there were 3,047 in-house bookings at the Adult Corrections Facility (ACF), with an average daily population of 146. The ACF also approximately 182 adults a day sentenced to the Adult Corrections Facility are serving their time on electronic home monitoring.
- In 2022, there were 640 youth admissions to the Juvenile Detention Center, with an average daily population of 37.

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: docr@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	2021 Actual	2022 Budget	2023 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	4,026,754	4,333,693	4,597,569
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	-165,569	-437,608
Other Financing	-9,825	0	0
Total Revenues	\$4,016,929	\$4,168,124	\$4,159,961
Personnel Services	\$1,291,525	\$1,587,550	\$1,639,747
Commodities	85,620	155,000	95,000
Services	385,696	539,500	545,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	1,704,001	1,886,074	1,880,214
Grants	0	0	0
Total Expenditures	\$3,466,843	\$4,168,124	\$4,159,961
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Line of Business: Health

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



Line of Business Description:

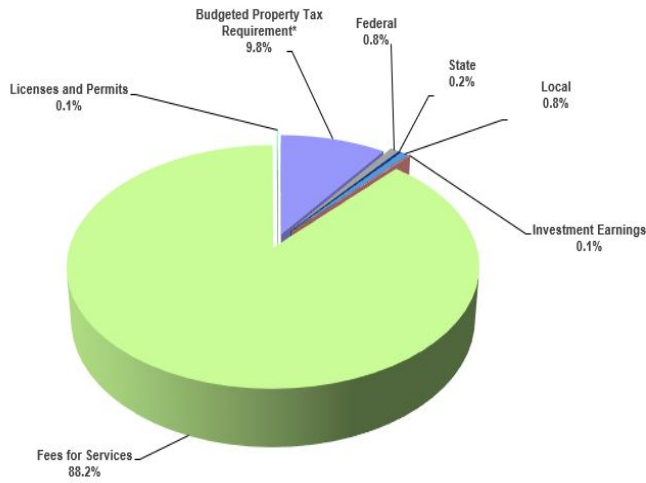
The Health program encompasses the county's health care activities. The county is the principal public agency responsible for providing services to the indigent. This major program consists of the following departments: Health Administration, Hennepin Health, NorthPoint Health and Wellness Center, and 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$41,576,878	\$43,656,580	\$45,521,078
Other Taxes	0	0	0
Federal	22,388,881	7,487,575	3,859,940
State	1,091,461	1,386,000	881,000
Local	6,515,114	2,542,304	3,606,869
Investment Earnings	-470,362	525,000	525,000
Fees for Services	348,798,431	386,494,086	410,064,282
Fines and Forfeitures	0	0	0
Licenses and Permits	491,111	565,000	570,000
Other Revenue	2,456,842	-522,546	-1,696,599
Other Financing	0	0	0
Total Revenues	\$422,848,355	\$442,133,999	\$463,331,570
Personnel Services	\$65,898,381	\$58,827,360	\$61,016,775
Commodities	2,142,880	2,787,665	2,730,011
Services	349,356,897	369,586,288	389,543,861
Public Aid Assistance	0	3,000	0
Capital Outlay	17,768	67,000	45,392
Other Charges	11,017,866	10,862,686	9,995,531
Grants	0	0	0
Total Expenditures	\$428,433,791	\$442,133,999	\$463,331,570
Budgeted Positions (Full-Time Equivalents)	420.3	456.0	456.0

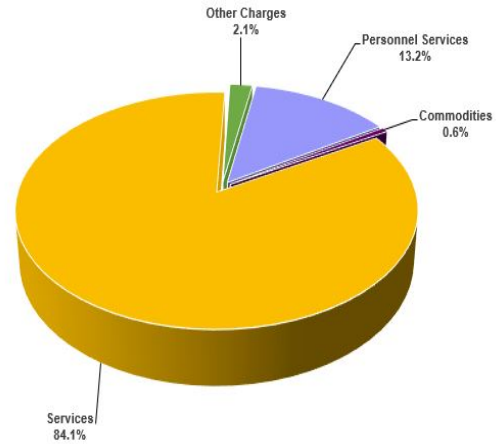
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Hennepin Health	335,856,342	357,463,499	376,515,658
NorthPoint Health and Wellness	39,268,130	47,393,350	47,767,839
Medical Examiner's Office	8,492,006	9,443,578	10,290,564
Hennepin Uncompensated Care	43,485,278	26,000,000	27,000,000
Health Administration	420,941	633,572	557,509
Sexual Assault Resources Service (SARS)	911,095	1,200,000	1,200,000
Total Expenditures	\$428,433,791	\$442,133,999	\$463,331,570

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Hennepin Health	120.5	123.5	124.5
NorthPoint Health and Wellness	251.6	276.9	270.4
Medical Examiner's Office	45.2	52.6	58.1
Hennepin Uncompensated Care	0	0	0
Health Administration	3.0	3.0	3.0
Sexual Assault Resources Service (SARS)	0	0	0
Budgeted Positions (Full-Time Equivalents)	420.3	456.0	456.0

Revenue Summary:

Budgeted 2023 revenues total \$417.8 million, a 4.9 percent increase from the 2022 adjusted budget.

Property Tax Revenues: In 2023, property tax comprise 9.8 percent of the Health's program's total estimated revenue compared to 9.6 percent in 2022. Total property taxes are increasing by \$1,864,498 or 4.3 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 support its budget. Some of the major sources of non-property tax revenue and their related impact to the 2023 budget are:

- **Federal:** Federal sources consist of \$3.8 million in Federal grants. These grants are a \$3.6 million decrease from the 2022 adjusted budget.
- **State / Other Intergovernmental (Local):** Revenue from the State of Minnesota is estimated at \$881,000 and local revenue is estimated at \$3.6 million. These grants are an increase of \$559,000 from the 2022 adjusted budget.
- **Fees and Services:** Revenues from fees charged for services are \$410.1 million for 2023 and comprise 88.2 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 2023 fees and services is budgeted to be \$23.6 million more than the 2022 adjusted budget. This is primarily due to Hennepin Health's reimbursement rate from the State of Minnesota having increased.

Expenditure Summary:

NorthPoint Health and Wellness Center: NorthPoint's 2023 budget is \$47.8 million which is a 0.8 percent increase from the 2022 adjusted budget. The increase is primarily due to Personnel Services due to a highly competitive labor market for medical and dental professionals.

Hennepin Health: Hennepin Health's 2023 budget is \$376.5 million which is a 5.3 percent increase from the 2022 adjusted budget. The increase is primarily due to the increased costs from the directed payments for a safety net hospital.

Health Administration and Support: Health Administration and Support's 2023 budget is \$557,509 which is a 12.0 percent decrease from the 2022 adjusted budget. The decrease is due to the expiration of a grant from 2022.

Medical Examiner: The Medical Examiner's office budget is \$10.3 million which is a 9.0 percent increase from the 2022 adjusted budget. The increase is primarily due to general salary increases, hours worked, and positions added to meet the operational needs of a new Medical Examiner facility.

Sexual Assault Resources Center (SARS): SARS will remain at \$1.2 million.

Uncompensated Care: Uncompensated Care increased to \$27.0 million is to align with actual costs.

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	5,202	0	0
State	0	0	0
Local	2,076,601	0	0
Investment Earnings	-470,362	525,000	525,000
Fees for Services	326,617,466	357,586,045	377,809,257
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	2,309,480	-647,546	-1,818,599
Other Financing	0	0	0
Total Revenues	\$330,538,386	\$357,463,499	\$376,515,658
Personnel Services	\$11,964,319	\$14,955,876	\$15,297,950
Commodities	12,697	35,834	27,340
Services	313,370,586	332,582,797	351,977,797
Public Aid Assistance	0	3,000	0
Capital Outlay	0	0	0
Other Charges	10,508,740	9,885,992	9,212,571
Grants	0	0	0
Total Expenditures	\$335,856,342	\$357,463,499	\$376,515,658
Budgeted Positions (Full-Time Equivalents)	120.5	123.5	124.5

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

Significant Budget Changes

Total operating revenue for 2023 is budgeted to reach \$376.5 million, a 5.3 percent increase compared to the 2022 adjusted budget. This increase is primarily driven by both an increase in premium base rates and the directed payment for a safety net hospital increasing capitation.

On an aggregate Per Member Per Month basis (PMPM), the 2023 premium revenue is budgetd to be \$982.75 million compared to the 2022 adjusted budget of \$886.94 million. This increase in PMPM represents an increase of 10.8 percent in 2023 and is driven by both an increase in premium base rates and the directed payment for a safety net hospital.

Services are expected to increase by \$19.4 million or 5.8 percent. This increase is driven by medical costs, largely due to an increase in medical trent, utilization, and directed payments for a safety net hospital.

Personnel Services are budgeted to be 15.3 million which is a 5.3 percent increase from the 2022 adjusted budget. This increase is primarily due to the cost-of-living increase.

Budget Commentary

Hennepin Health is anticipating that the Federal Emergency related to the pandemic will end by April 2023 and that a portion of the enrollment gained during the emergency will be lost. Hennepin Health is budgeting enrollment at year end to be 32,250 members, which is a decrease of 1,595 versus year end 2022 membership.

The risk based capital (RBC) ratio budgeted for 2023 is 391 percent. This increase from a 2022 rate of 389 is primarily due to the 2023 budgeted increase of \$800 thousand of net surplus in 2023.

As Hennepin Health adjusts to the new enrollment levels and the ongoing COVID-19 pandemic, there will be continuing challenges for its operations in 2023. 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:

	2021 Actual	2022 Budget	2023 Budget
Enrollment (Average)	25,073	33,846	32,250
Administrative Cost Ratio	8.5%	9.3%	8.6%
Medical Loss Ratio	90.4%	88.9%	89.4%
Net Change in Capital and Surplus	(2,489,571)	\$997,241	\$1,818,599
RBC Ratio	360.4%	389.0%	391.0%

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>

Health

Mission

NorthPoint's mission is *Partnering to Create a Healthier Community*. Its 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, economically stable, and self-reliant community.

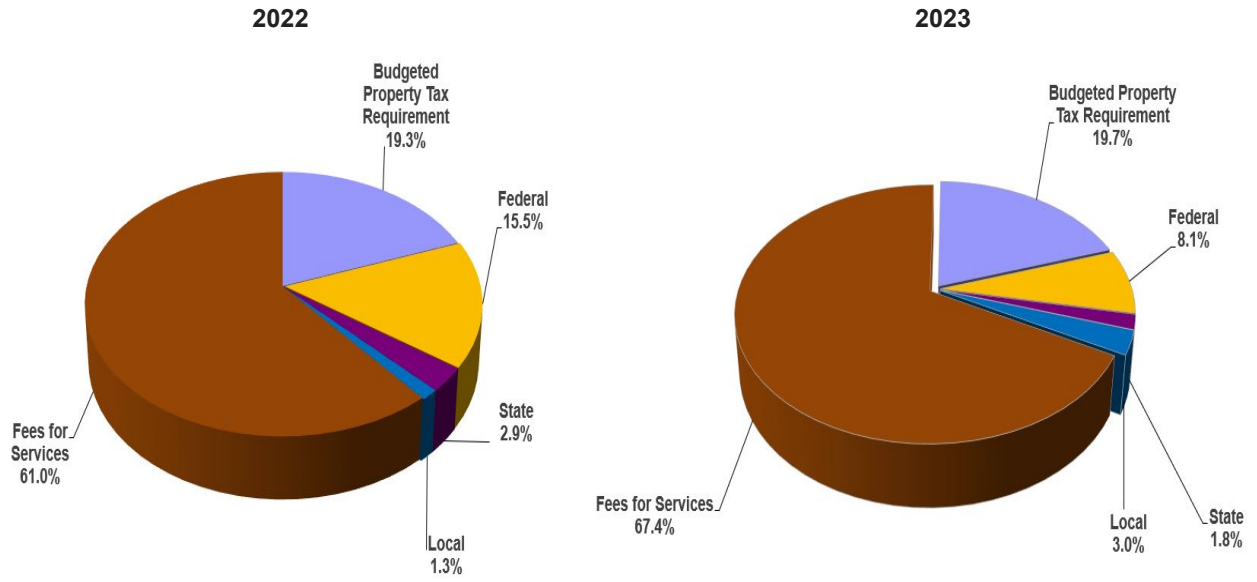
Department Description:

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 is 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$8,328,322	\$9,160,897	\$9,404,604
Other Taxes	0	0	0
Federal	4,712,184	7,335,412	3,859,940
State	1,091,461	1,386,000	881,000
Local	2,618,093	603,000	1,412,270
Investment Earnings	0	0	0
Fees for Services	22,126,306	28,908,041	32,210,025
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$38,876,365	\$47,393,350	\$47,767,839
Personnel Services	\$30,042,088	\$35,871,326	\$36,810,342
Commodities	2,029,841	2,661,531	2,596,531
Services	6,681,887	8,024,062	7,587,714
Public Aid Assistance	0	0	0
Capital Outlay	29,411	67,000	45,392
Other Charges	484,903	769,431	727,860
Grants	0	0	0
Total Expenditures	\$39,268,130	\$47,393,350	\$47,767,839
Budgeted Positions (Full-Time Equivalents)	251.6	276.9	270.4

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

Revenue Comparison



Significant Budget Changes

- The 2023 budget represents a 0.8 percent increase from the 2022 adjusted budget, driven primarily by a slight increase in Personnel Services due to intense competition for professional medical and dental employees.
- Patient visits are projected to increase which is driven by the clinic expansion due to come on line in 2023.
- Property tax of 9,404,604 represents a 2.7 percent increase from the 2022 adjusted budget.
- The 2023 FTE total of 270.4 reflects a decrease of 6.6 in ARPA related FTE's from the 2022 Adjusted Budget.
- The 2023 Medical Operations expenditures decrease of 1.2 million from the 2022 adjusted budget is due to the end of the ARPA pandemic-related grant expenses.
- The 2023 Behavioral Health increase of 733,194 from the 2022 adjusted budget is due to additional Personnel Services costs.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
North Point Administration	8,055,992	9,464,598	9,874,990
Medical Operations	14,553,211	17,442,274	16,248,974
Dental Operations	5,038,126	6,010,806	6,327,631
Behavioral Health	4,192,981	5,306,784	6,039,978
Pharmacy	2,368,846	2,806,082	2,984,745
Workforce Center	850,209	1,314,423	1,349,240
Heritage Park	308,707	447,805	456,092
Other Professional	422,665	496,440	760,022
Enabling Services	3,477,393	4,104,138	3,726,167
Total Expenditures	\$39,268,130	\$47,393,350	\$47,767,839

Budget Commentary

NorthPoint Health & Wellness Center has responded to COVID-19 as a trusted messenger and major vaccination and treatment site for its patients and communities it serves. It is particularly focused on reaching communities that it serves that are at highest risk of infection or disease due to inequalities in health and social determinants of health.

NorthPoint anticipates that the impact of COVID-19 rates of infection and disease will continue to decrease in 2023, however the impact to the community due to school closures, reduced access to health and social services will continue to be a major factor in 2023. There is also a concern regarding the increase in violence, trauma, and mental health distress as a main factor for the community and its operations in 2023.

