

HENNEPIN COUNTY

MINNESOTA

FINAL COMMITTEE AGENDA

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, NOVEMBER 14, 2023
1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Marion Greene, District 3
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Angela Conley, District 4
Vacant, District 6
Kevin Anderson, District 7

1. Presentations

- 1.A. Race Equity Advisory Council annual report presentation - Paola Ehrmantraut, Chair and Susan McPherson, Vice-Chair
- 1.B. Approval of the 2024 Hennepin Healthcare System, Inc. Financial Plan - Jennifer DeCubellis, Chief Executive Officer and Jennifer Anderson, Senior Vice President of Finance
- 1.C. Review and approval of the 2024 Three Rivers Park District budget - Boe Carlson, Superintendent and Howard Koolick, Chief Financial Officer

2. Minutes from Previous Meeting

- 2.A. October 31, 2023 Administration, Operations and Budget minutes

3. New Business

Routine Items

- 3.A. [23-0439](#)
Approval of slate of candidates for three-year terms on the HHS Board of Directors
- 3.B. [23-0440](#)
Amending the Bylaws of Hennepin Healthcare System, Inc. (HHS) to remove “system physicians” from the Board and replacing with the elected President of the Medical Staff who will act as an ex officio voting member of the HHS Board
- 3.C. [23-0441](#)
Approval of the 2024 Hennepin Healthcare System, Inc. Financial Plan as submitted by the Hennepin Healthcare System, Inc. Board of Directors
- 3.D. [23-0436](#)
Amd 3 to Shared Services Agreement A111901 between Hennepin County and Hennepin Healthcare System, extending end date to 12/31/33

Items for Discussion and Action

3.E. [23-0438](#)

Affirming Hennepin County strategy for Metropolitan Region Sales and Use Tax for housing proceeds and Statewide Local Affordable Housing Aid revenues

3.F. [23-0437](#)

Set 2024 special levies for Shingle Creek Watershed at \$986,265; Bassett Creek Watershed at \$2,238,000; West Mississippi Watershed at \$159,075; and Elm Creek Watershed at \$814,200

Addendum

3.G. [23-0474](#)

Review and approval of Three Rivers Park District 2024 Budget

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

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Board Action Request

TMP-0624

Item Description:

Race Equity Advisory Council annual report presentation - Paola Ehrmantraut, Chair and Susan McPherson, Vice-Chair

HENNEPIN COUNTY
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Race Equity Advisory Council
Annual Report

2022-2023

Hennepin County Race Equity Advisory Council
reac@hennepin.us



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Introduction and Membership

Introduction

The mission of the Race Equity Advisory Council is to strengthen the county's goal of disparity reduction and to advise the county board and county administration on the county's vision and strategy focused on reducing racial disparities and advancing racial equity throughout Hennepin County.

Membership

Member	District	Commissioner Appointed / At-Large
Blakey, Joan	5	At-Large
Ehrmantraut, Paola	2	At-Large
Fall, Mame "Samba"	7	At-Large
Jarabek, Raquel	5	At-Large
Kane, Bocar	6	Commissioner Appointed
McPherson, Susan	7	At-Large
Mistry, Jigar	6	At-Large
Mwangi, Esther	4	At-Large
Oresanya, Olufunso "Olu"	4	At-Large
Reindorf, Roberta	1	Commissioner Appointed
Rogers, Yolonda	7	At-Large
Salchert, April	4	At-Large
Tipping, William "Bill"	2	At-Large
Yehle, Ralph	3	Commissioner Appointed

Executive Summary

Based on the Hennepin County Board of Commissioners' feedback on the 2022 REAC Report, our council focused on two main areas for 2023: income inequality and youth mental health. The committees for these topic areas are chaired by Raquel Jarebek, Bocar Kane, and Paola Ehrmantraut, respectively.

Additionally, this year we made some organizational changes:

- We established the Progress and Review committee. This committee was formed to help REAC track the impact and effectiveness of our recommendations and provide direction and strategy in how we collect information for future reports. This committee is chaired by Olufunso Oresanya.
- We created two administrative forms: A request form for internal requests for information and a request form for external speakers and presenters. Both forms help streamline how the council gathers information.

We believe the steps we have taken this year will provide REAC with the structure necessary to ensure REAC members can effectively request and manage the information necessary to produce future reports. Both request forms can be found in the Appendix.

Summary of REAC work and findings

We agree with Valerie Wilson, labor economist and director of the Program on Race, Ethnicity, and the Economy (PREE) at the Economic Policy Institute (EPI), when she says that, while “we are in this together” became a rallying cry during the pandemic, “evidence to date suggests that Black and Hispanic workers face much more economic and health insecurity from COVID-19 than white workers.” (from [Inequities exposed: How COVID-19 widened racial inequities in education, health, and the workforce](#))

Beyond the disparity that exists across the nation, Minnesota has its own unresolved history of racial disparities, placing the state third in the racial wealth gap and income gap according to the [2023's States with the Biggest and Smallest Wealth Gaps by Race/Ethnicity](#).

Overall Rank*	State	Total Score	Biggest Median Household Income Gap (most disadvantaged group)	Biggest Homeownership Rate Gap (most disadvantaged group)	Biggest Poverty Rate Gap** (most disadvantaged group)
1	District of Columbia	75.49	66.49% (Black People)	33.92% (Hispanics)	303.33% (Black People)
2	Wisconsin	68.70	50.27% (Black People)	66.54% (Black People)	249.43% (Black People)
3	Minnesota	63.63	46.60% (Black People)	66.73% (Black People)	271.83% (Black People)
4	North Dakota	61.34	42.59% (Black People)	87.50% (Black People)	229.27% (Black People)

Source [States with the Biggest and Smallest Wealth Gaps by Race/Ethnicity in 2023 \(wallethub.com\)](https://www.wallethub.com)

For these reasons, our report emphasizes the importance of maintaining or extending funding for the Pandemic Recovery Projects, which are key in lessening the economic negative effects of the pandemic on people of color. REAC also points out to the need to gather, analyze, and assess data on programs designed to address economic disparities. The results of this data gathering should be used to identify specific areas where program improvements and enhancements can be made and funding increased or reallocated from initiatives that are no longer working. These programs include Pathways, Basic Income Pilot Program, efforts toward Housing Reparations, and expansion of Higher Education in Correctional Facilities.

At the intersection of education and health, our committee on youth mental health worked to understand the magnitude of the epidemic of mental health. Not addressing the severity of this issue could have lasting and even irreversible consequences for the future of our youth of color. Additionally, there could be an increase of disparities in multiple domains if our youth do not receive the support they need. Youth may drop out of school, be incarcerated, or not be able to reach their full potential, denying our community of their valuable and unique

contributions. This would be nothing short of tragic. In our recommendations, we encourage Hennepin County to focus on mental health professional development, and that policies and initiatives pay close attention to intersectionality of race and gender identity and sexual orientation. Lastly, as new resources may be made available to screen for mental health at school, we recommend those funds be allocated with the goal of disparity reduction in this area, in particular for Black, Hispanic and Native American youth seeking support for their mental health.

The Progress and Review committee encourages Hennepin County to devote significant attention to the civic engagement domain, especially considering the upcoming voting season. This would support a positive sense of belonging and participation, key to healthy communities.

Closing statement

As we finish this year's report, we are grateful for the space and hospitality we have found at North Point Conference Center and for the countless hours of support and collaboration that Hennepin County staff has provided to REAC members. We would also like to extend our gratitude to Commissioner Fernando, County Attorney Mary Moriarty, Sheriff Witt, Office of Workforce Development Director Nola Slagter, and Jen Albrecht for their generosity with their time and expertise. They took the time to present their work through the lens of racial disparity reduction. We would also like to thank the commissioners who designated REAC members and to the many Hennepin County staff members who met with us and helped us better understand our areas of focus.

Throughout the last 12 months, REAC has approached the issue of racial disparities from different perspectives, but we are unified in the belief that we can and must eliminate them. This change will happen when we address the structural components that shape and maintain racial disparities. These structural components often naturalize racial disparities, making them part of "business as usual." In our meetings, conversations, interviews and presentations, it was clear again and again that the traumatizing effects of the COVID-19 pandemic and police brutality and violence have left a lasting mark in our community. REAC acknowledges that County Administration is still working on funding priorities, however that REAC is asking the County Board to consider continued funding of successful priorities, programs and services enacted during the pandemic. The residents of Hennepin County and our youth especially still need support and initiatives that will help us move forward and realize our professed values. You have the power to bring political action to make the necessary changes happen. We hope that our efforts will be supportive in guiding your next steps.

Recommendations

Income Committee

A. Pandemic recovery projects

A1. Pandemic recovery project – Employment and training services for people exiting homelessness

The purpose of the employment and training services for people exiting homelessness pilot program is to provide employment and training services and support to single adults experiencing or recently exiting homelessness with the goal of providing employment opportunities that will support stable permanent housing.

A2. Pandemic recovery project – Workforce development roster program

The workforce development roster program is an innovative approach to partnering with community-based organizations – that include a strong partnership with businesses – to provide workforce development services to residents impacted by the pandemic.

A3. Pandemic recovery project – Workforce Leadership Council

The Workforce Leadership Council is the platform the county will use to convene regional employers as well as education and non-profit partners for cross-sector share of ideas, promising practices, and resources. The goal is to build strong partnerships to examine post-pandemic trends to help inform and prepare the current and future workforce.

The problem

These programs show promise; however, the funding for these projects is ending. Continuation of the pandemic recovery projects will allow more variability in how funds are used, allow for creativity and improved uses of funds, and enable more adaptability to modify programs that are ineffective.

Recommendations

- REAC requests that the programs provide data and results of progress as they continue.

- Extend funding for the pandemic recovery projects to provide continued support these projects offer, lessening the negative effects of the pandemic on people of color.
- Gather, analyze, and assess data of these programs. Use the results of this data to identify specific areas where program improvements and enhancements can be made and funding increased or reallocated from initiatives that are no longer working.

B. Hennepin Pathways Program

Current program description

Through the Hennepin Pathways Program, employers may develop diverse pools of high potential applicants. It is a unique collaboration between regional employers, educators, community partners, and Hennepin County.

Program graduates have multiple paths to choose from and are employed countywide in office administration, human services, and building operations. These pathways are meeting county hiring needs while also connecting job seekers with meaningful work, livable wages, benefits, and career growth. Since 2014, Hennepin County has hired more than 350 graduates from Pathways programs. This program serves as a talent pipeline for Hennepin County and other employers.

Hennepin County is an active partner in establishing the prerequisites for participant enrollment, curriculum, training, and job classifications approved for each program. Each program has specific requirements that participants must meet prior to admittance into the training. Participants interview to be accepted into the program and are evaluated at different stages. They must meet certain standards in order to graduate and be recommended for hire. Pathways programs are designed to train people in needed fields and provide training, work experience, and support.

Current programs include: building operations technician, human resources representative, office specialist, and operator apprenticeship. The building operations technician opportunity includes a partnership with Project in Pride for Living and Minneapolis College where participants are prepared for careers in facilities engineering, operations, and maintenance. The human services representative opportunity includes training for a position with Hennepin County and is offered in partnership with Project for Pride in Living and Normandale Community College. The office specialist opportunity includes training through a partnership with Project for Pride in Living focusing on developing existing customer service and administrative skills. The operator apprenticeship is with Hennepin Energy Recovery Center (HERC) and includes a nine-month apprenticeship program, offered in partnership with

Project for Pride in Living and Heavy Metal Academy. Operator apprenticeship graduates are prepared for careers in heavy equipment operation, facilities, and maintenance. Two new opportunities are in the process of being added to include positions related to appraiser and medical examiner.

Pathways data from 2023



367 Hired



111 Promoted



92% Retained for 1 year

Pathways hires come from diverse backgrounds

Hires come from a wide range of ages and backgrounds, including recent immigrants, multilingual, LGBTQIA, and veterans.

Racial demographics of Pathways hires



- 40.38% Black or African American
- 25.82% White
- 17.31% Asian
- 7.97% did not specify
- 7.42% Hispanic/Latino
- 0.82% American Indian/Alaska Native
- 0.27% Native Hawaiian/Other Pacific Islander

Community impact

Data below is provided by the community partners facilitating the pathway programs. It represents the total number of participants enrolled in programs and the total number of graduates. It is organized by year and includes ethnic demographics.

	Participants				Graduates			
	Total	% People of Color	% White	% Not Specified	Total	% People of Color	% White	% Not Specified
2014	30	53%	33%	13%	20	45%	35%	20%
2015	78	63%	31%	6%	68	64%	34%	2%
2016	188	63%	34%	3%	127	58%	39%	4%
2017	217	79%	20%	1%	189	77%	22%	1%
2018	199	73%	27%	0%	176	73%	28%	0%
2019	117	76%	23%	1%	89	88%	12%	0%
2020	80	79%	21%	0%	65	74%	26%	0%
2021	29	66%	34%	0%	25	68%	32%	0%
2022	64	78.12%	18.75%	3.12%	30	76.66%	20%	3.33%
TOTALS	1,002	Participants enrolled in pathway programs			789	Graduates of pathway programs		

Recommendations

The Pathways Program has worked to hire people of color and provide training, professional development, and full-time employment placement. In the past, Pathways included more options for careers, leading to more hiring and employment placement. We recommend the Pathways Program be expanded to include more opportunities for training and employment. Specifically, we recommend Pathways offer more training options and full-time employment opportunities for applicants.