Key Results:

	2021 Actual	2022 Estimated	2023 Budget
Medical Visits	43,627	45,730	53,876
Behavioral Health Visits	26,323	26,430	29,157
Dental Visits	17,314	16,738	26,915

Additional Resources:

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

Mission

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

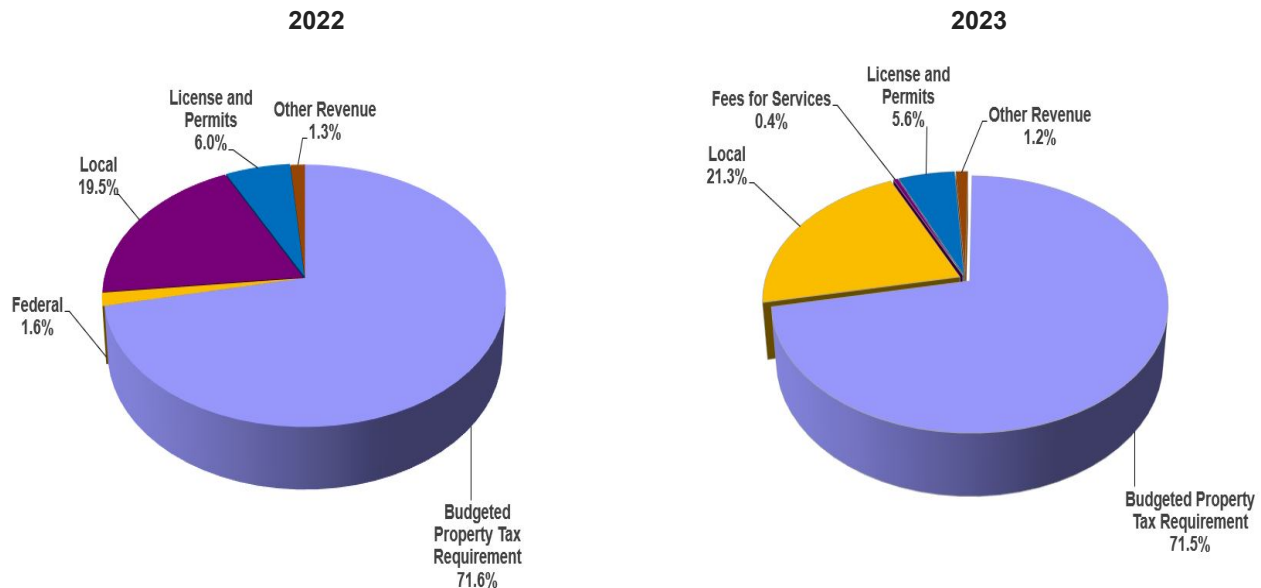
Department Description:

The Medical Examiner is responsible for investigating all known or suspected homicides, suicides, accidental deaths, drug related deaths, medically unattended deaths, and those that constitute a threat to public health and safety in Hennepin, Dakota, and Scott Counties. The office provides autopsy services for other jurisdictions on a referral basis and provides authorization for cremation. 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$5,406,173	\$6,762,111	\$7,358,965
Other Taxes	0	0	0
Federal	186,218	152,163	0
State	0	0	0
Local	1,702,320	1,839,304	2,194,599
Investment Earnings	0	0	0
Fees for Services	54,658	0	45,000
Fines and Forfeitures	0	0	0
Licenses and Permits	491,111	565,000	570,000
Other Revenue	147,362	125,000	122,000
Other Financing	0	0	0
Total Revenues	\$7,987,843	\$9,443,578	\$10,290,564
Personnel Services	\$6,282,954	\$7,547,286	\$8,361,174
Commodities	100,341	89,800	105,940
Services	2,096,131	1,599,229	1,768,350
Public Aid Assistance	0	0	0
Capital Outlay	-11,642	0	0
Other Charges	24,223	207,263	55,100
Grants	0	0	0
Total Expenditures	\$8,492,006	\$9,443,578	\$10,290,564
Budgeted Positions (Full-Time Equivalents)	45.2	52.6	58.1

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

Revenue Comparison



Significant Budget Changes

Personnel Services increased by \$813,888 or 10.8 percent due to general salary increases, hours worked, and positions added to meet operational needs of a new Medical Examiner facility.

Services increased by \$169,121 and is associated with the need for more morgue and autopsy supplies to support operations at the new Medical Examiner facility, increased caseloads, and general cost increases for medical supplies.

A reduction of \$152,163 in Other Charges is due to ARPA funds added to the 2022 Adjusted Budget that are not budgeted for 2023.

Budget Commentary

The Medical Examiner's Office supports:

- a workforce model capable of meeting contractual, statutory, and accreditation requirements for medicolegal death investigation.
- focus on economies of scale and maximizing design efficiencies associated with the new Medical Examiner facility to reduce costs.
- county customer service and continuous improvement values, climate change, disparity reduction through additional fee reform, and mitigating IT infrastructure while improving access to information.

Additional Resources:

Useful and educational information about the Medical Examiner's office and the services provided is available by visiting the 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$26,000,000	\$26,000,000	\$27,000,000
Other Taxes	0	0	0
Federal	17,485,278	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	\$43,485,278	\$26,000,000	\$27,000,000
Personnel Services	\$17,265,497	\$0	\$0
Commodities	0	0	0
Services	26,219,781	26,000,000	27,000,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$43,485,278	\$26,000,000	\$27,000,000
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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$642,383	\$533,572	\$557,509
Other Taxes	0	0	0
Federal	0	0	0
State	0	0	0
Local	118,100	100,000	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	\$760,483	\$633,572	\$557,509
Personnel Services	\$343,523	\$452,872	\$547,309
Commodities	0	500	200
Services	77,418	180,200	10,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	0	0	0
Total Expenditures	\$420,941	\$633,572	\$557,509
Budgeted Positions (Full-Time Equivalents)	3.0	3.0	3.0

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

Significant Budget Changes

Overall budget decreased by \$76,063 or 12.0 percent due mainly to the elimination of a grant.

Personnel Services increased by \$94,437 or 20.9 percent due to general salary adjustments.

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$1,200,000	\$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	\$1,200,000	\$1,200,000	\$1,200,000
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	911,095	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	\$911,095	\$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.

Line of Business: Human Services

Human Services
Safe Communities
Public Health
HSPH Hennepin Health
Internal Supports
Opioid Settlement



Line of Business Description:

Human Services strives to improve the outcomes of safety, stability, self-sufficiency and well-being for residents of Hennepin County. We do this by assisting residents to access available services and resources and providing direct services and coordinating services from community providers. At the same time, we know that our residents of color are disproportionately affected by the impacts of discrimination in income, housing, employment, justice and more, so we try to view everything we do through a lens of racial equity. We also know that achieving equity will help us and our residents achieve those outcomes.

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. Our 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 -Services aimed at preventing maltreatment, finding safety and stability apart when abuse occurs and working with families and community partners to keep children and teens safe.
- Veterans Services - Advocacy, counseling, claims assistance and special programs for Veterans.
- Housing Stability Provide resources to people currently experiencing homelessness and resources for sustainable housing in the future.
- Behavioral Health and Justice Strategies - Adult and Children's mental health services and substance use disorder services.
- Access, Aging and Disability Services - Navigation and services for vulnerable adults and children and adults with disabilities.
- Child Support Working with families to ensure that children can count on their parents for resources they need to be healthy and successful.
- Economic Supports Provide public assistance programs to meet the basic needs and increase the self-sufficiency of Hennepin County residents including financial, healthcare and food supports.
- Well-Being Connect residents with resources and support, including employment, education, and wraparound care.

Safe Communities

Programs and collaborations with partners to prevent violence, support survivors and strengthen communities.

Public Health

- Clinical Services - Emergency Mental Health Services, Cope, Health Care for the Homeless, Mental Health Center, Public Health Clinic, and Community Based Infectious Disease response.
- Community Health and Strategic Initiatives - Community Engagement, Community Health Improvement Partnership (CHIP), Climate Action, Healthy Aging, Health Promotion, Health and Racial Equity, Quality Improvement, Strategic planning, and Workforce Development.
- Family Health - Better Together Hennepin, Family Home Visiting, Child and Teen Checkups (C&TC), Maternal & Child Health/Early Childhood, Women, Infants, and Children (WIC).
- Health Protection - Emergency Medical Services, Emergency Preparedness, Environmental Health, Epidemiology, Assessment, ImmuTracks; and Ryan White Program.

Opioid Settlement

Funding to support the County's opioid prevention strategy of primary prevention, response and treatment and recovery.

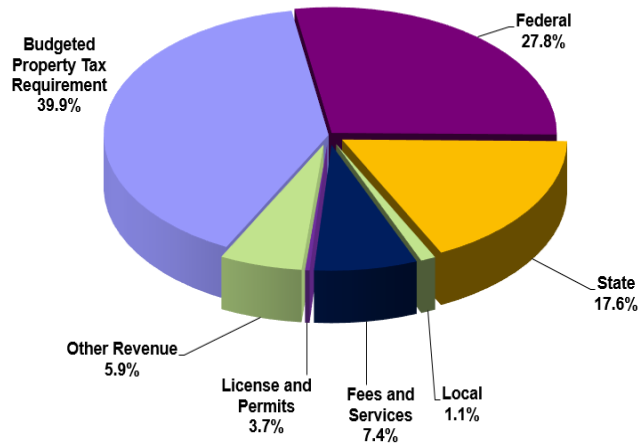
2023 BUDGET
Adopted Budget

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$290,996,410	\$286,557,209	\$287,982,960
Other Taxes	177,689	0	0
Federal	231,589,267	221,279,809	192,566,559
State	94,801,560	102,643,584	109,092,587
Local	4,987,762	3,255,992	7,407,823
Investment Earnings	853	0	0
Fees for Services	44,320,143	53,885,532	51,282,620
Licenses and Permits	1,934,128	2,209,320	2,225,000
Other Revenue	1,784,620	30,843,168	41,045,930
Total Revenues	\$670,592,432	\$700,674,614	\$691,603,479
Personnel Services	\$330,154,742	\$373,621,409	\$386,730,207
Commodities	3,251,125	2,051,684	2,925,388
Services	49,775,954	57,613,535	61,143,032
Public Aid Assistance	212,674,213	241,298,697	221,014,055
Capital Outlay	-10,887	145,000	40,000
Other Charges	24,000,925	25,944,289	19,750,797
Total Expenditures	\$619,846,071	\$700,674,614	\$691,603,479
Budgeted Positions (Full-Time Equivalents)	3,339.3	3,571.9	3,613.7

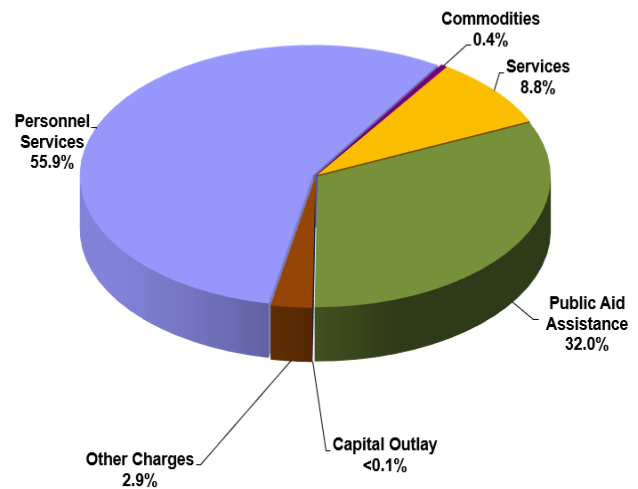
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
HSPH Human Services	487,597,737	557,816,662	538,077,217
Safe Communities*	742,573	2,138,573	5,543,137
Public Health	66,971,467	74,634,837	77,039,383
HSPH Hennepin Health	751,009	989,413	1,630,112
HSPH Internal Supports	63,783,287	65,095,129	66,980,297
Opioid Settlement	0	0	2,333,333
Total Expenditures	\$619,846,071	\$700,674,614	\$691,603,479

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
HSPH Human Services	2,433.8	2,592.9	2,599.8
Safe Communities*	10.0	10.5	20.0
Public Health	428.7	481.4	528.0
HSPH Hennepin Health	8.0	12.0	12.0
HSPH Internal Supports	458.8	475.1	453.9
Opioid Settlement	0	0	0
Budgeted Positions (Full-Time Equivalents)	3,339.3	3,571.9	3,613.7

*Safe Communities is a new department in 2023. Divisions of Safe Communities previously existed in other Human Services Public Health departments and are included in 2021 actuals and the 2022 adjusted budget for comparative purposes.

Revenue Summary:

The 2023 Human Services Line of Business budget accounts for 25.6 percent or \$691.6 million of the 2023 Hennepin County budget of \$2,706,003,227. When compared to the 2022 adjusted budget, the 2023 budget reflects a decrease of 1.3 percent or \$9.1 million. The 2023 Human Services Line of Business will be supported by \$403.6 million in non-property tax revenues and \$288.0 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 six divisions: Human Services, Public Health, Hennepin Health, Internal Supports, Safe Communities; a new division in 2023, and the Opioid Settlement Special Revenue Fund. In 2023, property tax comprises 41.6 percent of the \$691.6 million in programmed revenues with majority supporting services for children and families; veterans; housing; behavioral health; child support; economic supports; safe communities, 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 27.8 percent of total revenues. In 2023, federal revenues are programmed at \$192.6 million and when compared to the 2022 budget will decrease by \$28.7 million or 13.0 percent. The majority of the decrease stems from one-time COVID response relief funds in 2022 not budgeted in 2023.

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 2023, the Human Services program will receive approximately \$90.2 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 \$62.3 million in federal reimbursement for case management services and assessments of residents with disabilities and \$19.7 million for training and employment programs.

In 2023, federal revenues for the Human Services and Internal Supports divisions are programmed \$172.3 million and when compared to the 2022 budget, reflect a decrease of \$23.8 million or 12.1 percent and account for 24.9 percent of total revenues. The driver for the decrease stems from one-time COVID response funds of \$20.9 million for Emergency Rental Assistance, \$2.0 million in Title IV-D funding, \$1.0 million in administrative grants, \$0.8 million in Title IV-E funding, and is partially offset by \$3.3 million increase to Medical Assistance, \$2.0 million increase to federal grants contracted by the State of Minnesota, approximately \$0.9 million in Foster Care funding, approximately \$0.3 million in new grants for HUD Rapid Rehousing and Coordinated Entry, \$0.2 million in other Housing and Urban Development grants, and \$0.2 million in Minnesota Family Investment Program (MFIP).

In, 2023, Public Health also reflects a decrease in federal monies of \$4.9 million which also stems from \$2.3 million reduction in grant revenue for a one-time award to pursue assignation of behavioral health clinic as a Certified Community Behavioral Health Clinic, \$1.1 million of COVID response funds, \$0.8 million overall net reduction in Federal grant funding for teenage pregnancies, and approximately \$0.7 million for a reduction in Certified Public Expenditures for the Behavioral Health Clinic.

State: The second largest source of non-property tax revenues are obtained from the state and represent 15.8 percent of total revenues. In 2023, \$109.1 million are programmed and when compared to the 2022 budget will increase by \$6.3 million. The majority of the increase stems from increased General grants of \$4.6 million and increased Medical Assistance of \$3.8 million and is primarily offset by \$2.4 million in Out of Home Placement due to decreased non-federal foster care expenses.

Local: These revenues stem from private parties, nonprofit institutions, local governments, along with private foundations and are budgeted at \$7.4 million.

Fees for Services: In 2023, anticipated revenues related to Fees for Services is \$51.3 million, which is a decrease of \$2.6 million when compared to the 2022 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 2023, Human Services and Internal Supports account for \$40.8 million of the \$51.3 million decreased by \$5.8 million. Of the decrease, public assistance recoveries accounts for \$6.5 due to accounting changes in Economic Supports with the Human Services division of \$3.2 million in emergency shelter to Federal State grants and \$3.3 million to record MAXIS Recoveries in the county fiduciary fund. The decrease to Fees for Services is partially offset by increased patient charges for Medicaid and General Assistance Medical Care (GAMC) and service payments to 3rd party payors.

All Other Revenues: In 2023, \$43.3 million is programmed for all other revenues and are comprised of licenses and permits of \$2.2 million, interdepartmental payments of \$2.4 million, Opioid Settlement funds of \$2.3 million and fund balance of \$36.3 million. The utilization of fund balance will increase by \$7.8 million when compared to the 2022 budget and will assist to minimize the tax levy for 2023.

Expenditure Summary:

The 2023 budget reflects a decrease of 1.3 percent or \$9.1 million, compared to the 2022 adjusted budget, and will operate with 3,613.7 full-time equivalents (FTEs), which is an increase of 41.8 FTEs. Overall, the driver for the decrease in the Human Services Line of Business expenditure budget stems from one-time federal COVID response funding.

Although Public Health is located within the Human Services line of business, they work collaboratively with the Health line of business to improve and protect the health of the community.

Personnel Services: In 2023, personnel services will increase by \$13.1 million when compared to the 2022 budget with the majority of the expense increases relating to benefits and general salary increases. The primary driver of the staffing increase occurs within the Public Health area to provide long-term evidence-based family home visiting services and TeenHOPE and Pathway programs to Hennepin County residents previously provided by Hennepin Healthcare. A partial offset includes a budgeted vacancy of 143.0 FTE or \$11.9 million across the entire line of business.

Commodities: Increased costs are primarily driven by an additional \$1.1 million in drugs and medicine in Public Health clinics and Healthcare for the Homeless Clinic. This increase is modestly offset by one-time purchases of medical equipment in 2022 of approximately \$0.3 million, which is not budgeted in 2023.

Services: Overall, service expenditures will increase by 6.1 percent or \$3.5 million for a total of \$61.1 million. Increase is primarily due to \$2.6 million increase in new grant spending in Public Health, \$0.8 million in consulting costs for Minnesota Department of Health Data Infrastructure grant and other new grant spending in Public Health and for Collaborative studies and Wilder Foundation Homelessness Survey, and \$0.8 million in other categories.

Public Aid: In 2023, public aid expenses will decrease 8.4 percent or \$20.3 million when compared to the 2022 budget of \$241.3 million and is the main driver for the overall decrease of \$9.1 million in the 2023 Human Services budget of \$691.6 million.

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

- Federal Grant Subrecipient - due to money received in 2022 to distribute to local partners
- State Recoveries Public Assistance - an accounting change to record MAXIS Recoveries in the county fiduciary fund
- Employment Services - budgeting closer to actual spending
- Transportation Services decreased usage during pandemic and early stages of recovery
- Residential Treatment - due to decreased use and availability and expansion of community based adult services for youth and families
- Juvenile Services cost shifts from Services category due to support new services on GED credit recovery and pre-trial support
- Group Homes - due to lower usage
- Innovations and Department of Justice \$0.5 million grant ending in 2022

As a partial offset, the following areas which will incur increases:

- Emergency Shelter
- Local Homeless Prevention Aid - due to a new state allocation.
- Chemical Health Assessments - due to increase in the opioid initiative funded by Opioid Settlement Special Revenue
- Home drug testing for parents in child protection.
- Food Insecurity Supports - due to need, a Human Services priority for 2023.
- Children's System of care model
- Family Support Services
- Respite Care - to reduce deep end services such as Out of home placement and child protection.
- Housing Support increase in Avivo to fund /design work on their campus plan on Chicago Ave in Minneapolis (funded by state bonds)
- Rapid Rehousing and Coordinated Entry Community Living Infrastructure Grants
- Funeral Assistance
- Local Collaborative Time study
- Targeted Case Management in Child and Family Services
- County Funded Family Shelter to separately track shelter overflow spending.

Capital Outlay:

Decrease is due to Healthcare for the Homeless grant equipment budgeted in 2022. In 2023, \$40,000 is budgeted to fund a Veteran's Memorial.

Other Charges:

In 2023, the Other Charges category will decrease by 23.9 percent or \$6.2 million primarily due to one-time federal COVID response funding of \$5.4 million. Another contributor to the decrease is the countywide indirect costs in the amount of \$1.0 million.

Line of Business: Disparity Reduction

Disparity Reduction Administration
 Outreach & Community Supports
 Education Support Services
 Purchasing and Contract Services



Line of Business Description:

The Disparity Reduction line of business is responsible for advising the Hennepin County Board of Commissioners 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.

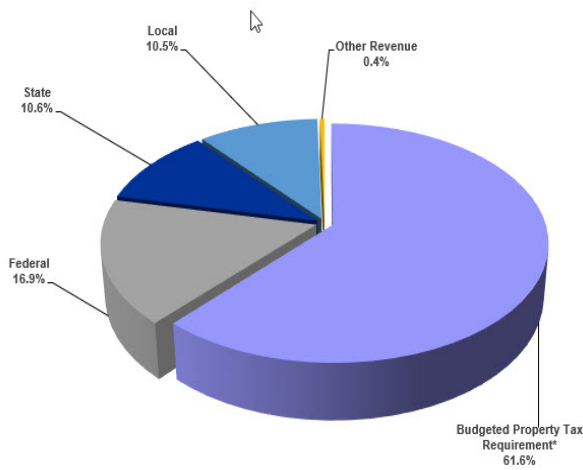
The mission of the Disparity Reduction line of business is to co-create equitable and innovative solutions, through community and workplace partnerships, to eliminate disparities across Hennepin County.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$5,905,613	\$8,915,900	\$11,727,485
Other Taxes	0	0	0
Federal	4,054,238	3,506,236	3,220,077
State	2,333,402	2,199,000	2,013,551
Local	0	0	2,000,000
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	111,083	68,000	68,000
Other Financing	0	0	0
Total Revenues	\$12,404,336	\$14,689,136	\$19,029,113
Personnel Services	\$4,762,159	\$7,781,176	\$10,220,472
Commodities	1,346,099	93,067	194,310
Services	2,957,008	3,517,310	6,477,396
Public Aid Assistance	2,307,014	2,278,919	2,049,035
Capital Outlay	445,950	0	0
Other Charges	43,491	1,018,664	87,900
Grants	0	0	0
Total Expenditures	\$11,861,722	\$14,689,136	\$19,029,113
Budgeted Positions (Full-Time Equivalents)	45.0	70.0	89.3

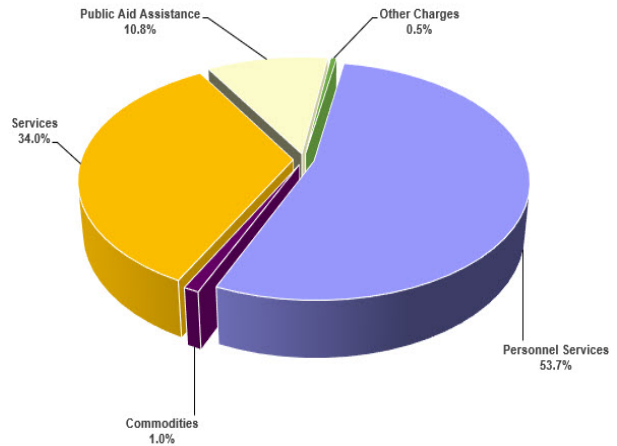
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Disparity Reduction Administration	5,562,575	7,439,802	10,455,372
Outreach & Community Supports	121,944	656,915	1,347,316
Education Support Services	1,091,991	1,977,530	1,942,075
Purchasing and Contract Services	5,085,212	4,614,889	5,284,350
Total Expenditures	\$11,861,722	\$14,689,136	\$19,029,113

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Disparity Reduction Administration	7.0	15.0	25.3
Outreach & Community Supports	0	7.0	11.0
Education Support Services	15.0	15.0	16.0
Purchasing and Contract Services	23.0	33.0	37.0
Budgeted Positions (Full-Time Equivalents)	45.0	70.0	89.3

Revenue Summary:

The 2023 Disparity Reduction budgeted revenues are \$19.1 million, an increase of \$4.4 million over the 2022 adjusted budget. Details about the major sources of revenue include:

Budgeted Property Tax Requirement: The 2023 adopted budget includes property taxes of \$11.7 million, an increase of \$2.8 million, or 32 percent, when compared to the 2022 adjusted budget amount.

Federal: Federal revenue in the 2023 adopted budget is \$3.2 million, which is a decrease of about \$286,000, or 8 percent, from the 2022 adjusted budget. This revenue relates to federal grants received by the Workforce Development division.

State: The 2023 adopted budget for State revenue is \$2.0 million, which is a decrease of about \$185,000, or 8 percent, from the 2022 adjusted budget. This revenue relates to state grants received by the Workforce Development division.

Local: The 2023 adopted budget for local revenue is \$2.0 million. This revenue relates to a grant from the City of Minneapolis for the Digital Equity Initiative.

Other Revenue: Other Revenue in the 2023 adopted budget is \$68,000, which is unchanged from the 2022 adjusted budget.

Expenditure Summary:

Disparity Reduction Administration: The 2023 adopted budget totals \$10.5 million, which is an increase of \$1 million, or 47 percent, over the 2022 adjusted budget. This department includes the new Workforce Development division, which realigns work that was previously being performed across multiple lines of business.

Education Support Services: The 2023 adopted budget is \$1.9 million, which is an increase of \$140,000, or 8 percent, from the 2022 adjusted budget.

Outreach and Community Supports: The 2023 adopted budget is \$1.4 million, which is an increase of \$690,000, or 105 percent, from the 2022 adjusted budget. For 2023, this is a new department which realigns work that was previously being performed by multiple departments.

Purchasing and Contract Services: The 2023 adopted budget is \$5.3 million, which is an increase of \$670,000, or 14 percent, from the 2022 adjusted budget.

Mission

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

Department Description:

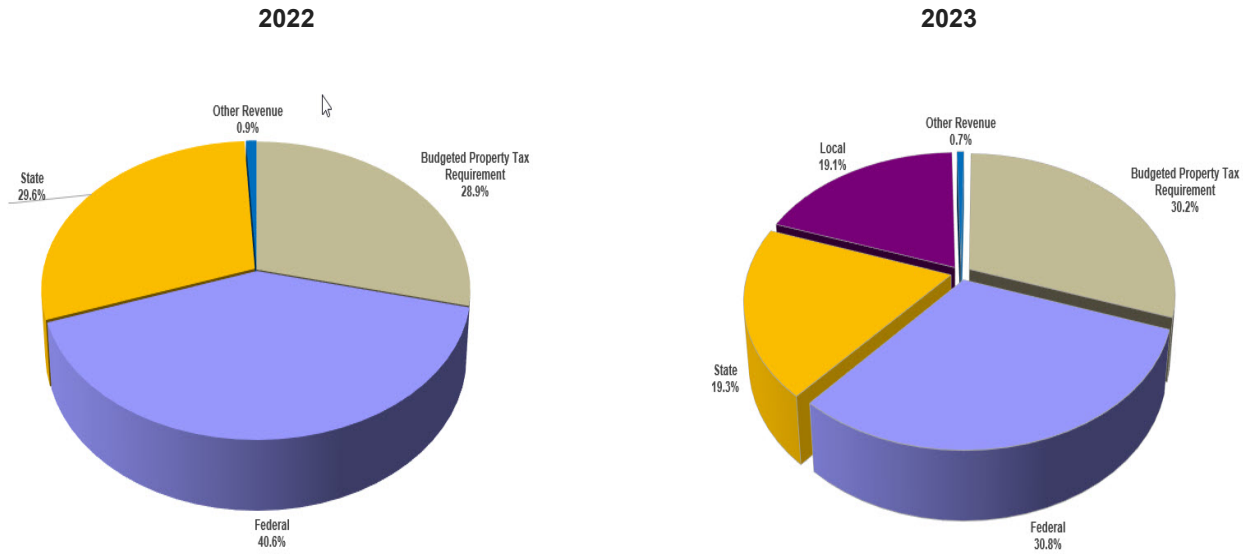
The Disparity Reduction line of business is responsible for advising the Hennepin County Board and Hennepin County Administrator on policies and issues related to reducing disparities, as well as overseeing the strategic alignment and management of departments within the Disparity Reduction line of business.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

The Administration department includes three divisions: the Office of the Assistant County Administrator for Disparity Reduction, the Office of Broadband and Digital Inclusion, and Workforce Development,

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$866,450	\$2,149,027	\$3,153,744
Other Taxes	0	0	0
Federal	2,224,946	3,023,775	3,220,077
State	2,333,402	2,199,000	2,013,551
Local	0	0	2,000,000
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	111,083	68,000	68,000
Other Financing	0	0	0
Total Revenues	\$5,535,881	\$7,439,802	\$10,455,372
Personnel Services	\$1,102,480	\$1,872,211	\$2,749,378
Commodities	67,492	5,200	2,600
Services	2,076,557	2,783,159	5,620,859
Public Aid Assistance	2,305,286	2,278,919	2,049,035
Capital Outlay	0	0	0
Other Charges	10,761	500,313	33,500
Grants	0	0	0
Total Expenditures	\$5,562,575	\$7,439,802	\$10,455,372
Budgeted Positions (Full-Time Equivalents)	7.0	15.0	25.3

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

Revenue Comparison



Significant Budget Changes

The Workforce Development division is newly reorganized within the Disparity Reduction line of business for the 2023 budget. This division realigns work that was previously performed across multiple lines of business.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Disparity Reduction General	257,008	1,073,107	1,138,873
Broadband & Digital Inclusion	235,040	974,026	2,518,466
Workforce Development	5,070,527	5,392,669	6,798,033
Total Expenditures	\$5,562,575	\$7,439,802	\$10,455,372

Mission

The mission of the Outreach and Community Supports department is to create and strengthen long-term, sustainable relationships built on trust. This strategy aligns with and supports the county's mission, vision, core values and disparity work.

Department Description:

The Outreach and Community Supports department envisions a long-term, sustainable, and coordinated approach to community engagement with strategies that are aligned, intentional and support Hennepin County's disparity reduction work, mission, vision, and core values. Embedding community engagement in this work will ensure the creation of equitable processes and systems, which will decrease barriers to service.

Through our cultural and community expertise, clear data mechanisms, shared accountability and understanding, staff can enhance the health, safety, and quality of life of our residents.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$0	\$498,925	\$1,347,316
Other Taxes	0	0	0
Federal	117,226	157,990	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	\$117,226	\$656,915	\$1,347,316
Personnel Services	\$4,587	\$470,592	\$1,240,548
Commodities	0	1,392	1,960
Services	117,357	22,381	94,608
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	162,550	10,200
Grants	0	0	0
Total Expenditures	\$121,944	\$656,915	\$1,347,316
Budgeted Positions (Full-Time Equivalents)	0	7.0	11.0

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

Significant Budget Changes

For 2023, Outreach and Community Supports is a new department within the Disparity Reduction line of business that realigns work that was previously performed by multiple departments.

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$0	\$1,802,106	\$1,942,075
Other Taxes	0	0	0
Federal	506,703	175,424	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	\$506,703	\$1,977,530	\$1,942,075
Personnel Services	\$648,421	\$1,286,200	\$1,370,286
Commodities	6,688	15,000	94,000
Services	436,683	491,706	465,489
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	200	184,624	12,300
Grants	0	0	0
Total Expenditures	\$1,091,991	\$1,977,530	\$1,942,075
Budgeted Positions (Full-Time Equivalents)	15.0	15.0	16.0

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

Purchasing and Contract Services
Disparity Reduction

2023 BUDGET
Adopted Budget

Mission

Our mission is 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$3,235,063	\$4,465,842	\$5,284,350
Other Taxes	0	0	0
Federal	1,205,364	149,047	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	\$4,440,427	\$4,614,889	\$5,284,350
Personnel Services	\$3,006,672	\$4,152,173	\$4,860,260
Commodities	1,271,920	71,475	95,750
Services	326,412	220,064	296,440
Public Aid Assistance	1,727	0	0
Capital Outlay	445,950	0	0
Other Charges	32,530	171,177	31,900
Grants	0	0	0
Total Expenditures	\$5,085,212	\$4,614,889	\$5,284,350
Budgeted Positions (Full-Time Equivalents)	23.0	33.0	37.0

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

Line of Business: Resident Services

- Resident Services Administration
- Resident and Real Estate Services
- Service Centers
- Elections
- Assessor's Office
- Examiner of Titles Office
- Libraries



Line of Business Description:

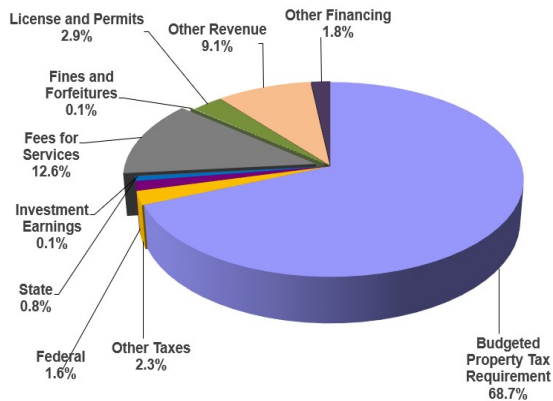
Resident Services provides in-person and virtual resident focused services related to election administration, property tax and real property administration, licensing services at seven locations, and library services at 41 locations.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$80,843,172	\$93,266,974	\$97,721,509
Other Taxes	4,102,733	3,128,000	2,818,000
Federal	1,168,893	2,128,661	0
State	1,577,327	1,104,150	1,104,000
Local	0	0	0
Investment Earnings	19,262	70,000	70,000
Fees for Services	21,453,966	17,109,213	16,801,304
Fines and Forfeitures	44,702	117,700	47,500
Licenses and Permits	3,114,495	3,952,075	3,559,892
Other Revenue	3,168,687	12,346,760	12,125,750
Other Financing	2,460,506	2,500,000	2,500,000
Total Revenues	\$117,953,743	\$135,723,533	\$136,747,955
Personnel Services	\$78,497,572	\$93,980,923	\$97,708,720
Commodities	1,935,538	2,203,970	2,365,737
Services	26,852,119	29,345,340	27,902,077
Public Aid Assistance	6,767	0	0
Capital Outlay	5,185,588	5,341,050	5,682,644
Other Charges	2,499,223	4,852,250	3,088,777
Grants	0	0	0
Total Expenditures	\$114,976,808	\$135,723,533	\$136,747,955
Budgeted Positions (Full-Time Equivalents)	937.8	1,004.7	1,005.1

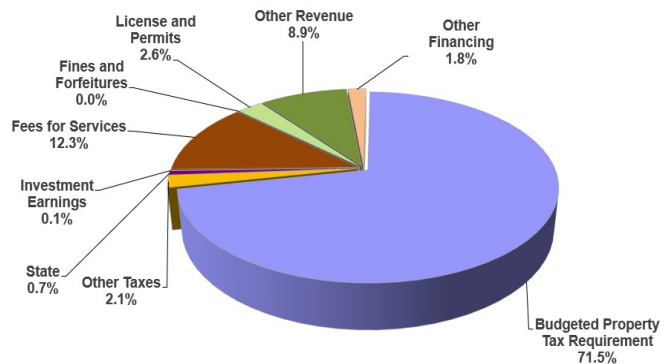
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Resident Services Administration	0	0	1,743,265
Resident and Real Estate Services	25,805,714	33,886,329	32,649,726
Service Centers	10,196,094	12,320,457	13,348,261
Elections	2,886,373	9,686,626	6,518,506
Assessor's Office	6,738,626	7,844,424	8,944,355
Examiner of Titles Office	1,396,161	1,466,525	1,549,558
Libraries	67,953,840	70,519,172	71,994,284
Total Expenditures	\$114,976,808	\$135,723,533	\$136,747,955

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Resident Services Administration	0	0	10.0
Resident and Real Estate Services	178.1	189.6	191.0
Service Centers	135.5	149.0	148.0
Elections	14.0	55.0	38.0
Assessor's Office	60.0	60.0	66.0
Examiner of Titles Office	8.0	8.0	9.0
Libraries	542.2	543.1	543.1
Budgeted Positions (Full-Time Equivalents)	937.8	1,004.7	1,005.1

Resident Services

Mission

Provide reliable, secure, efficient IT solutions supporting operations and services of resident services departments. Provide access to Information Technology resources and support services to both the Public and Law libraries. Empower residents with technology access and enhance their living experience through innovative and effective use of technology.