The Pathways Program has great potential to have a meaningful impact on the community, yet this impact can only increase through robust and strategic engagement activities. REAC suggests that engagement increases on two fronts: communities these programs aim to serve and local organizations that can become new partners with Hennepin County.

Additionally, REAC proposes more robust ongoing review and data analysis of the existing programs to assess what is working well and what could be improved. We believe this is the best way forward in successfully expanding the Pathways Program. Such data analysis and evaluation would provide Hennepin County with critical insight into how the current funding dollars can be best applied moving forward and guarantee these programs have the most meaningful impact possible on the communities that need it most. For example, in 2018, participant involvement was at its highest with 199 participants and 88% of participants graduating. While the graduation rates hovered between 76% and 86%, the number of participants was drastically reduced in 2021 with a slight increase in 2022. What accounts for this drastic decrease? At the same time, the graduation rate also dropped from 86% to 46%. What accounts for these changes?

Specific recommendations:

- Gather, analyze, and assess data on:
 - **Program engagement** to provide Hennepin County with insight into the success and needs for improvement in engagement activities. Use the data gathered to aggressively communicate and educate the community of the benefits of the program.
 - **Program funding:** Evaluate the various funding streams for Pathways, including the amounts of funding and how these dollars are utilized across the different programs. Use this evaluation to identify specific areas where funding may need to be rerouted or increased.
 - **Pathway's impact on specific communities** and use this data analysis to determine success and needs for improvement when addressing racial disparities.

- Implement strategic engagement initiatives that could increase participation. For example:
 - **Aggressively advertise and market to the communities in need**, highlighting Pathways as a program that supports, educates, trains, hires, and employs more people of color.
 - **Increase and expand partnerships with Pathways**, including with vocational and educational organizations.

C. Benefits Cliff and Guaranteed Basic Income pilot programs

Income inequality, along with the unequal distribution of income, is the result of social and economic forces. As a direct result of income inequality, certain communities are required to reach for public assistance to meet the required expenses to support access to everyday needs and services. This leads to the very real consideration of a benefits cliff, where there is a disincentive to achieve a higher income due to a possible denial of access to public assistance resulting in a net loss, even at a higher rate of income (Richardson & Blizard, 2022).

[Richardson, C., & Blizard, Z. (2022). Benefits cliffs, disincentive deserts, and economic mobility. *Journal of Poverty*, 26(1), 1-22.]

Hennepin County has recently launched two pilot programs:

1. Guaranteed Basic Income Pilot launched in July of 2023
2. Benefits Cliff Pilot including data gathering which addresses solutions to the problem of a benefits cliff

Recommendations

- As both of these pilot programs are in their early stages and data is being gathered to inform future direction and success, REAC recommends that the data gathering be robust in focus and in scope. It is important that the data answers the following questions:
 - Which specific communities are being engaged with this program and how are each of those communities benefitting or being challenged by this program?
 - What barriers keep a participant from fully benefiting from the program offerings?
- Collect, analyze, and assess data on how specific communities are engaged and the benefits or challenges these communities face with these pilot programs. Data collection should be robust and ongoing in focus and in scope to specifically identify the community of people being addressed.

D. Housing reparations

Housing racial covenants, redlining, and predatory lending practices in Hennepin County created and expanded racial disparities for communities of color. These practices limited opportunities for home ownership, decreased resources in employment, health, education, and transportation for people of color, thereby expanding the racial wealth gap. It is estimated that 1.239 quintillion dollars are owed to Black people stemming from housing discriminatory practices (Kim, 2019).

Discriminatory housing practices with racial covenants in Hennepin County were researched and documented by the Mapping Prejudice Project. With this research and documentation, work can begin to restore and repair the damage caused by these practices.

Recommendations

REAC recommends the implementation of county housing reparations for people of color and groups who have been harmed by discriminatory housing practices. These practices have decreased wealth in those groups and increased wealth for white people. Housing reparations are a vital step toward rectifying the deeply ingrained injustices stemming from discriminatory housing practices. Redlining systematically denied access to housing and economic opportunities for minority communities, perpetuating racial disparities for generations. County housing reparations can serve as a powerful tool for addressing this historical wrongdoing by providing financial and housing support to those who have been disproportionately affected. By allocating resources to assist marginalized communities in accessing quality housing, these reparations can promote economic stability, equalize opportunities, build generational wealth, and contribute to the broader goal of achieving social justice and equity. It is not just a moral imperative but also a practical necessity to undo the enduring harm caused by discriminatory housing practices and move toward a more equitable future. According to Kenneth T. Jackson, "no agency of the United States government has had a more pervasive and powerful impact on the American people over the past half-century than the Federal Housing Administration" (Kim, 2019, p. 155). [Kim, J. (2019). Black reparations for twentieth century federal housing discrimination: the construction of white wealth and the effects of denied black homeownership. *Boston University Public Interest Law Journal*, 29(1), 135-168.]

- According to Kim (2019), "reparations could come in the form of both money and new policies that target the detrimental effects of the original harm" (p. 166). Hennepin County should implement county housing reparations for people of color and groups who have been harmed by discriminatory housing practices. These reparation programs should include:

- Interventions that support homeownership for people of color through down payment grants
- Housing revitalization grants
- Access to government subsidized mortgages with very low interest rates and low or no down payment
- Formal apologies and acknowledgement to the community of historical injustice and its current results

E. Correctional facility higher education expansion

Many Hennepin County residents are housed at correctional facilities outside of the county in neighboring counties, yet many of these individuals, once released, will return to Hennepin County to seek jobs where they lived previously (James, 2015). [James, N. (January 12, 2015). Offender Reentry: Correctional Statistics, Reintegration into the Community, and Recidivism. Congressional Research Service. <https://sgp.fas.org/crs/misc/RL34287.pdf>] Gaining an education while incarcerated leads to decreased recidivism and increased income potential. A study found that individuals who participated in educational programs while in jail were up to 43% less likely to reoffend and return to prison (James, 2023). [James, D. (May 2, 2023). MN program providing incarcerated students chance to earn diplomas graduates newest class. CBS News Minnesota. <https://www.cbsnews.com/minnesota/news/mn-program-providing-incarcerated-students-chance-to-earn-diplomas-graduates-newest-class/>]

Currently, college education programs are offered to *some* incarcerated individuals at Lino Lakes, Stillwater, and Faribault Correctional Facilities. Of these locations, there are more than 200 full time students. Together, these three correctional facilities have a capacity of more than 3,800 men. Additionally, there are other correctional facilities nearby where this program could expand.