Department Description:

The Resident Services line of business, in collaboration with each of the departments in Resident Services (Assessor, Elections, Examiner of Titles, Library, Resident and Real Estate Services, and Service Centers), and Business Technology Solutions (BTS) division, will oversee and manage technology used by these departments. The goal is to ensure alignment between technology investments and strategic direction of Resident Services' departments.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$0	\$0	\$1,743,265
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	0	0	\$1,743,265
Personnel Services	\$0	\$0	\$1,663,867
Commodities	0	0	7,598
Services	0	0	61,800
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	10,000
Grants	0	0	0
Total Expenditures	0	0	\$1,743,265
Budgeted Positions (Full-Time Equivalents)	0	0	10.0

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

Significant Budget Changes

Resident Services is a new Line of Business (LOB) that include the following departments: County Assessor, Elections, Examiner of Titles, Library, Service Centers and Residen and Real Estate Services (including the Business Technology Solutions (BTS Division)). As a new line of business, the budget will be driven by business objectives of the different departments. The business includes the library, and the continuous stratgeic planning will inform future budget needs.

Resident Services line of business will use Hennepin County's core values to drive our budget decisions. We will provide resident focused services to election administration, property tax and real property administration, and library services in an efficient and effective manner. BTS is funded through the Recorders Fund through 2023.

Key Results:

- Provide overall management related to delivery of technology for Resident Services line of business.
- Increasing access while decreasing revenues within the library.
- Build a governance model to include business strategy to determine IT priorities.
- Leverage the shared services IT service delivery model.

Mission

Valued services; satisfied customers.

Department Description:

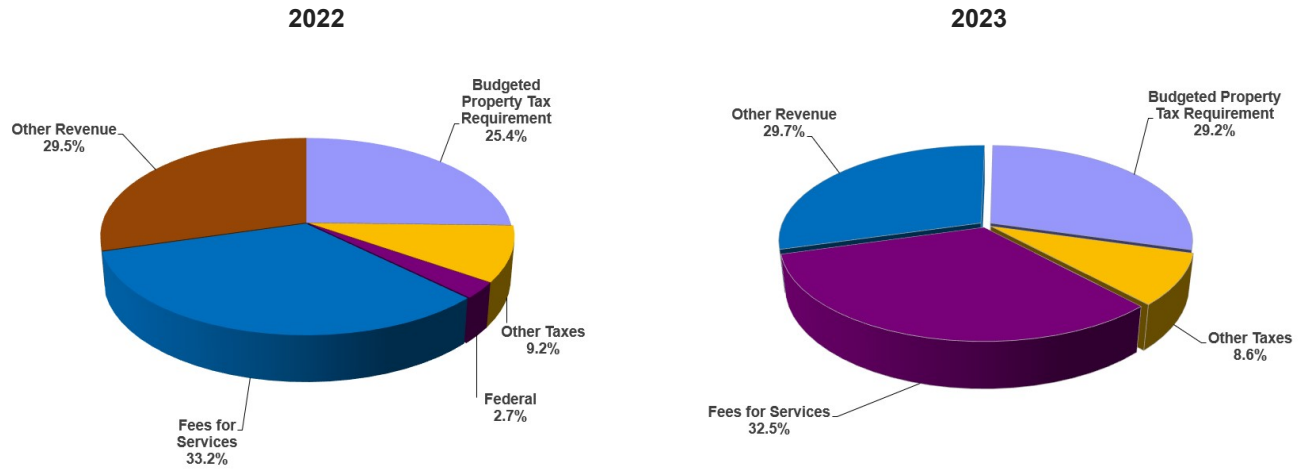
The Resident and Real Estate Services Department performs certain County Auditor, Treasurer, Recorder, and Surveyor functions for Hennepin County and provides support services to the Elections and Service Center Departments. The department consists of five divisions: County Surveyor, County Recorder/Registrar of Titles, Property Taxation, and Strategy and Support.

The navigators working in our Tax Forfeited Land area were previously funded out of the tax forfeited land fund, this is not sustainable due to decreasing fund balance and has been moved to property tax funded positions.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$6,399,916	\$8,608,069	\$9,535,176
Other Taxes	4,102,733	3,128,000	2,818,000
Federal	34,392	912,000	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	15,291,190	11,235,000	10,602,500
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	1,071,485	10,003,260	9,694,050
Other Financing	0	0	0
Total Revenues	\$26,899,716	\$33,886,329	\$32,649,726
Personnel Services	\$17,385,228	\$20,207,672	\$21,247,944
Commodities	168,181	325,900	400,400
Services	6,416,604	10,865,093	9,085,032
Public Aid Assistance	4,579	0	0
Capital Outlay	0	7,000	7,000
Other Charges	1,831,122	2,480,664	1,909,350
Grants	0	0	0
Total Expenditures	\$25,805,714	\$33,886,329	\$32,649,726
Budgeted Positions (Full-Time Equivalents)	178.1	189.6	191.0

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

Revenue Comparison



Significant Budget Changes

Resident and Real Estate Services went through a reorganization, which took two of our divisions Elections and the Service Centers and made them their own departments. At some point in 2023 the Business Technology Solutions group will be moving under the new BIO in Resident Services Administration.

The Recorder & Registrar of Titles office have experienced a decrease in recording activity which decreases fees for services revenue. The trend is expected to continue in 2023.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Surveyor Division	1,927,566	2,307,514	2,477,022
Public Records Division	5,685,238	6,776,294	6,875,496
Property Tax Summary	4,852,999	5,750,900	6,126,942
IT Service Charges	4,724,321	3,441,884	2,182,252
Strategy & Support Division	2,130,562	2,493,069	2,682,707
TSD Admin Division-Projects	23,740	912,000	0
Business Tech Solutions	6,461,289	12,204,668	12,305,307
Total Expenditures	\$25,805,714	\$33,886,329	\$32,649,726

Budget Commentary

The Resident and Real Estate Services budget remains fairly stable. Increases are due to the reduction in recording revenue and personnel costs. We continue to use Hennepin County's core values to drive our budget decisions.

Key Results:

- Property Tax Division collected 99.5% of the amount billed on property tax statements
- Recorder & Registrar of Titles is in full compliance with recording standards
- RRES continues to partner with the Assessor's Office to use the Racial Equity Impact Tool for the homesteading project and other efforts
- RRES incorporates the Racial Equity Impact Tool with digital experience efforts
- The Tax Forfeited Land unit will continue several partnerships that support disparity reduction efforts while maintaining, improving and getting tax forfeit land back on the tax rolls

Mission

Hennepin County Service Centers strive to provide quick, efficient, and accurate motor vehicle, driver's license, and vital records services.

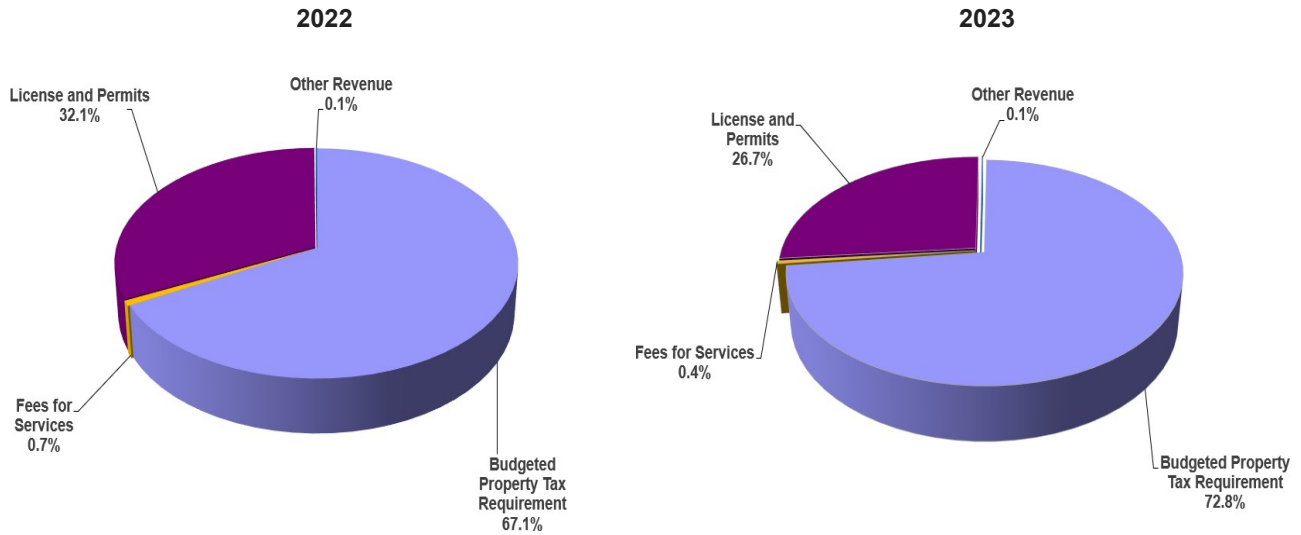
Department Description:

Hennepin County Service Centers partners with the State of Minnesota to provide driver's license/ID, motor vehicle registration, birth, death, and marriage records, marriage license, snowmobile/ATV/boat registration, and a variety of other public services to residents. Locations include Maple Grove, Brookdale, Ridgedale, Southdale, Midtown, Government Center, and North Minneapolis Service Centers. Our centers are supported by our Vital Records, Call Center/Remote Processing, and Learning and Development Units.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$5,634,211	\$8,266,622	\$9,721,765
Other Taxes	0	0	0
Federal	573,008	-3,189	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	131,871	89,949	53,604
Fines and Forfeitures	0	0	0
Licenses and Permits	3,114,495	3,952,075	3,559,892
Other Revenue	150	15,000	13,000
Other Financing	0	0	0
Total Revenues	\$9,453,736	\$12,320,457	\$13,348,261
Personnel Services	\$8,823,761	\$11,015,454	\$11,099,282
Commodities	239,057	97,060	111,039
Services	1,076,734	1,173,672	2,100,179
Public Aid Assistance	2,188	0	0
Capital Outlay	2,730	0	0
Other Charges	51,624	34,271	37,761
Grants	0	0	0
Total Expenditures	\$10,196,094	\$12,320,457	\$13,348,261
Budgeted Positions (Full-Time Equivalents)	135.5	149.0	148.0

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

Revenue Comparison



Significant Budget Changes

The Service Centers became a separate department for the 2023 budget. IT infrastructure costs were previously budgeted in a separate division of RRES, these expenditures are now budgeted in this department and is the primary driver of increased services expenses.

Service Center revenues continue to lag post pandemic; this budget adjusts revenue projections to align with actual trends experienced in 2022.

Budget Commentary

Costs remain stable with the biggest increases being related to cost-of-living increases for personnel.

Key Results:

Completed 564,150 transactions in 2022.

- Increased transaction counts by 14.7% since 2021, despite staffing challenges
- Vital Records Unit processed 129,450 transactions in 2022
- Southdale had the highest transaction count for a licensing center: 105,178 transactions.

We implemented an automated-chat feature with our Call Center to better communicate with residents.

Additional Resources:

www.hennepin.us/your-government/facilities/service-center-info

Mission

Hennepin County Elections provides election services, information, and administration in a fair, accurate and impartial manner.

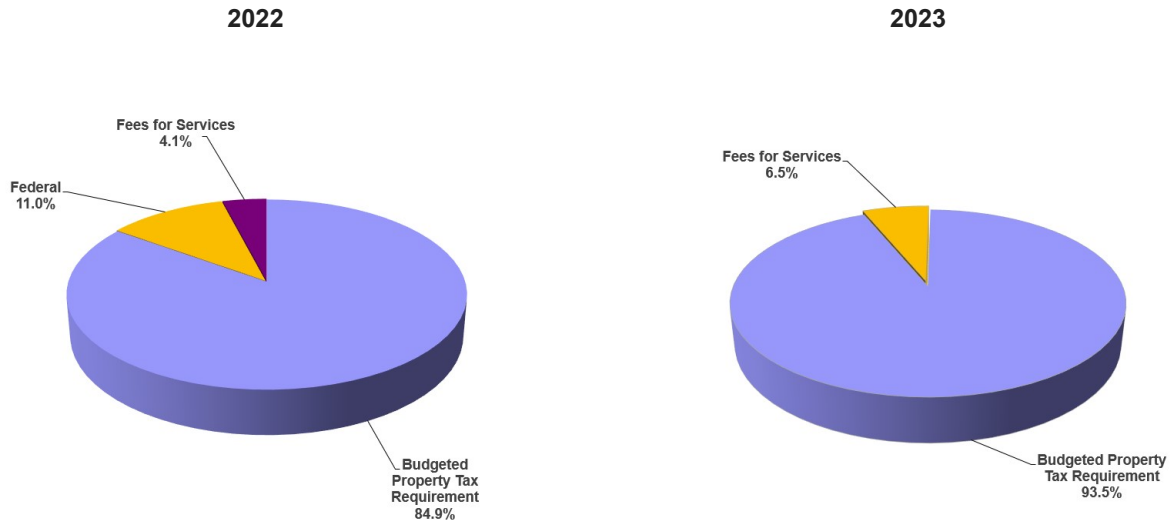
Department Description:

Hennepin County Elections works with partners at the federal, state, and local level to provide voting services to over one million eligible county residents in over 400 polling places throughout the county. Program areas include voter registration, absentee voting, voter education and engagement, local election clerk training, voting technology, election day operations, results reporting and certification, recounts and audits, candidate filing, campaign finance reporting, violation investigations, and elections data stewardship.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$2,722,915	\$8,227,641	\$6,093,706
Other Taxes	0	0	0
Federal	113,454	1,066,985	0
State	586,958	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	864,102	392,000	424,800
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$4,287,430	\$9,686,626	\$6,518,506
Personnel Services	\$1,604,101	\$5,427,301	\$3,848,266
Commodities	417,401	531,000	326,500
Services	859,105	2,397,000	1,596,200
Public Aid Assistance	0	0	0
Capital Outlay	0	235,000	737,000
Other Charges	5,765	1,096,325	10,540
Grants	0	0	0
Total Expenditures	\$2,886,373	\$9,686,626	\$6,518,506
Budgeted Positions (Full-Time Equivalents)	14.0	55.0	38.0

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

Revenue Comparison



Significant Budget Changes

Elections became a separate department for the 2023 budget. 2022 was a mid-term election year, expenditures are generally lower in non-elections years. 2023 does include expenses related to the administration of multiple local elections.

Budget Commentary

The 2023 budget is lower than the 2022 budget due to fewer elections season staff needed. The department will begin planning and preparations for the 2024 presidential election and the presidential primary to be held early 2024.

Key Results:

- Continued focus on voter outreach and education
- Continued partnerships with community programs through community contracts program
- Implement proposed department organization

Mission

To ensure an accurate and timely estimate of a property's market value, determine property use, and apply eligible benefits for property owners.