The Transformation and Reentry through Education and Community (TREC) program offers courses through a collaboration of Minneapolis College, Metropolitan State University, and the University of Minnesota. Expanding college education within correctional facilities is a transformative and forward-thinking policy recommendation. Providing access to higher education for incarcerated individuals offers a unique opportunity for rehabilitation and reintegration into society. By offering college courses in correctional facilities, individuals are empowered with the knowledge and skills they need to break the cycle of incarceration, recidivism rates are reduced, and safer communities are possible. Education fosters personal growth, critical thinking, and a sense of purpose, which are essential for people to rebuild their lives upon release. Education is also a cost-effective approach, as the investment in education pales in comparison to the expenses associated with repeated incarceration.

Expanding college education in correctional facilities not only benefits people seeking a second chance, but also society as a whole by fostering a more inclusive and productive group of citizens.

The TREC program is doing well and graduating students. More growth is possible with more funding. Funding currently is provided to this program from multiple sources including: Ascendium, Jobs for Future, Minneapolis College Foundation, U.S. Department of Education's Second Chance Pell, and Minnesota Department of Employment and Economic Development (DEED). A recent DEED grant is expanding the services offered for reentry. An investment from Hennepin County ensures we care about the safety of our citizens and chooses to better the lives of people who live and work in our county currently and in the future. Many people leaving incarceration in Minnesota return to Hennepin County to be near family and/or to seek out increased job opportunities in the metropolitan area. There is room for more expansion in Minnesota's correctional facilities as more than 80% of people incarcerated meet the criteria to join TREC.

Recommendations

Expand the TREC program with increased funding from Hennepin County.

- Increase funding for services related to reentry to better support students as they transition to continue college outside of the correctional facility. This funding will allow for education and living expenses to help with housing and basic needs, employment, and support services, such as a reentry coordinator, to assist with transition.
- Expand the higher education programs at Lino Lakes, Stillwater, and Faribault Correctional Facilities to include additional classes for more eligible students.
- Add a program in the Red Wing Correctional Facility, which is also near Hennepin County.

REAC mental health

A number of official data sets and journalistic reports have presented significant evidence of a youth mental health crisis. For example:

- High school students with depression are more than 2x more likely to drop out than their peers
- 59.3% of Minnesotans age 12–17 who have depression did not receive any care in the last year ([Nami Report](#))

Compared with adult services, mental health services for youth are less centralized.

Frances Matthews report that “Even without a centralized clinic, youth in Hennepin County have a system to support them, which is especially important to have after the events of the COVID-19 pandemic” ([Hennepin County helps teens struggling with mental health](#)). This is particularly true for youth of color, who experienced the trauma of the murder of George Floyd and the loss and anxiety that came with the COVID-19 pandemic. These events disproportionately affected communities of color, adding to the realities of discrimination and violence that come with racialization.

The COVID-19 pandemic may have ended, but it is important we consider the lasting effects the pandemic had on youth mental health. In discussing the latest Minnesota Student Survey, Minnesota Education Commissioner Heather Mueller underscored that “this year’s survey reveals a clear picture of the continuing need to support student mental and behavioral health. The Department of Education is dedicated to working together with other educators, agencies, and our school communities to better meet the academic, mental health and behavioral health needs of our students so they can be successful in school and beyond.” ([2022 Student Survey Results, Official Press Release](#)).

It is equally important that steps are taken to help dismantle the systems that have created and naturalized racial disparities in the area of mental health for our youth of color.

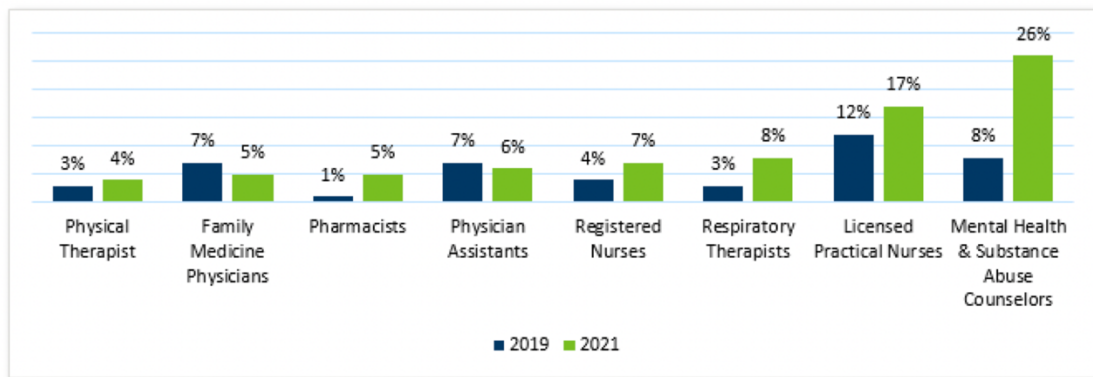
We propose recommendations in professional development with attention to intersectionality and devoting resources to the specific needs of youth of color.

A. Mental health professionals

The latest report on Minnesota’s Health Care Workforce ([Minnesota’s Health care Workforce: Pandemic-provoked workforce exits, burnout, and shortages](#)) warns that while the number of health professionals licensed to practice in Minnesota has seen modest increases, this number

may, in fact, conceal “a great deal of turbulence under the surface.” Vacancies in the health profession have continued their upward trend: “Perhaps most alarming is the sharp rise in vacancies for mental health and substance abuse counselors: for every 100 jobs in this profession, 26 are currently open. This increase is perhaps reflective of the so-called ‘second wave’ or ‘second pandemic’ — the mental health pandemic resulting from anxiety, stress, depression, and other disorders brought about by the COVID-19 pandemic.” The first and main recommendation of that report is to move forward concrete measures to improve labor conditions: “Health care workers need more than appreciation; employers must do more to address burnout. Jobs should be as safe, flexible, lucrative, and family-friendly as possible.” We agree with this recommendation.

Figure 1. Job vacancy rates in select health care occupations, 2019 and 2021



Data source: Department of Employment and Economic Development Job Vacancy Survey; second quarter 2019 and second quarter 2021 vacancy rates.

Recommendations

To ensure that jobs in mental health are as safe, flexible, lucrative, and family-friendly as possible. Create a culture of care around mental health professionals.