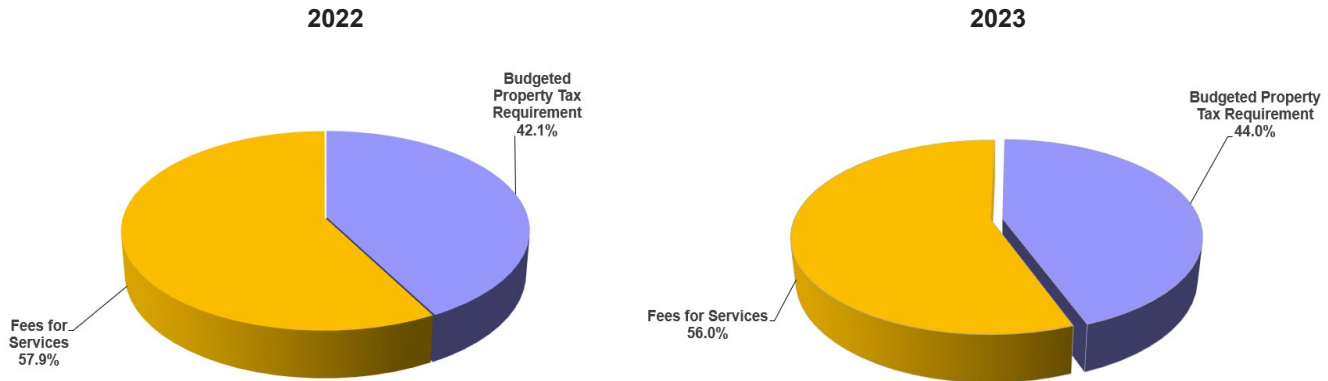
Department Description:

The County Assessor's office is responsible and accountable for estimating accurate market values, determining the correct classification and applying eligible property tax benefits for every parcel in Hennepin County.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$3,290,626	\$3,305,660	\$3,934,955
Other Taxes	0	0	0
Federal	26,336	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	4,404,007	4,538,764	5,009,400
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	0	0
Other Financing	0	0	0
Total Revenues	\$7,720,969	\$7,844,424	\$8,944,355
Personnel Services	\$6,047,301	\$6,987,001	\$8,020,734
Commodities	30,531	43,700	39,500
Services	613,826	740,423	810,821
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	46,968	73,300	73,300
Grants	0	0	0
Total Expenditures	\$6,738,626	\$7,844,424	\$8,944,355
Budgeted Positions (Full-Time Equivalents)	60.0	60.0	66.0

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

Revenue Comparison



Significant Budget Changes

Fees for Services: The increase in Fees for Services is due to increased expenses that are passed through and changes in the contract costs:

- Assessment service fees have been increased by \$470,636 resulting from a new contract with the City of Wayzata (a net \$75,500 increase) and an increase in contract fees.
- Additional expenses passed through to local assessors is \$17,436.

Personnel Services: Personnel Services Expenditures are increasing in line with expected costs for general salary adjustments, merit increases, and health insurance expenditures. The FTE count was increased by 5.0 to reflect an increase of 6.0 FTEs for the legislatively mandated Homestead work offset by 1.0 FTE transferred to the Business Information Office Solutions team.

Services: Publishing, mileage, printing, and air-cards/cellphones are anticipated to increase approximately \$10,000 each and postage is budgeted to increase by \$30,000.

Budget Commentary

An additional \$656,000 was budgeted to account for an amendment to M.S. 273.063 clarified the county assessor's responsibility to accept and process all programs applications countywide including homestead, exemption, and veteran's exclusions. Albeit an increase to the County budget, this will result in a net decrease to the taxpayers of Hennepin County through increased efficiencies in technology and processes.

The Assessor's Office continues 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 Assessors Off so the office can continue to be more dynamic, efficient, responsive, and self-reliant.

Key Results:

- For the 2023 assessment year, the Hennepin County Assessor's Office will have 31 full assessment contracts, 3 commercial-only contracts, plus statutory assessment responsibility over Fort Snelling and the MSP Airport. Contracts and service fees account for 56 percent of the office budget.
- The 2022 assessments continue to meet target ratios, statutory requirements, and equalized market values and classifications in compliance with the State Board of Equalization standards.
- The Assessor's Office continues to move forward with efforts to increase data security and find efficiencies in how we use and manage records. The Assessor's Office is continuing its commitment to a paperless process.
- Disparity Reduction efforts include increasing awareness of Property Tax Refunds, partnering with the Services Centers and HSD to enhance the availability of homesteading, Multilingual Customer Service, Progressive hiring practices, and equitable and uniform assessments.
- Climate Change work includes a reduced dependency on paper, electronic mail services, online applications, remote and hybrid work, and leveraging technology to reduce driving through digital surveys, partnership with GIS to conduct virtual property reviews, and improvements to our mobile collection devices.
- 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.

Additional Resources:

Hennepin County Assessor's Office
Phone: (612) 348-3046

Mission

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

Department Description:

The Examiner of Titles department performs legal work related to the registered land system. About 40 percent of land in Hennepin County is registered. Applications from owners to convert abstract titles to registered titles are processed by the Examiner through judicial and administration means, resulting in a conclusive title with protections and guarantees. The Examiner is involved in transactions and court actions post-registration to insure the special status of registered land is maintained. The Examiner is the legal advisor to the County Registrar of Titles and is appointed by the District Court bench to perform duties defined by Minnesota Statutes Chapters 508 and 508A.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$1,263,498	\$1,321,557	\$1,549,558
Other Taxes	0	0	0
Federal	170,172	144,968	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	1,080	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	\$1,434,750	\$1,466,525	\$1,549,558
Personnel Services	\$1,163,761	\$1,221,089	\$1,404,998
Commodities	249	9,500	6,500
Services	227,823	69,368	71,460
Public Aid Assistance	0	0	0
Capital Outlay	0	1,000	1,000
Other Charges	4,328	165,568	65,600
Grants	0	0	0
Total Expenditures	\$1,396,161	\$1,466,525	\$1,549,558
Budgeted Positions (Full-Time Equivalents)	8.0	8.0	9.0

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

Key Results:

The office performs duties required by Minnesota Statutes Chapters 508 and 508A. Due to a robust real estate market, and a moratorium on mortgage foreclosures, approvals of transfer deeds in 2022 were up 50 percent, directives to modify interests on certificates of title were up 55 percent, and proceeding subsequent filings were down 85 percent, when compared to the averages between 2012 and 2020.

Mission

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

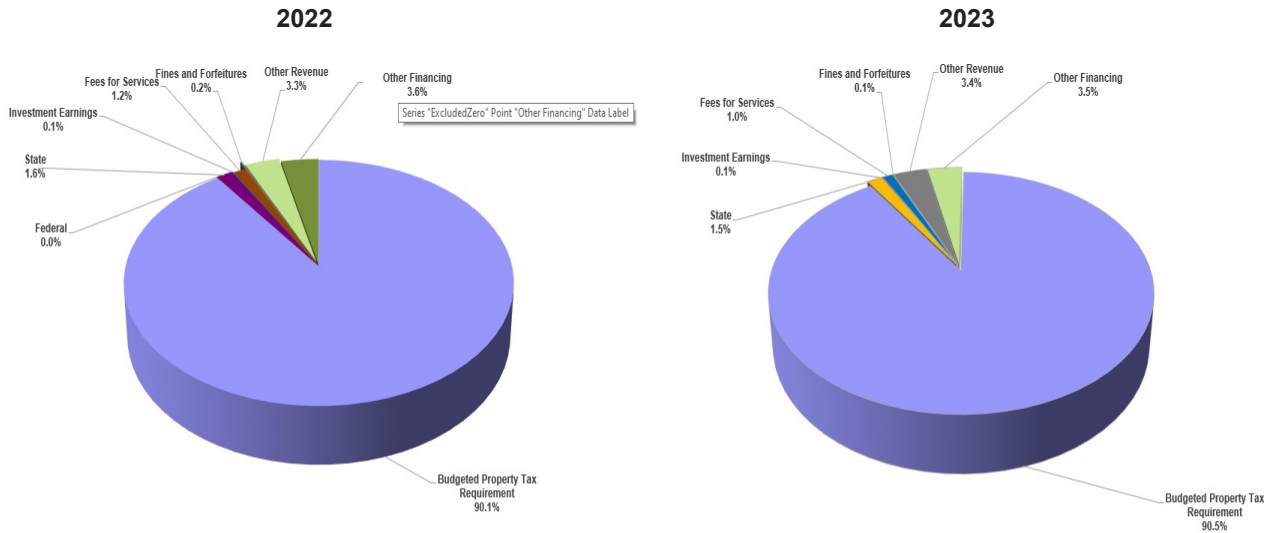
Department Description:

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$61,532,006	\$63,537,425	\$65,143,084
Other Taxes	0	0	0
Federal	251,531	7,897	0
State	990,369	1,104,150	1,104,000
Local	0	0	0
Investment Earnings	19,262	70,000	70,000
Fees for Services	761,715	853,500	711,000
Fines and Forfeitures	44,702	117,700	47,500
Licenses and Permits	0	0	0
Other Revenue	2,097,053	2,328,500	2,418,700
Other Financing	2,460,506	2,500,000	2,500,000
Total Revenues	\$68,157,144	\$70,519,172	\$71,994,284
Personnel Services	\$43,473,422	\$49,122,406	\$50,423,629
Commodities	1,080,118	1,196,810	1,474,200
Services	17,658,027	14,099,784	14,176,585
Public Aid Assistance	0	0	0
Capital Outlay	5,182,858	5,098,050	4,937,644
Other Charges	559,415	1,002,122	982,226
Grants	0	0	0
Total Expenditures	\$67,953,840	\$70,519,172	\$71,994,284
Budgeted Positions (Full-Time Equivalents)	542.2	543.1	543.1

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

Revenue Comparison



Significant Budget Changes

The property tax budget in 2023 of \$65.1 million is relatively flat when compared to the 2022 adjusted property tax budget of \$63.5 million. The increase is due to increased health insurance costs and general salary adjustments. Overall, the 2023 budget of \$71.9 million represents a \$1.4 million or 2 percent increase from the 2022 adjusted budget of \$70.5 million, this is primarily due to increased employee costs.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Public Library	66,688,462	69,270,258	70,635,665
Law Library	1,265,378	1,248,914	1,358,619
Total Expenditures	\$67,953,840	\$70,519,172	\$71,994,284

Budget Commentary

The Library developed a 2023 budget plan that maximized access to library services with existing resources. At the end of 2022, all 41 libraries were open, and in some cases, offering an expanded schedule of hours. Although visitor counts continue to lag significantly behind pre-pandemic numbers, usage is trending upward in all service categories.

Throughout 2022, the library continued to invest 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 provided high-impact encounters and high-visibility to our residents.

A strategic planning process began in 2022 and will be implemented during 2023. As part of this process, the library has adopted an updated mission and vision statement:

Hennepin County Library's mission is to inspire, facilitate, and celebrate lifelong learning. Shaped by the information needs and aspirations of our residents, we envision the library as a shared space for enrichment and connection.

Library services are an important part of thriving and interconnected communities. We believe that every Hennepin County resident should have a library card and use it regularly.

To achieve our mission and realize our vision, the Library is committed to:

- Supporting literacy and intellectual freedom
- Maintaining inviting, inclusive, accessible, and safe public spaces
- Offering access to essential technology and connectivity
- Delivering a positive and equitable experience to every patron
- Connecting residents with government and community resources that are designed to address basic human needs

In 2023, the Library will launch a 6-month public awareness campaign with a goal to increase the number of residents that have an active library card.

Key Results:

The number of patrons served continue to increase over the past two years. For example:

- Patrons checked out more than 10.8 million physical and digital items, an 8% increase over 2021.
- Half of all checkouts are for juvenile materials, helping foster a love of reading among Hennepin County youth.
- Wi-Fi connections increased 58.4% in 2022 with more than 5.1 million sessions.
- More than 2 million visitors entered a physical location in 2022.

Additional Resources:

www.hclib.org

Line of Business: Operations

- Board of Commissioners
- County Administration
- Strategic Planning and Analytics
- Housing and Economic Development
- Office of Budget and Finance
- Facility Services
- Central Information Technology
- Human Resources
- Audit, Compliance, and Investigation Services
- Emergency Management
- Communications
- Operations Administration
- General County Purposes
- Ballpark Sales Tax Revenues
- Debt Retirement



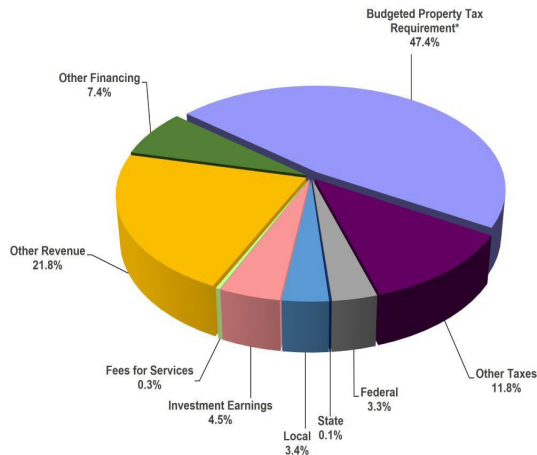
Line of Business Description:

The Operations program encompasses the policy making, administrative support and staff services necessary for the efficient and effective management of county programs. The Board of Commissioners, as the elected governing body of the county, establishes policies and programs, approves the annual budget, and appoints key officials. The County Administrator is responsible for advising the County Board and implementing approved policies and programs.

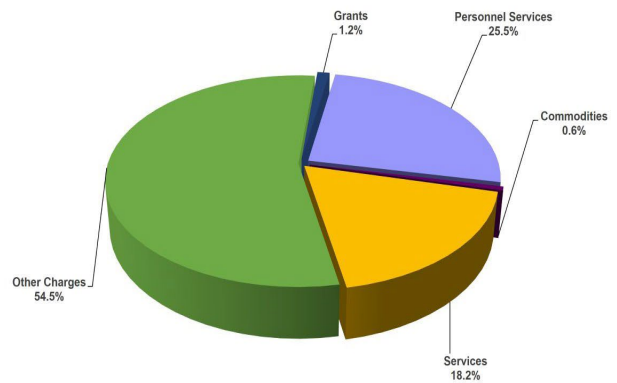
Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$168,185,508	\$173,586,559	\$175,968,280
Other Taxes	42,072,698	39,995,180	43,607,845
Federal	39,867,386	14,656,480	12,289,984
State	25,582,361	292,000	248,000
Local	10,280,362	12,280,388	12,456,488
Investment Earnings	-6,143,740	5,145,000	16,852,500
Fees for Services	1,091,594	955,580	1,011,480
Fines and Forfeitures	0	0	0
Licenses and Permits	1,500	0	0
Other Revenue	43,074,617	58,469,811	81,178,918
Other Financing	22,068,649	26,806,714	27,510,431
Total Revenues	\$346,080,936	\$332,187,712	\$371,123,926
Personnel Services	\$79,481,580	\$90,275,751	\$94,477,663
Commodities	2,509,715	2,488,697	2,245,747
Services	66,216,486	65,853,155	67,709,272
Public Aid Assistance	47,061,607	0	0
Capital Outlay	727,559	109,240	149,240
Other Charges	161,599,828	168,959,869	201,949,754
Grants	3,597,606	4,501,000	4,592,250
Total Expenditures	\$361,194,381	\$332,187,712	\$371,123,926
Budgeted Positions (Full-Time Equivalents)	722.8	769.6	785.0

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Board of Commissioners	2,991,205	3,319,530	3,801,690
County Administration	6,216,821	3,899,460	3,885,015
Strategic Planning and Analytics	2,241,955	2,504,493	3,921,591
Housing and Economic Development	61,709,230	15,153,923	14,358,752
Office of Budget and Finance	15,531,080	16,816,637	17,438,834
Facility Services	61,453,386	69,093,697	70,958,829
Central Information Technology	4,859,189	5,776,056	5,275,352
Human Resources	16,721,992	18,163,878	20,473,735
Audit, Compliance, and Investigation Services	3,518,514	4,288,052	4,349,739
Emergency Management	2,456,406	2,614,397	2,840,313
Communications	7,674,007	8,383,217	8,532,679
Operations Administration	6,010,245	4,653,327	3,262,895
General County Purposes	7,755,427	17,026,928	16,956,829
Ballpark Sales Tax Revenues	2,320,619	2,538,000	2,665,000
Debt Retirement	159,734,305	157,956,118	192,402,673
Total Expenditures	\$361,194,381	\$332,187,712	\$371,123,926

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Board of Commissioners	25.0	25.0	25.0
County Administration	17.0	18.0	17.0
Strategic Planning and Analytics	17.0	24.0	30.0
Housing and Economic Development	38.0	42.0	42.0
Office of Budget and Finance	84.1	90.1	90.1
Facility Services	272.7	298.2	295.9
Central Information Technology	25.1	25.1	26.1
Human Resources	114.9	119.2	129.2
Audit, Compliance, and Investigation Services	25.2	25.2	26.7
Emergency Management	17.0	14.0	15.5
Communications	47.8	56.3	55.6
Operations Administration	39.0	32.5	32.0
Budgeted Positions (Full-Time Equivalents)	722.8	769.6	785.0

Revenue Summary:

The 2023 Operations Line of Business budget, which includes Ballpark Sales Tax and Debt Service, accounts for 13.7 percent or \$371 million of the 2023 Hennepin County budget of \$2,706,003,227 and when compared to the 2022 adjusted budget, reflects an increase of 11.7 percent or \$38.9 million. The 2023 Operations Line of Business will be supported by \$195.2 million in non-property tax revenues and \$176 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 2023, property tax comprises of 47.4 percent of the \$371 million in programmed revenues with the majority supporting activities in Debt Retirement, Facility Services, Libraries, General County Purposes, Human Resources, Office of Budget and Finance, Operations Administration, Emergency Management and Communications.

Other Taxes: Ballpark Sales Tax Revenues are programmed to generate \$43.6 million in sales tax collections for 2023, which an increase of \$3.6 million or 9.0 percent over the 2022 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 federal ARPA monies expended in the 2022 adjusted budget and not budgeted in 2023.

State: In 2023, state revenues for the Operations line of business total approximately \$250,000 for Emergency Management and Housing and Economic Development.

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: Anticipated revenues related to Fees for Services for 2023 is just over \$1 million.

Other Revenue and Other Financing: Other Revenue and Other Financing is comprised of \$108.7 million and makes up 29.2 percent of Operations 2023 total revenues. The majority of these revenues stem from activities in Debt Retirement, Facility Services, utilization of fund balance, and contingency.

The Debt Retirement budget includes \$52 million for ballpark debt service and other authorized ballpark activities; \$28.1 million in transportation sales tax; and \$1.8 million for energy center improvements.

The Facility Services department has programmed \$13.9 million in 2023 revenues. The majority of these revenues include \$6.3 million from building rental, \$2.9 million from interdepartmental revenue, and \$2.8 million in daily parking revenues.

In 2023, budgeted use of fund balance is \$24.1 million.

Expenditure Summary:

The 2023, the Operations Line of Business budget is \$371 million which includes \$192.4 million for Debt Retirement and \$2.7 million in Ballpark Sales Tax Revenues. When compared to the 2022 adjusted budget of \$332.2 million, the Operations budget reflects an increase of \$38.9 million or 11.7 percent and will operate with 769.6 full-time equivalents (FTEs), which is an increase of 15.4 FTEs over the 2022 adjusted budget.

The increase in the Operations Line of Business expenditure budget is primarily due to an additional \$34.5 million in debt retirement expenditures, mostly due to the early redemption of ballpark debt.

Strategic Planning and Analytics: This department has been established to coordinate and align enterprise strategic planning, enterprise project management and to drive the development of integrated data and enterprise analytics.

Housing and Economic Development (HED): The decrease in the 2023 HED budget stems from one-time expenditures in 2022 for the MN USA Expo and other grants that are not budgeted in 2023.

Operations Administration: As of January 1, 2023, this department consists of two divisions: Digital Experience, and the Business Information Office. The 2023 Operations Administration expenditures will decrease by \$13 million or 29.9 percent, due to one-time CARES Act Relief federal reimbursement for COVID related expenses in 2022 that are not reflected in the 2023 budget. Other notable changes include moving Communications and Emergency Management out of this department and establishing them as stand-alone departments in the 2023 budget.

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 2023 budget, General County Purposes is effectively flat compared to the 2022 adjusted budget. Modest increases in costs for General County Purposes activities are offset by a decrease of approximately \$450,000 in Contingency. Contingency monies are reserved for activities that will further define the County's 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$3,061,144	\$3,319,377	\$3,801,690
Other Taxes	0	0	0
Federal	665	153	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	\$3,061,809	\$3,319,530	\$3,801,690
Personnel Services	\$2,750,347	\$2,846,576	\$3,308,715
Commodities	4,924	66,850	63,900
Services	211,455	185,350	194,779
Public Aid Assistance	0	0	0
Capital Outlay	1,382	0	0
Other Charges	23,097	220,754	234,296
Grants	0	0	0
Total Expenditures	\$2,991,205	\$3,319,530	\$3,801,690
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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$3,330,441	\$3,554,719	\$3,500,615
Other Taxes	0	0	0
Federal	2,670,763	4,641	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	245,900	339,600	383,900
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	300	500	500
Other Financing	0	0	0
Total Revenues	\$6,247,404	\$3,899,460	\$3,885,015
Personnel Services	\$4,052,315	\$2,990,471	\$2,954,406
Commodities	502,511	11,880	12,100
Services	1,382,384	847,664	862,105
Public Aid Assistance	74,000	0	0
Capital Outlay	0	0	0
Other Charges	205,610	49,445	56,404
Grants	0	0	0
Total Expenditures	\$6,216,821	\$3,899,460	\$3,885,015
Budgeted Positions (Full-Time Equivalents)	17.0	18.0	17.0

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

Mission

We drive enterprise strategic planning and data analytics to align investments and advance strategic priorities of County government.

Department Description:

The Strategic Planning & Analytics Department guides and coordinates the development and management of enterprise strategic planning, provides enterprise project management with a focus on strategic initiatives, and drives the development of integrated data and enterprise analytics. These core functions work in concert to align resources, ensure the successful integration of data and data insights, coordinate projects, and drive investments to achieve countywide strategic objectives.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$2,327,064	\$2,312,525	\$3,921,591
Other Taxes	0	0	0
Federal	112,137	166,968	0
State	0	0	0
Local	27,496	25,000	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	\$2,466,697	\$2,504,493	\$3,921,591
Personnel Services	\$1,983,090	\$2,133,300	\$3,462,626
Commodities	59,051	11,900	45,000
Services	188,103	154,679	364,115
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	11,711	204,614	49,850
Grants	0	0	0
Total Expenditures	\$2,241,955	\$2,504,493	\$3,921,591
Budgeted Positions (Full-Time Equivalents)	17.0	24.0	30.0

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

Significant Budget Changes

The Strategic Planning & Analytics Department is newly reorganized within the Operations line of business for the 2023 budget and realigns work that was previously performed across multiple lines of business.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Center of Innovation and Excellence	2,233,127	2,446,988	1,588,127
Strategic Planning Initiatives	0	0	1,162,664
Enterprise Data Systems	8,828	57,505	1,170,800
Total Expenditures	\$2,241,955	\$2,504,493	\$3,921,591

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:

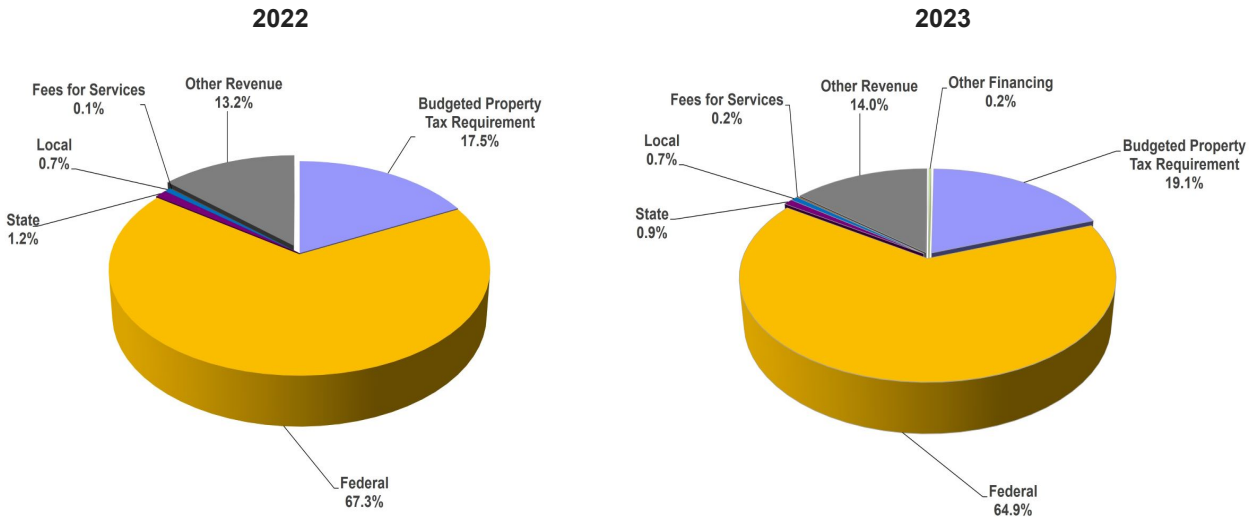
Housing and Economic Development focuses on investing local, regional, county, state and federal resources in partnership with public and private partners to provide a full range of housing choices, housing rehabilitation, and lead-safe housing and to create and provide access to jobs and build long-term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

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

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$2,073,709	\$2,662,301	\$2,743,753
Other Taxes	0	0	0
Federal	32,126,151	10,204,971	9,317,431
State	25,317,292	175,000	131,000
Local	265,227	100,000	100,000
Investment Earnings	0	0	0
Fees for Services	29,900	10,400	25,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	1,003,985	2,001,251	2,011,568
Other Financing	0	0	30,000
Total Revenues	\$60,816,265	\$15,153,923	\$14,358,752
Personnel Services	\$4,162,317	\$5,102,150	\$5,402,379
Commodities	8,642	23,140	18,450
Services	10,650,299	9,549,920	8,857,748
Public Aid Assistance	46,851,098	0	0
Capital Outlay	0	0	0
Other Charges	36,874	478,713	80,175
Grants	0	0	0
Total Expenditures	\$61,709,230	\$15,153,923	\$14,358,752
Budgeted Positions (Full-Time Equivalents)	38.0	42.0	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 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% 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% of all Hennepin County Small Business grants are provided to businesses owned by Black, Indigenous and people of color.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
HED Admin Division	993,080	1,199,648	1,188,702
Housing Development & Finance	32,989,842	11,443,313	10,751,277
Development Division	27,726,309	2,510,962	2,418,773
Total Expenditures	\$61,709,230	\$15,153,923	\$14,358,752

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:

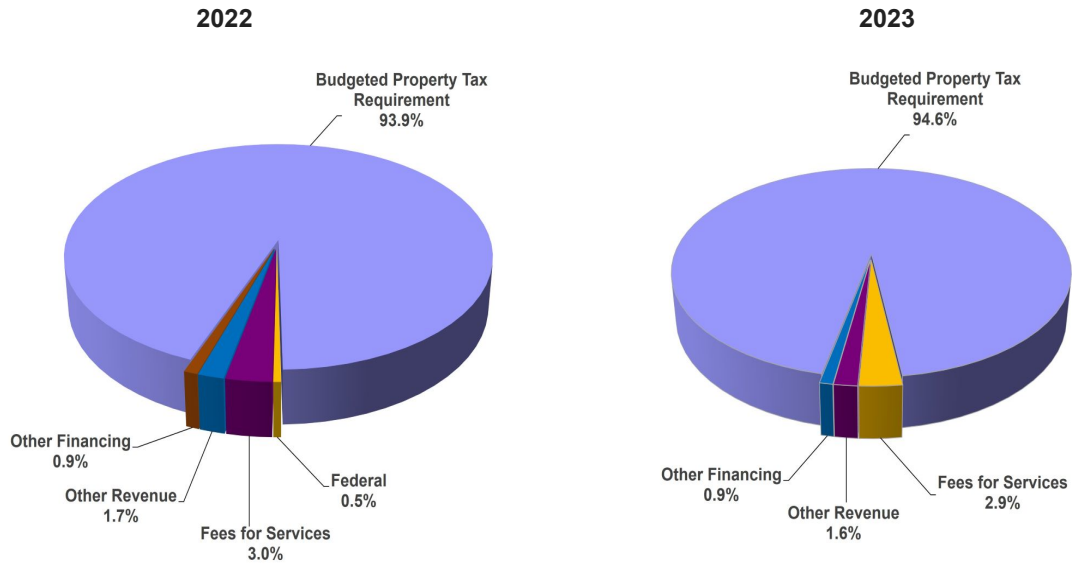
The Finance, Budget Analysis and Accounting division performs budget preparation and analysis, revenue and expenditure forecasting, legislative analysis, treasury services, and accounting services. Additionally, OBF performs risk management in cooperation with the County Attorney's Office to monitor 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$14,946,996	\$15,786,784	\$16,492,834
Other Taxes	0	0	0
Federal	125,802	89,853	0
State	0	0	0
Local	0	0	0
Investment Earnings	76,988	0	0
Fees for Services	614,150	507,500	507,500
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	283,140	283,500	283,500
Other Financing	141,425	149,000	155,000
Total Revenues	\$16,188,501	\$16,816,637	\$17,438,834
Personnel Services	\$11,327,315	\$12,713,451	\$13,409,615
Commodities	36,847	28,600	45,050
Services	3,902,265	3,718,628	3,710,419
Public Aid Assistance	136,509	0	0
Capital Outlay	0	0	0
Other Charges	128,143	355,958	273,750
Grants	0	0	0
Total Expenditures	\$15,531,080	\$16,816,637	\$17,438,834
Budgeted Positions (Full-Time Equivalents)	84.1	90.1	90.1

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

Revenue Comparison



Significant Budget Changes

The 2023 budget provides resources to support Future Ready Hennepin initiatives and improve efficient service delivery.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
OBF Finance & Accounting	4,488,330	5,409,360	5,339,182
APEX	11,042,751	11,407,277	12,099,652
Total Expenditures	\$15,531,080	\$16,816,637	\$17,438,834

Mission

We build, manage, operate, maintain, and secure Hennepin County buildings.

Department Description:

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

- Identifies capital needs
- Develops and manages new construction and renovation projects
- Operates and maintains buildings
- Facilitates a safe environment for residents and employees
- Manages all real estate functions
- Aligns work to county disparity reduction and climate action goals

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$53,410,744	\$54,996,492	\$57,039,090
Other Taxes	0	0	0
Federal	376,862	7,961	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	0	3,000	0
Fines and Forfeitures	0	0	0
Licenses and Permits	1,500	0	0
Other Revenue	13,674,771	14,686,244	13,919,739
Other Financing	-695,276	-600,000	0
Total Revenues	\$66,768,600	\$69,093,697	\$70,958,829
<i>* Reflects the adjusted property tax requirement budget, not actual property tax collections.</i>			
Personnel Services	\$24,189,823	\$29,817,378	\$29,911,864
Commodities	1,501,021	1,872,310	1,675,395
Services	34,355,808	36,133,258	37,964,954
Public Aid Assistance	0	0	0
Capital Outlay	448,081	109,240	49,240
Other Charges	958,652	1,161,511	1,357,376
Grants	0	0	0
Total Expenditures	\$61,453,386	\$69,093,697	\$70,958,829
Budgeted Positions (Full-Time Equivalents)	272.7	298.2	295.9

Significant Budget Changes

Facility Services revenue reflects a property tax increase associated with an increase in contract security costs due to rate increases, increases in janitorial and snow and landscape contracts due to labor costs, the addition of 3.0 FTEs for Hennepin Health Systems projects, the increased cost of electricity and gas, and an increase in property insurance. These increases are offset in part by an increase in the vacancy factor and the reduction of 5.0 vacant positions. Facility Services expenditures are increasing due to the need for additional contract security services. In addition, increasing utility costs and personnel costs and partially offset by an increase in the vacancy factor.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Facility Services Administration	5,019,934	5,523,976	5,183,107
Leasing and Property Control	512,032	321,390	409,415
Design & Construction	2,881,222	2,833,938	3,680,465
Energy & Engineering	872,514	986,002	945,515
Planning & Project Development	980,391	1,046,753	1,456,962
Security Management	10,629,388	13,251,317	13,992,936
Facilities Management	40,557,904	45,130,321	45,290,429
Total Expenditures	\$61,453,386	\$69,093,697	\$70,958,829

Budget Commentary

The department has the following objectives for 2023: Overall:

- Plan for and implement changes to reflect the evolving needs of Hennepin County employees and residents.
- Continue to track, measure, monitor, and reduce project costs.
- Continue to preserve county's infrastructure particularly in light of its aging facilities.