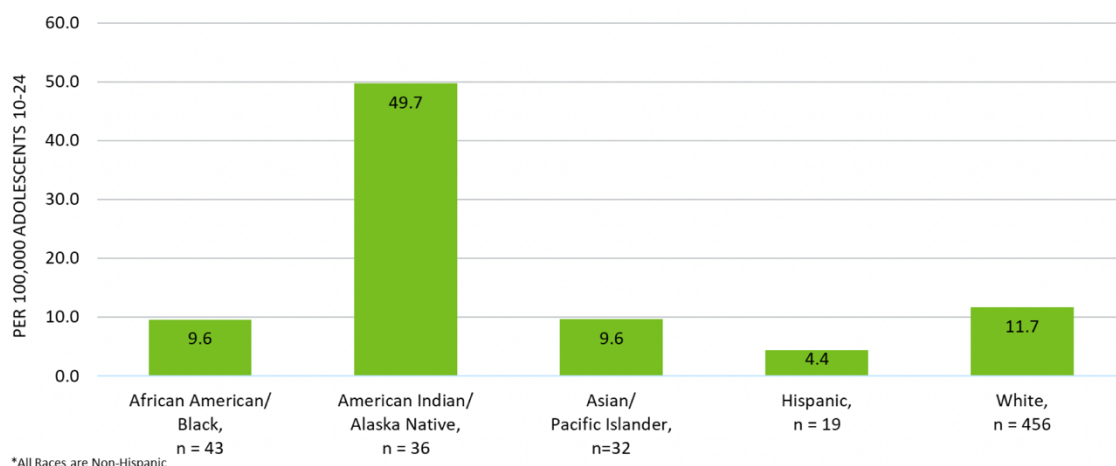
It is important to be intentional in developing mental health professionals who are culturally proficient and can address racial trauma. It is also important to develop professionals who are aware of different models beyond westernized medicine and are able to articulate culturally-appropriate messaging around mental health resources.

To continue to develop data collection strategies that will ensure continuity in the mental health professionals’ pipeline. This is especially important to keep track of the reasons for resignation, and where departing staff are taking their talents and expertise.

B. Racial disparities and their intersectionality with gender

Racial disparities are evident and structural when it comes to addressing mental health needs in racialized youth. For example, at the national level, 7 in 10 youth in the juvenile justice system have a mental health condition. In Minnesota, youth of color are disproportionately represented in the juvenile justice system: 12.3% are Black, 1.6% are American Indian and 9.2% are Hispanic, while the same groups represent 6.5%, 0.8%, and 5.6% in the total of Minnesota population, respectively. Adolescent suicide, which is preventable and increasing in Minnesota, is also not experienced equally across racial and ethnic lines. There are large disparities that should inform decisions taken to address and eliminate adolescent suicide.

Figure 2. Suicide Rate by Race/Ethnicity among Minnesota Adolescents (10-24 years old), 2015-2019



Source: Minnesota Resident Final Death File and US Census, American Community Survey Population Estimates

Consideration should be given to the intersection of compounding factors such as gender (the suicide rate of males is four times that of females between the ages of 15-19) and sexual orientation, with LGBTQ+ youth reporting higher rates of suicidal ideation and suicide attempts than heterosexual and cisgender youth according to the 2021 Division of Child and Family Health Minnesota Department of Health report [“Adolescent Suicide” MN Department of Health](#).

The importance of gender identity and the compounding effects this dimension can bring to our youth of color cannot be understated. The pandemic may be over, but the effects on youth are still measurable, palpable and troublesome. The report, [“Key Findings- Brooklyn Bridge Alliance – Youth to Youth 2022 Survey](#), found that “a little over half (52%) of youth reported that they still felt the impacts of the COVID-19 pandemic. The top ways that they felt

the impact were falling behind academically during online schooling, their social relationships were not back to normal, poor mental health, and difficulty re-adjusting to school in-person. The disaggregated data shows that some groups of youth (female, older, LGBTQ+) have been affected by the COVID-19 pandemic more than others.”

We believe that the [See Mental Health](#) initiative and [Reimagine Black Youth Mental Health](#) represent steps in the right direction and are examples of positive partnerships for Hennepin County in this area.

Christa Mims, Director of Hennepin County’s Education Support Services, also added to our understanding of the issues by reminding us of the experience of social isolation and loneliness that youth of color are facing. Christa Mims, Director of Hennepin County’s Education Support Services, also added to our understanding of the issues by reminding us of the experience of social isolation and loneliness that youth of color are facing. This is captured by the above-mentioned report, “Key Findings- Brooklyn Bridge Alliance – Youth to Youth 2022 Survey, where youth of color express greater challenges in feeling a sense of belonging and acceptance within their own communities.

Recommendations

To ensure that gender identity and sexual orientation are considered in decisions related to the mental health of our younger community members, especially for youth who experience the intersection of being racialized and members of a minoritized gender identity group.

To develop communications that address mental health and connect youth to services containing intentional and positive representations of trans and queer youth of color.

To further research and develop programs that will effectively address social isolation and loneliness of BIPOC youth, which are risk factors for mental health needs. This research and development should also take into account how racialized identities intersect with gender.

C. Strategic use of resources to combat racial disparities

We consider it a positive development that educators will potentially receive more resources during this legislative cycle to screen for mental health needs in K-12 students. In [Minnesota](#), pending legislation would require mental health screening for students and provide revenue to school districts and charter schools to hire student mental health support staff ([Report of the National Conference of State Legislatures](#)). This could be a step forward to develop screening services tied to education and to bring much needed services to a larger percentage of youth. These efforts must be made with a constant and strategic prioritization of resources that will effectively address the historically-constructed and structurally-

neglected needs of youth of color, who are suffering disproportionality from incarceration, the impact of the pandemic, and community trauma.

Recommendation

To ensure that racial disparity reduction comes front and center as schools receive more resources to screen and address mental health needs.

Progress and review

The REAC Report for **2021** made recommendations to improve Hennepin County's racial equity for all of its residents within the domains of education, employment, income, health, housing, transportation and justice. The REAC Report for **2022** re-emphasized recommendations within three of the previously identified domains of health, housing and justice.

In **2023**, as part of its ongoing obligation and commitment to identify recommendations addressing racial inequities throughout Hennepin County, REAC approved the formation of the Progress and Review Subcommittee. The purpose of this subcommittee is to review prior recommendations made by REAC and report on progress, especially as it relates to addressing racial inequity in Hennepin County. This subcommittee will also provide direction and strategic focus for REAC and Hennepin County staff and leadership as it changes from year-to-year. Overall, it will serve to improve accountability and consistency for the work done by successors. The **2024** annual REAC Report will highlight the committee's first round of progress and review.