Reduce disparities:

- Recruit, train and retain a workforce that reflects the diverse residents, clients, and customers we serve.
- Continue to support small and emerging businesses.
- Use the Racial Equity Impact Tool to inform decisions on projects, processes, budget and policies.

Address Climate Change:

- Partner with vendors and county colleagues to implement the Construction and Demolition Waste policy.
- Expand organics collection and improve recycling at county facilities.
- Facilitate installation of EV charging stations at county buildings.
- Continue successful efforts to reduce building energy use by 3% annually and to convert facilities to all electric HVAC equipment to reduce carbon emissions.

Key Results:

	<u>Industry Average (BOMA)</u>	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Estimate</u>
Janitorial Costs	\$1.58 sq ft.	\$1.17 sq. ft.	\$1.44 sq. ft.	\$1.51 sq. ft.
Utilities	\$2.06 sq ft.	\$1.49 sq. ft.	\$1.64 sq. ft.	\$1.81 sq. ft.
Energy		398,824 MMBtu's	490,000 MMBtu's	470,000 MMBtu's

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/your-government#facilities

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.

Detail budget Information Technology Internal Services (Fund 62) may be found in the Internal Services tab of this budget book.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$5,172,242	\$5,155,410	\$5,275,352
Other Taxes	0	0	0
Federal	5,293	620,646	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	41,750	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	\$5,219,285	\$5,776,056	\$5,275,352
Personnel Services	\$3,386,130	\$3,396,663	\$3,759,051
Commodities	12,053	84,934	24,934
Services	3,002,026	3,096,211	2,878,583
Public Aid Assistance	0	0	0
Capital Outlay	250,000	0	0
Other Charges	-1,791,020	-801,752	-1,387,216
Grants	0	0	0
Total Expenditures	\$4,859,189	\$5,776,056	\$5,275,352
Budgeted Positions (Full-Time Equivalents)	25.1	25.1	26.1

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

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: Workers' Compensation; 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; Data Compliance; Respectful Workplace Investigations; Human Resources Administration.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$16,459,758	\$17,925,006	\$20,423,735
Other Taxes	0	0	0
Federal	421,430	210,872	0
State	0	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	66,955	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	50,251	28,000	50,000
Other Financing	0	0	0
Total Revenues	\$16,998,394	\$18,163,878	\$20,473,735
Personnel Services	\$13,261,557	\$14,706,599	\$16,377,322
Commodities	31,575	52,350	54,250
Services	3,201,401	2,656,046	3,163,133
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	227,458	748,883	879,030
Grants	0	0	0
Total Expenditures	\$16,721,992	\$18,163,878	\$20,473,735
Budgeted Positions (Full-Time Equivalents)	114.9	119.2	129.2

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

Significant Budget Changes

Human Resources is required to maintain all core services while also implementing industry best practices that provide a modern workplace that attracts and retains well-qualified talent. Our 2023 budget request allows us to do this, as well as keep our commitments to organizational goals.

The Human Resources budget has an increase in 10.5 full-time equivalents (FTE) and increases to consulting work. The FTE and consulting increases are for several ongoing and enhanced initiatives, including Full-cycle Recruitment, DE&I programming, and an org-wide job classification review.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Human Resources Administration	4,085,323	4,127,319	3,953,563
Diversity, Equity and Inclusion	910,698	1,172,599	1,473,551
Organizational Development	4,053,177	4,306,229	5,584,316
Benefits and Wellness	3,888,442	4,839,427	5,228,059
Information Technology and APEX	899,605	763,000	858,000
Business Partners and Service Center	2,884,746	2,955,304	3,376,246
Total Expenditures	\$16,721,992	\$18,163,878	\$20,473,735

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 as well as the expectations of employees.

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

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:

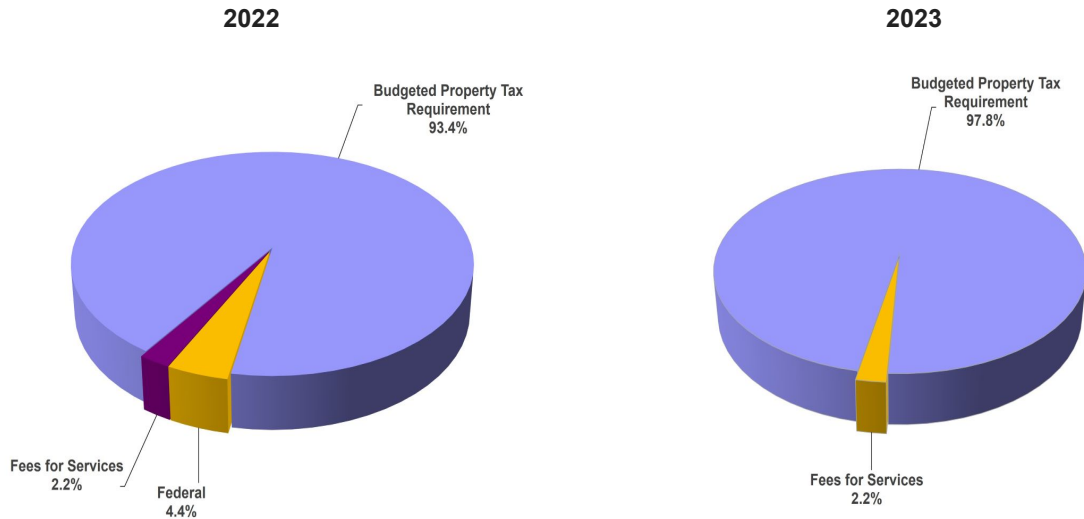
Audit, Compliance and Investigation Services is an independent and objective assurance, consulting and investigation activity comprising four divisions.

- 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.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$3,857,843	\$4,006,627	\$4,254,659
Other Taxes	0	0	0
Federal	200,929	186,345	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	\$4,153,852	\$4,288,052	\$4,349,739
Personnel Services	\$2,827,499	\$3,226,114	\$3,520,626
Commodities	2,359	15,350	14,600
Services	660,779	789,593	744,338
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	27,877	256,995	70,175
Grants	0	0	0
Total Expenditures	\$3,518,514	\$4,288,052	\$4,349,739
Budgeted Positions (Full-Time Equivalents)	25.2	25.2	26.7

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

Revenue Comparison



Significant Budget Changes

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. The Non-Discrimination Respectful Workplace (NDRW) division 2023 budget authority and property tax, and 1.67 FTEs be transferred from Audit, Compliance, and Investigation Services to Human Resources. This transfer supports greater organizational alignment of these activities.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
ACIS Administration	705,618	760,794	792,387
Internal Audit	2,109,486	2,677,628	2,624,065
Digital Forensics	703,410	849,630	933,287
Total Expenditures	\$3,518,514	\$4,288,052	\$4,349,739

Mission

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.

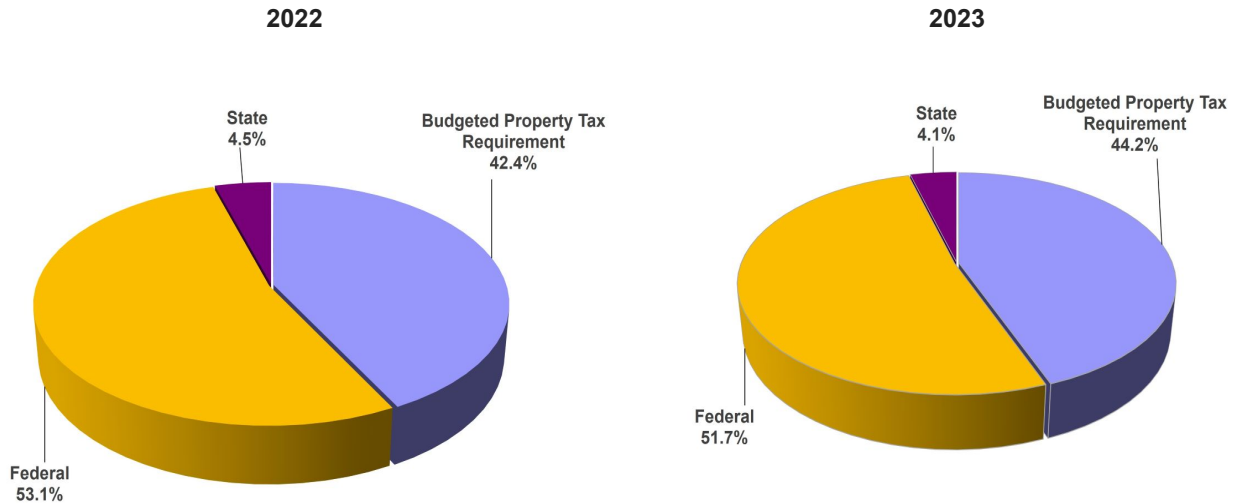
Department Description:

Hennepin County Emergency Management (HCEM) leads county-wide efforts to promote disaster-ready families, foster whole community resilience and to increase emergency responder capabilities and integration. HCEM takes coordinated action to save lives, prevent injuries, and to lessen the social, economic and environmental impact of disasters during all phases of emergency management.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$1,038,650	\$1,109,931	\$1,256,264
Other Taxes	0	0	0
Federal	938,608	1,387,466	1,467,049
State	57,523	117,000	117,000
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	-2,130	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	\$2,032,652	\$2,614,397	\$2,840,313
Personnel Services	\$1,293,769	\$1,629,127	\$1,773,221
Commodities	279,943	260,625	225,165
Services	821,209	603,411	779,327
Public Aid Assistance	0	0	0
Capital Outlay	41,225	0	0
Other Charges	20,260	81,234	22,600
Grants	0	40,000	40,000
Total Expenditures	\$2,456,406	\$2,614,397	\$2,840,313
Budgeted Positions (Full-Time Equivalents)	17.0	14.0	15.5

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

Revenue Comparison



Significant Budget Changes

The Emergency Management department moves from Operations Administration to stand-alone department within the Operations line of business.

Budget Commentary

The hazard spectrum which triggers disasters in Hennepin County is changing, in many cases substantially increasing our hazard exposure. Some hazard changes are attributable to the warming climate, others such as the pandemic are worsened by easy global connectivity and declining protective behaviors. Adversarial threats are also expanding with many attributable to extremist and inflammatory political and social issues. Requirements and demands for emergency management planning, coordination and response have led to an increased need for budgetary resources. In addition, the return of a finance management position to the department resulted in an increase in our overall personnel count and budget.

Key Results:

Employ standard systems, processes and people to effectively plan and execute disaster response across the government enterprise and the whole county; provide for efficient response and economy of resources; increase capability to provide timely and accurate information to support decision making by leaders and the public; ensure accurate prediction, early detection, and effective public warning of imminent threats; foster rapid and lasting disaster recovery through coordinated pre-disaster mitigation, resilience and recovery planning; address disparities in emergency management plans, processes and programs; and; anticipate and manage the changing hazard landscape induced by climate change.

Additional Resources:

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

Mission

To provide clear and accessible information for residents.

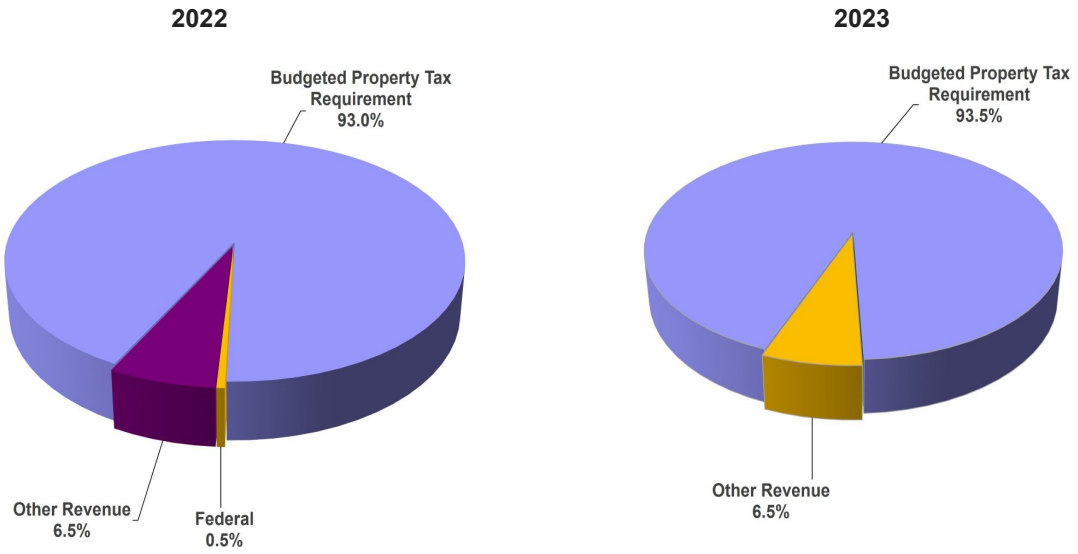
Department Description:

The Communications Department assists county programs and services in communicating with the public it serves. Hennepin County Communications acts as a resource to county leadership, to the organization and to the media. This includes resources in plain language using design, video, websites and more to share information for residents using county services. We also support outreach materials to help residents and partners proactively engage with county services and programs. We work with departments to tell the stories about our work through a variety of communication channels and through the news media.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$5,870,807	\$7,794,859	\$7,975,291
Other Taxes	0	0	0
Federal	1,374,299	41,900	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	672,547	546,458	557,388
Other Financing	0	0	0
Total Revenues	\$7,917,653	\$8,383,217	\$8,532,679
Personnel Services	\$5,612,756	\$7,032,221	\$6,916,234
Commodities	31,284	32,508	28,882
Services	2,027,787	1,211,098	1,420,779
Public Aid Assistance	0	0	0
Capital Outlay	-13,129	0	100,000
Other Charges	15,310	107,390	66,784
Grants	0	0	0
Total Expenditures	\$7,674,007	\$8,383,217	\$8,532,679
Budgeted Positions (Full-Time Equivalents)	47.8	56.3	55.6

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

Revenue Comparison



Significant Budget Changes

The Communications Department has moved from to Operations Administration Department to a stand-alone departments within the Operations Line of Business.

Mission

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

Department Description:

Operations Administration consists of two divisions: Digital Experience, and Business Information Office.

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$6,024,559	\$4,255,949	\$3,262,895
Other Taxes	0	0	0
Federal	253,067	397,378	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	\$6,277,626	\$4,653,327	\$3,262,895
Personnel Services	\$4,946,648	\$3,505,180	\$2,480,584
Commodities	3,476	10,650	10,350
Services	1,022,315	670,639	706,500
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	37,805	466,858	65,461
Grants	0	0	0
Total Expenditures	\$6,010,245	\$4,653,327	\$3,262,895
Budgeted Positions (Full-Time Equivalents)	39.0	32.5	32.0

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

Significant Budget Changes

When compared to the 2022 adjusted budget, the 2023 Operations Administration expenditures will decrease by \$1.4 million or 29.9 percent largely due to the transfer of funding from the Business Information Office to support the newly organized Resident Services line of business. The majority of the decrease in revenues stems from 2022 ARPA federal revenues which are not budgeted in 2023, and a reduction in budgeted property tax due to the realignment of resources between business lines.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Digital Experience	2,014,075	1,885,566	1,708,418
Business Information Office	3,996,170	2,767,761	1,554,477
Total Expenditures	\$6,010,245	\$4,653,327	\$3,262,895

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.

Line of Business 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$17,555,746	\$14,519,667	\$14,119,329
Federal	8,829	7,261	300,000
Other Financing	2,460,000	2,500,000	2,537,500
Total Revenues	\$20,024,575	\$17,026,928	\$16,956,829
Personnel Services	(\$311,988)	\$1,176,521	\$1,201,020
Commodities	36,028	17,600	27,671
Services	3,592,754	4,336,658	4,657,492
Other Charges	2,769,720	9,073,149	8,683,396
Grants	1,668,913	2,423,000	2,387,250
Total Expenditures	\$7,755,427	\$17,026,928	\$16,956,829
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Significant Budget Changes

The 2023 approved General County Purposes budget is \$17.0 million, relatively flat when compared to the 2022 adjusted budget.

Division Budgets:	2021 Actual	2022 Budget	2023 Budget
Contingency	0	6,123,480	5,670,290
Municipal Building Commission	3,376,697	3,766,308	3,860,466
Hennepin Youth Sports	1,726,792	2,500,000	2,537,500
Other General Government	2,651,938	4,637,140	4,888,573
Total Expenditures	\$7,755,427	\$17,026,928	\$16,956,829

Budget Commentary

The 2023 approved Contingency budget is approximately \$5.7 million which is a decrease of approximately \$0.5 million when compared to the 2022 adjusted budget.