In light of the upcoming voting season, the Progress and Review Subcommittee does recommend that significant attention is given to the civic engagement domain. The subcommittee highly recommends that Hennepin County commissioners provide funding for initiatives to support voter education, registration, and engagement. It is our recommendation that these initiatives are carried out in partnership with community organizations, specifically those that reflect the racial composition of stakeholders. Community organizations may include but are not limited to: League of Women Voters MN; Catholic Charities; Lutheran Social Services; Islamic Civic Society; Center for Leadership in Neighborhoods; and well as others referenced in the Hennepin County Annual Report – Pandemic Response Projects July 2022-June 2023, Voter Participation Project. Additionally, we recommend that initiatives are targeted to “communities who have historically faced the highest barriers to voting,” particularly focused on:

- A. Incentives for voter engagement training and information sessions

- B. Accessibility and understanding of absentee ballots
- C. Registration accessibility and support for homeless and highly mobile youth and adults, as well as those in out of home placements (i.e., foster care, residential treatment centers, juvenile detention centers, medical facilities, rehabilitation facilities)
- D. Expedited registration for newly eligible voters (i.e., those convicted of a felony who are now eligible voters)
- E. Transportation services to and from voting sites
- F. Opportunities for childcare services at voting sites

Appendixes and Resources



HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-0605

Item Description:

Approval of the 2024 Hennepin Healthcare System, Inc. Financial Plan - Jennifer DeCubellis, Chief Executive Officer and Jennifer Anderson, Senior Vice President of Finance

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-0555

Item Description:

Review and approval of the 2024 Three Rivers Park District budget - Boe Carlson, Superintendent and Howard Koolick, Chief Financial Officer

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-0615

Item Description:

October 31, 2023 Administration, Operations and Budget minutes

HENNEPIN COUNTY

MINNESOTA

COMMITTEE MINUTES

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, OCTOBER 31, 2023
1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Marion Greene, District 3
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Angela Conley, District 4
Vacant, District 6
Kevin Anderson, District 7

Commissioner Debbie Goettel, Chair, called the meeting of the Administration, Operations and Budget Committee for Tuesday, October 31, 2023 to order at 1:30 p.m.

Present: Debbie Goettel, Jeff Lunde, Irene Fernando, Marion Greene, Angela Conley and Kevin Anderson

1. Minutes from Previous Meeting

1.A. October 10, 2023 Minutes - Administration, Operations and Budget

APPROVE

Commissioner Irene Fernando moved, seconded by Commissioner Kevin Anderson, to approve the Minutes.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2. New Business

Routine Items

2.A. [23-0397](#)

Ratification of permits, leases, lease amendments, and related property agreements approved by the County Administrator, 07/01/23-09/30/23, total NTE \$15,000

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.B. [23-0398](#)

Neg Amd 1 to Lease Agmt A121321 with VEAP, Inc. for rental space at 9600 Aldrich Avenue South, Bloomington, ext end date to 12/31/28 (\$348,308 first year rent and operating costs)

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.C. [23-0399](#)

Consent and Subordination and Subordination to Environmental Covenant and Easement document related to Lease Agmt A142072 with 800 West Broadway, LLC for NorthPoint Health and Wellness Center, no change to lease term

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.D. [23-0400](#)

Subordination, Non-Disturbance, and Attornment Agreement to Lease Agmt A153899 with Woodlake Centre MOB, LLC and Alerus Financial, N.A. (No change to lease terms)

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.E. [23-0401](#)

Agmt A2311994 with the MN Dept of Public Safety for the Radiological Emergency Preparedness Grant, 07/01/23-06/30/25, \$236,000 (recv)

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.F. [23-0402](#)

Neg Amd 3 to Agmt PR00004865 with Lockridge Grindal Nauen P.L.L.P. Attorneys at Law for legal services, incr NTE by \$250,000

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.G. [23-0403](#)

Amd 1 to Agmt PR0003770 with Deer Oaks EAP Services for the provision of employee assistance program services for employees and their household members, ext end date to 12/31/25, incr NTE by \$215,000

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.H. [23-0404](#)

Amd 2 to Agmt A165399 with Benefit Resource, LLC. for the provision of COBRA, retiree, and employee benefit continuation administrative services, ext end date to 12/31/24 incr NTE by \$185,000

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.I. [23-0405](#)

Neg Agmt PR00005705 with the MN Dept of Revenue for administration, collection, and enforcement of Hennepin County local sales taxes

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.J. [23-0406](#)

Affirmation of state and federal lobbying contracts and amendments to contracts under Administrator's delegated authority

CONSENT

Commissioner Greene highlighted this item. Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.K. [23-0407](#)

Authorize Investment Officer to use additional statutory investment authority relating to repurchase agreement and reverse repurchase agreements through 2024 within statutory and board-authorized limits

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.L. [23-0408](#)

Authorization to negotiate terms and conditions for a master banking agreement with U.S. Bank N.A., to begin April 1, 2024, based on its proposal to the county's RFP issued on July 20, 2023

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.M. [23-0409](#)

Schematic design approval for the Westonka Library Replacement project (CP 1004468); Contract PR00005690 with M. Arthur Gensler Jr. & Associates, Inc., for architectural and engineering services, (12/01/23-01/30/27) NTE \$1,616,987

CONSENT

Commissioner Marion Greene moved, seconded by Commissioner Angela Conley, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

2.N. [23-0410](#)

Agmt CM00001098 with Automated Logic to upgrade the Building Automation System at the Public Safety Facility, 11/03/23-08/31/25, NTE \$2,567,320

RETURN TO AUTHOR

Commissioner Jeff Lunde moved, seconded by Commissioner Angela Conley, to return to author the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

Items for Discussion and Action

2.O. [23-0411](#)

Neg agmts with Microsoft Corporation for Microsoft volume licensing, 01/01/24-12/31/26; Agmt PR00005687 with SHI International Corp. for Microsoft products and services, 11/17/23- 02/19/27, NTE \$38,000,000; Neg agmts with Microsoft Corporation for Unified Enterprise Support services, 01/01/24-12/31/26, combined NTE of \$3,400,000.

CONSENT

Commissioner Debbie Goettel moved, seconded by Commissioner Kevin Anderson, to approve the Resolution.

Aye: Commissioner Goettel, Commissioner Lunde, Commissioner Fernando, Commissioner Greene, Commissioner Conley and Commissioner Anderson

There being no further business, the Administration, Operations and Budget Committee for Tuesday, October 31, 2023 was declared adjourned at 1:49 p.m.

Maria Rose
Clerk to the County Board

Board Action Request

23-0439

Item Description:

Approval of slate of candidates for three-year terms on the HHS Board of Directors

Resolution:

BE IT RESOLVED, that the Hennepin County Board of Commissioners approves the nominations to the Hennepin Healthcare System, Inc., Board of Directors of Jennell Bilek, Mitchell Davis, Connie Delaney and Kyle Makarios to fill three-year terms beginning on January 1, 2024 and ending on December 31, 2027.

Background:

The Executive and Governance Committee of the HHS Board is charged with nominating a slate of candidates for membership on the HHS Board of Directors. If approved, the HHS Board shall forward this recommended slate of candidates on to the County Board for its consideration.

Section 7.6 of the HHS Bylaws provide in part as follows:

For vacancies in a Non-County Position that occur because of expiring terms, the Governance Committee shall nominate a slate of candidates of a number at least sufficient to fill all expiring terms of directors (as well as any vacancies). The Governance Committee shall, whenever feasible, meet at least two (2) months prior to the annual meeting of the Board of Directors for the purpose of nominating individuals to fill expiring vacant director positions.