Key Results:

Dues & Contributions:

	2021 <u>Actual</u>	2022 <u>Budget</u>	2023 <u>Budget</u>
National Association of Counties (NACO)	23,049	23,049	23,049
Association of Minnesota Counties (AMC)	95,740	90,640	90,640
MN Historical Society (St. Anthony Falls Heritage Board)	31,000	31,000	31,000
Youth Coordinating Board	0	74,523	74,523
Brooklyn Bridge Alliance	57,500	57,500	57,500
Greater Mpls/St. Paul	0	25,000	150,000
Greater Metropolitan Workforce Council	0	10,400	10,400
Minnesota African American Heritage Museum	125,000	0	0
Miscellaneous Dues & Contributions	<u>0</u>	<u>7,939</u>	<u>24,840</u>
Total	\$332,289	\$445,051	\$461,952

Additional Resources:

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

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	41,531,281	39,995,180	43,607,845
Federal	0	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	3,083	0	0
Fees for Services	0	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	0	-12,244,230	16,109,905
Other Financing	-33,752,865	-25,212,950	-57,052,750
Total Revenues	\$7,781,500	\$2,538,000	\$2,665,000
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	391,926	500,000	500,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	0	0	0
Grants	1,928,693	2,038,000	2,165,000
Total Expenditures	\$2,320,619	\$2,538,000	\$2,665,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

Budget Commentary

Other Financing consists of transfers to other funds for debt service and optional pre-payment of debt totalling \$52 million, an additional \$2.5 million for library hours, and \$2.5 million for youth activities. Other Revenue is the use of fund balance of \$16 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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$90,400,000	\$94,500,000	\$97,000,000
Other Taxes	56,860	0	0
Federal	1,252,552	1,330,066	1,205,504
State	33,133	0	0
Local	9,987,638	12,155,388	12,356,488
Investment Earnings	1,301	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	56,915,365	49,970,664	81,840,681
Total Revenues	\$158,646,849	\$157,956,118	\$192,402,673
Personnel Services	\$0	\$0	\$0
Commodities	0	0	0
Services	805,975	1,400,000	905,000
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	158,928,330	156,556,118	191,497,673
Grants	0	0	0
Total Expenditures	\$159,734,305	\$157,956,118	\$192,402,673
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Line of Business: Capital Improvement Program

Countywide Capital Projects



Line of Business 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, consistency with county priorities, 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.

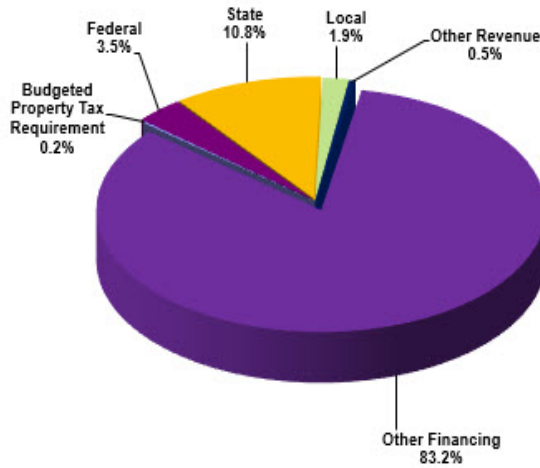
For specific details regarding the capital budget and each project, refer to the 2023 CAPITAL BUDGET AND 2023 - 2027 CAPITAL IMPROVEMENT PROGRAM which is available on the county's internet site.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement*	\$1,875,000	\$2,154,000	\$840,000
Other Taxes	279,552	0	0
Federal	13,551,278	22,601,468	15,475,000
State	38,268,049	45,232,000	48,270,000
Local	4,400,865	17,605,810	8,410,000
Investment Earnings	46,278	0	0
Fees for Services	496,692	0	0
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	3,860,815	1,350,000	2,115,000
Other Financing	136,611,301	257,739,500	372,545,800
Total Revenues	\$199,389,831	\$346,682,778	\$447,655,800
Personnel Services			
Commodities	2,587,884	0	0
Services	11,674,281	0	0
Public Aid Assistance	0	0	0
Capital Outlay	141,414,816	341,682,778	447,655,800
Other Charges	49,562,272	5,000,000	0
Grants	0	0	0
Total Expenditures	\$205,239,253	\$346,682,778	\$447,655,800
Budgeted Positions (Full-Time Equivalents)	0	0	0

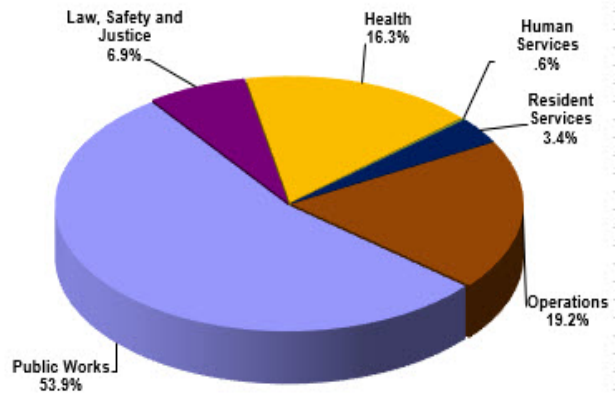
*Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Countywide Capital Projects	205,239,253	346,682,778	447,655,800
Total Expenditures	\$205,239,253	\$346,682,778	\$447,655,800

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Countywide Capital Projects	0	0	0
Budgeted Positions (Full-Time Equivalents)	0	0	0

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

Revenue Summary:

The capital budget for 2023 (excluding debt retirement, which is discussed in the Debt Retirement section of Operations) is \$448 million. This represents an increase of \$101 million, or 29 percent, compared to the adjusted 2022 budget of \$347 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 mostly driven by the addition of \$100 million for Hennepin County's contribution toward the Southwest Light Rail Transit (Green Line Extension) project, managed by the Metropolitan Council. (See the capital budget and capital improvement program for additional detail on the "HC Southwest Light Rail Transit" project and all other capital project investments).

Other Financing - accounts for 83% of revenues for the annual capital budget and is comprised of planned bond issuance and transfers from other internal funds. For 2023, general obligation (GO) bond issuance, which supports capital investments across all county programs, is budgeted at \$217 million. The total bonding is a decrease of \$23 million from the \$240 million budgeted in 2022. Transfers from other funds totals \$155 million, which is a significant increase from the 2022 amount of \$18 million. Of the 2023 amount, \$138 million is related to transfers from the Transportation Sales and Use Tax Fund in support of the Southwest LRT line construction, \$100 million, and the Bottineau Light Rail Transit (Blue Line Extension) project, \$38 million. The remaining \$17 million of the planned fund transfers support various projects in the Environment and Energy Department, and is generally consistent with 2022 and prior year budget authority.

Intergovernmental (Federal, State and Local) revenues - \$72 million is included in the 2023 capital budget, which is down from the 2022 amount of \$85 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 2023 capital budget includes \$840,000 in property tax funding, which is \$1,300,000 less than the \$2.2 million budgeted in 2022. 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:

<u>Expenditure Area</u>	<u>2023 Budget</u>	<u>2024 Plan</u>	<u>2025 Plan</u>	<u>2026 Plan</u>	<u>2027 Plan</u>	<u>2023-2027 CIP</u>
Public Works	241,450,000	167,488,000	181,009,000	220,820,000	146,560,000	957,327,000
Law, Safety and Justice	30,950,000	17,255,000	6,645,000	3,600,000	2,000,000	60,450,000
Health	73,000,000	32,100,000	12,500,000	0	0	117,600,000
Human Services	1,000,000	2,000,000	2,000,000	0	0	5,000,000
Resident Services	15,180,000	17,210,000	17,665,000	22,095,000	3,830,000	75,980,000
<u>Operations</u>	<u>86,075,800</u>	<u>110,939,500</u>	<u>44,777,000</u>	<u>11,040,000</u>	<u>4,150,000</u>	<u>256,982,300</u>
Total	447,655,800	346,992,500	264,596,000	257,555,000	156,540,000	1,473,339,300

Role of the Capital Budgeting Task Force

Since 1973, the county has considered the recommendations of an appointed eleven member citizen advisory 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 2023 CAPITAL BUDGET AND 2023 - 2027 CAPITAL IMPROVEMENT PROGRAM which is available on the County's internet site.

Line of Business: Internal Service Funds

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

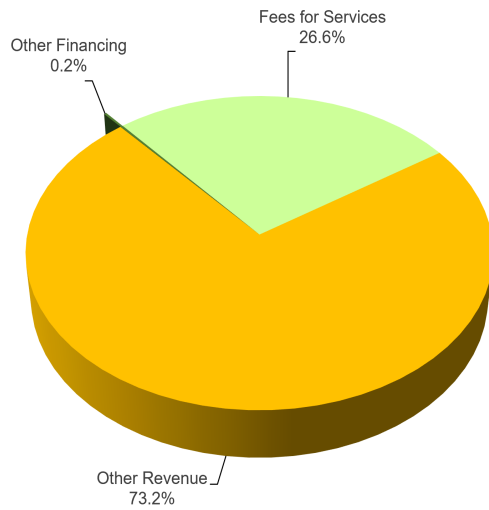
Line of Business Description:

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.

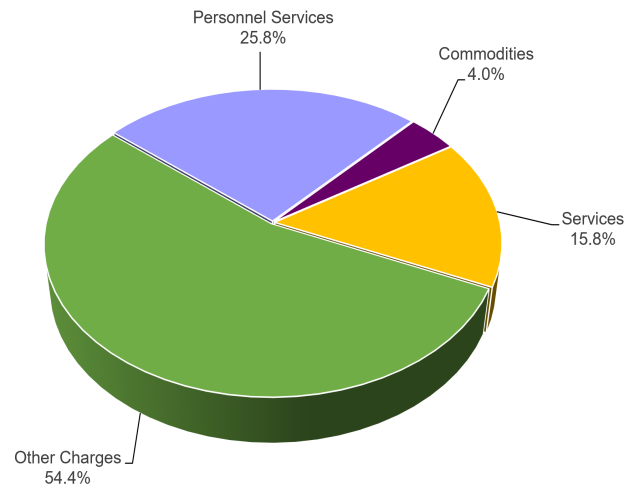
Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	0	0	0
Other Taxes	0	0	0
Federal	137,065	524	0
State	10,000	0	0
Local	0	0	0
Investment Earnings	-311,447	0	0
Fees for Services	98,640,638	102,815,886	93,558,907
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	170,530,309	228,898,541	258,094,650
Other Financing	2,531,087	700,000	700,000
Total Revenues	\$271,537,652	\$332,414,951	\$352,353,557
Personnel Services	\$69,279,775	\$96,597,215	\$90,980,076
Commodities	10,313,283	11,593,047	14,168,745
Services	43,939,816	51,996,432	55,771,971
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	153,703,376	172,228,257	191,432,765
Grants	0	0	0
Total Expenditures	\$277,236,250	\$332,414,951	\$352,353,557
Budgeted Positions (Full-Time Equivalents)	458.6	501.4	510.4

Revenue and Expenditure Comparison

2023 Revenue



2023 Expenditures



Department Expenditure Summary:	2021 Actual	2022 Budget	2023 Budget
Fleet Services	17,784,043	19,209,273	19,640,991
Energy Center	9,960,887	10,320,256	13,453,784
Employee Health Plan Self Insurance	147,765,467	160,518,018	182,693,158
Information Technology Internal Services	79,193,362	102,998,652	103,174,614
Self Insurance	12,534,677	14,368,752	18,391,010
Other Employee Benefits	9,997,814	25,000,000	15,000,000
Total Expenditures	\$277,236,250	\$332,414,951	\$352,353,557

Budgeted Positions:	2021 Actual	2022 Budget	2023 Budget
Fleet Services	29.2	29.0	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	414.4	457.4	463.4
Self Insurance	8.0	8.0	11.0
Other Employee Benefits	0	0	0
Budgeted Positions (Full-Time Equivalents)	458.6	501.4	510.4

Mission

The mission of Fleet Services is to provide county departments and employees with safe, reliable, economical, and environmentally responsible fleet vehicles, equipment and services that best allow them to promote health, safety, wellbeing and quality of life to county residents.

Line of Business Description:

Fleet Services provides county departments with vehicles and equipment, including cars, trucks, vans, boats, trailers, onroad equipment, and off-road equipment for conducting official county business. Our goal is to be efficient, innovative and environmentally responsible. To achieve this goal, we will work on:

- Reducing vehicle downtime
- Leveraging innovative technologies
- Utilizing cost-saving opportunities
- Delivering exceptional quality service
- Implementing effective fleet composition and size
- Reducing environmental impacts

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	15,086	0	0
State	10,000	0	0
Local	0	0	0
Investment Earnings	0	0	0
Fees for Services	70,843	55,000	67,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	18,235,100	18,454,273	18,873,991
Other Financing	2,779,528	700,000	700,000
Total Revenues	\$21,110,557	\$19,209,273	\$19,640,991
Personnel Services	\$2,735,325	\$3,310,933	\$3,231,018
Commodities	2,921,084	3,636,286	3,273,173
Services	3,048,711	2,957,138	3,752,063
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	9,078,923	9,304,916	9,384,737
Grants	0	0	0
Total Expenditures	\$17,784,043	\$19,209,273	\$19,640,991
Budgeted Positions (Full-Time Equivalents)	29.2	29.0	29.0

Mission

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

Line of Business 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.

Goals: Supply reliable, economical heating and cooling utilities; and operate the plan in a safe and environmentally sound manner.

Revenue and Expenditure Information	2021 Actual	2022 Budget	2023 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	9,945,169	10,320,058	13,453,330
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	3,084	198	454
Other Financing	0	0	0
Total Revenues	\$9,948,253	\$10,320,256	\$13,453,784
Personnel Services	\$150,367	\$157,922	\$165,470
Commodities	4,675,304	4,854,581	7,834,707
Services	2,987,600	2,951,165	3,054,172
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	2,147,616	2,356,588	2,399,435
Grants	0	0	0
Total Expenditures	\$9,960,887	\$10,320,256	\$13,453,784
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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	434	0	0
State	0	0	0
Local	0	0	0
Investment Earnings	-311,554	0	0
Fees for Services	7,260,489	19,000,000	8,000,000
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	123,234,239	141,518,018	174,693,158
Other Financing	0	0	0
Total Revenues	\$130,183,608	\$160,518,018	\$182,693,158
Personnel Services	\$532,349	\$639,615	\$685,421
Commodities	2,987	23,500	20,500
Services	13,415,985	10,811,603	11,991,587
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	133,814,146	149,043,300	169,995,650
Grants	0	0	0
Total Expenditures	\$147,765,467	\$160,518,018	\$182,693,158
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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	88,521	524	0
State	0	0	0
Local	0	0	0
Investment Earnings	107	0	0
Fees for Services	81,364,136	73,440,828	72,038,577
Fines and Forfeitures	0	0	0
Licenses and Permits	0	0	0
Other Revenue	7,395,920	29,557,300	31,136,037
Other Financing	-248,441	0	0
Total Revenues	\$88,600,244	\$102,998,652	\$103,174,614
Personnel Services	\$45,746,457	\$54,521,321	\$56,153,677
Commodities	2,616,514	3,047,680	2,534,365
Services	23,741,751	34,294,398	35,956,829
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	7,088,641	11,135,253	8,529,743
Grants	0	0	0
Total Expenditures	\$79,193,362	\$102,998,652	\$103,174,614
Budgeted Positions (Full-Time Equivalents)	414.4	457.4	463.4

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	2021 Actual	2022 Budget	2023 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Federal	33,025	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	11,664,152	14,368,752	18,391,010
Other Financing	0	0	0
Total Revenues	\$11,697,177	\$14,368,752	\$18,391,010
Personnel Services	\$10,117,462	\$12,967,424	\$15,744,490
Commodities	97,394	31,000	506,000
Services	745,769	982,128	1,017,320
Public Aid Assistance	0	0	0
Capital Outlay	0	0	0
Other Charges	1,574,051	388,200	1,123,200
Grants	0	0	0
Total Expenditures	\$12,534,677	\$14,368,752	\$18,391,010
Budgeted Positions (Full-Time Equivalents)	8.0	8.0	11.0

Other Employee Benefits
Internal Service Funds

2023 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	2021 Actual	2022 Budget	2023 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	9,997,814	25,000,000	15,000,000
Other Financing	0	0	0
Total Revenues	\$9,997,814	\$25,000,000	\$15,000,000
Personnel Services	\$9,997,814	\$25,000,000	\$15,000,000
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	\$9,997,814	\$25,000,000	\$15,000,000
Budgeted Positions (Full-Time Equivalents)	0	0	0

For additional budget information visit:
hennepin.us/budgets



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