The Executive and Governance Committee, through a formal Nomination Committee, published public notice in January of 2023 that a vacancy of the Board would occur in 2024. In addition, the HHS Board continuously looks for interest from people who appear to have the personal skills, experience and background to be contributing members of the HHS Board of Directors. Through this process a number of candidates were solicited and considered. Four proposed members, Jennell Bilek, Mitchell Davis, Connie Delaney and Kyle Makarios, were nominated following the Executive and Governance Committee meeting on September 27, 2023. The slate was considered by the full HHS Board on October 25, 2023, and is recommended for consideration and approval by the Hennepin County Board.

Recommendation from County Administrator: Recommend Approval

MINNESOTA

Board Action Request

23-0440

Item Description:

Amending the Bylaws of Hennepin Healthcare System, Inc. (HHS) to remove “system physicians” from the Board and replacing with the elected President of the Medical Staff who will act as an ex officio voting member of the HHS Board

Resolution:

BE IT RESOLVED, that Sections 4.3, 4.4, 4.5, 4.9, 7.6 and Article XV of the Bylaws of Hennepin Healthcare System, Inc. (HHS) all be amended consistent with the Ninth Amended Bylaws attached hereto, to appoint the elected President of the Medical Staff as an ex officio voting member and to phase out the requirement that two HHS Board seats be reserved for “system physicians”; and

BE IT FURTHER RESOLVED, that the HHS Board members who are currently appointed to the seats reserved for “system physicians” will complete their existing terms.

Background:

The Hennepin County Board of Commissioners has certain reserved powers over HHS, its public subsidiary corporation. One of those reserved powers includes approval by the County Board of any change in the HHS Bylaws relating to:

- 1) the mission of the Corporation;
- 2) board composition, board and officer selection, terms, removal, or qualifications;
- 3) the County Board’s reserved powers as specified in these Bylaws;
- 4) the ability of the Corporation to engage in joint ventures;
- 5) the ability of the Corporation to incur debt through the County;
- 6) the ability of the Corporation to create subsidiaries;
- 7) the ability of the Corporation to use subsidiaries to undertake functions or activities performed by employees of the Corporation; and
- 8) the ability of the Corporation to merge or dissolve[.]

(HHS Eighth Amended Bylaws at Section 3.4(i)(1-8); see also Minnesota Statutes § 383B.906).

The HHS Executive and Governance Committee commenced its annual review of the HHS Bylaws in January of 2023. The Committee proposed amendments throughout the Bylaws, which the HHS Board approved at its October 25, 2023, meeting. Multiple proposed amendments in Sections 4.3, 4.4, 4.5, 4.9, 7.6 and Article XV are subject to Hennepin County’s reserved powers and are detailed below.

Under the prior Bylaws, two HHS Board seats were reserved for “system physicians,” as part of the 2012 agreement that merged Hennepin Faculty Associates into HHS. Under the proposed amendments to Sections 4.3, 4.4, 4.5, 4.9, 7.6 and Article XV, those two HHS Board seats will no longer be reserved for “system physicians” and are replaced by the elected President of the Medical Staff who will be appointed as an ex officio voting member of the HHS Board.

For continuity, the current System Physicians who serve as HHS Board Directors will serve out their remaining

terms. Dr. Thomas Wyatt is anticipated to serve out their term until June 2024 at which time the elected President of the Medical Staff will commence their appointment. Dr. Arti Prasad is anticipated to continue out their term ending July of 2026. When Dr. Prasad's term ends, the seat will be filled through the usual process of the HHS Board recruiting and recommending a Director, subject to the ultimate approval of the Hennepin County Board.

The HHS Board approved several other amendments to the HHS Bylaws that do not require the approval of the Hennepin County Board because they are outside of the County's reserved powers. As additional background, those changes include:

- Moving language regarding Board vacancies from section 7.6 to 4.11.
- Adding Mission Effectiveness as Board Committee and description of the same.
- Renaming the "Audit" Committee to the "Audit and Compliance" Committee.
- Changes to the composition of the Executive Committee. Memorialization that one County Commissioner HHS Board member will be offered a seat on the Committee if not already a member by way status as a committee chair.

If the Hennepin County Board approves these proposed amendments, the Ninth Amended HHS Bylaws will become effective on January 1, 2024.

Recommendation from County Administrator: Recommend Approval

BYLAWS
OF
THE HENNEPIN HEALTHCARE SYSTEM, INC.
(Ninth Amended)

Effective 01/01/2024

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BYLAWS

OF

THE HENNEPIN HEALTHCARE SYSTEM, INC.

Preamble

In 2005, the Minnesota Legislature passed legislation enabling the Hennepin County Board of Commissioners to create Hennepin Healthcare System, Inc. (the "Corporation"), a public corporation to be operated as a subsidiary of the County. The purpose of the Corporation is to deliver health care and related services to the general public, including persons experiencing indigency, and to engage in related programs of education and research. The Corporation will continue the operation of Hennepin County Medical Center ("HCMC") and may develop other health care services in the future.

The legislation and these Bylaws describe certain powers that Hennepin County, through its Board of Commissioners, continues to retain over the assets, operations and mission of the Corporation. Subject to those powers, the Corporation's Board of Directors has the authority and power to regulate and manage the affairs of the Corporation, consistent with the law and these Bylaws.

These Bylaws are adopted to regulate and manage the internal affairs of Hennepin Healthcare System, Inc., which is formed pursuant to Minnesota Statutes Section 383B.901, et seq. (the "Act").

**ARTICLE I.
PURPOSES**

The purposes of the Corporation are to engage in the organization and delivery of health care and related services to the general public, including persons experiencing indigency as defined by state and federal law and as determined by the Hennepin County Board of Commissioners, and to conduct related programs of education and research. The Corporation is organized exclusively for charitable and educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

**ARTICLE II.
OFFICES AND CORPORATE SEAL**

Section 2.1 Principal Office. The Corporation may have such offices and places of business at such locations, within the State of Minnesota, as the board of directors of this

Corporation (collectively, the “Board of Directors” and individually “Director(s)”) may from time to time designate, or the business of the Corporation may require.

Section 2.2 Seal. The Corporation shall have no corporate seal.

ARTICLE III.
GOVERNING MEMBER (Hennepin County)

Section 3.1 Member. The Corporation shall have one (1) class of members: a Governing Member (as defined in **Section 3.2**).

Section 3.2 Governing Member. The Governing Member of the Corporation is the County of Hennepin, Minnesota (the “County”), as represented by the Hennepin County Board of Commissioners (collectively, the “County Board” and individually, “Commissioner(s)”). The County has all the rights, duties and privileges as to all matters specified under the Act and these Bylaws. The Board of Directors of the Corporation shall be empowered to carry out rights, duties and privileges of the Corporation to the extent specified in **Sections 4.1** and **4.2** of these Bylaws, and subject to the Reserved Powers of the County specified herein.

Section 3.3 Actions by the County. Any vote or other action required or permitted by the Act or these Bylaws to be taken by the County as Governing Member of the Corporation shall be duly and validly cast or taken if such vote or action is cast or taken pursuant to a resolution of the County Board.

Section 3.4 Reserved Powers of the County.

As specified under the Act, this **Section 3.4** and other sections of these Bylaws, the County shall have the following specific powers relating to the governance and operation of the Corporation (“Reserved Powers”). Final decisions with respect to the following listed matters shall be subject to the approval by majority vote of the County Board.

- (i) Any change in these Bylaws relating to:
 - (1) the mission of the Corporation, the current statement of which is

“We partner with our community, our patients and their families to ensure access to outstanding care for everyone, while improving health and wellness through teaching, patient and community education, and research.”

- (2) board composition, board and officer selection, terms, removal, or qualifications;
- (3) the County Board’s reserved powers as specified in these Bylaws;

- (4) the ability of the Corporation to engage in joint ventures;
 - (5) the ability of the Corporation to incur debt through the County;
 - (6) the ability of the Corporation to create subsidiaries;
 - (7) the ability of the Corporation to use subsidiaries to undertake functions or activities performed by employees of the Corporation; and
 - (8) the ability of the Corporation to merge or dissolve;
- (ii) Appointment of the initial Board of Directors of the Corporation, and thereafter, appointment of Directors by slate to open positions due to completion of a Director's term. The slate shall be nominated by the Governance Committee as specified in **Section 7.6**;
 - (iii) Appointment of two County Commissioners to the Board of Directors;
 - (iv) Removal of individual Directors or the entire Board of Directors as specified in **Sections 4.9 and 4.10**;
 - (v) Approval of the hiring of the first Chief Executive Officer of the Corporation;
 - (vi) Approval of any debt incurrence, excluding de minimus debt. De minimus debt is defined as debt that on a cumulative basis 1) has annual debt service of less than 1.5% of budgeted revenues, 2) outstanding principal of less than 7.5% of budgeted revenues, and 3) has a maximum maturity of ten (10) years or less at the time of issuance. For the purpose of this section, debt will be defined according to Generally Accepted Accounting Principles (GAAP);
 - (vii) Approval of the annual budget of the Corporation including;
 - (1) approval of the capital budget in the aggregate and line item review and approval (a) when the aggregate budgeted spending for capital (excluding items previously approved) is greater than ten percent (10%) of budgeted revenues or (b) when an individual capital expenditure or project (excluding items previously approved) is greater than one percent (1%) of budgeted revenues. In addition, approval is required when any expenditure causes the total capital expenditures in a given year to exceed the approved budgeted amount; and
 - (2) approval of the operating budget;
 - (viii) Approval of any joint venture when the Corporation's potential capital commitment (current and future) is greater than one percent (1%) of the then-current-year's budgeted revenues;

(ix) Approval of the health services plan. Once every three (3) years, a health services plan will be prepared by the Corporation in coordination with the Community Health Needs Assessment and implementation plan required under the regulations relating to Section 501(r) of the Internal Revenue Code. The health services plan will draw from a population health needs assessment, and will delineate the Corporation's role in the community, including education, research, and services to improve the health status of the community, including populations experiencing indigency. The health services plan shall contain a description of how the Corporation shall continue to coordinate with the County to provide health-related services to the residents of Hennepin County, including persons experiencing indigency as defined by state and federal law and as determined by the Hennepin County Board of Commissioners. More specifically, the health services plan shall describe the principal health services to be provided by the Corporation, significant changes in the pattern of community health needs and significant plans for change in deployment of resources or sites to meet those needs, in coordination with the efforts of other responsible parties, including the Hennepin County Public Health Authority. The health services plan shall discuss the primary thrust of workforce plans for the Corporation, including major training initiatives. The health services plan shall discuss the operation and the effect of the indigent care formula established between the County and the Corporation pursuant to Minnesota Statute Section 383B.928 on the services provided or anticipated to be provided by the Corporation and on the fiscal health of the Corporation;

(x) Any decision to conduct an independent audit of the finances of the Corporation;

(xi) Any decision to dissolve, merge, consolidate, transfer, liquidate or otherwise dispose of or distribute all or substantially all of the Corporation's assets;

(xii) Any decision to create a subsidiary, for profit or not-for-profit;

(xiii) Any assignment, sublease, or facility-wide management contract of this Corporation that may substantially impact the County Board's Reserved Powers as specified in this **Article III**;

(xiv) Any decision to change the name of the hospital from "Hennepin County Medical Center";

(xv) Any decision to sell, assign or otherwise transfer the Corporation's licensed bed capacity; and

(xvi) Approval of all legislative initiatives and positions of the Corporation and coordination of all lobbying efforts.

Section 3.5 Meetings. At least quarterly, the Chair of the Board of Directors or the Chief Executive Officer or their designee shall brief the County Board on matters concerning the

Corporation. Notice of the meeting shall be provided according to the procedures established by the County Board.

ARTICLE IV.
BOARD OF DIRECTORS

Section 4.1 Corporate Powers. Except as otherwise specified in these Bylaws or under the Act, and subject to the Reserved Powers and authority of the County as specified in **Article III**, the property, affairs, activities, and business of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to all other powers and authority conferred upon them by these Bylaws and under the Act, the Board of Directors shall have the power to do all lawful acts necessary and expedient to conducting the affairs of the Corporation that are not prohibited by these Bylaws, the Act or other applicable law. The Corporation, through its Board of Directors, shall, relative to the delivery of health care services, have the authority and legal capacity of a nonprofit corporation under Minnesota Statutes Chapter 317A. Specifically, the Corporation, through its Board of Directors, shall have the authority and all necessary power to:

- (1) have its Directors, officers or administrators serve as directors, officers, or employees of the Corporation's ventures or subsidiary corporations;
- (2) hire and discharge a Chief Executive Officer of the Corporation;
- (3) approve personnel policies and practices, any applicable labor agreements, and levels of compensation and benefits;
- (4) use employees, agents, consultants, and facilities of the County, as necessary in the discretion of the Board of Directors, paying the County its agreed proportion of the compensation or costs pursuant to an agreement with the County;
- (5) spend funds, including public funds in any form, or devote the resources of the Corporation to recruit and retain physicians and other professionals and supportive personnel whose services are necessary or desirable for meeting the health care needs of the population and for the successful performance of the public purposes of the Corporation. Allowable uses of funds and resources include the retirement of medical education debt, payment of onetime amounts in consideration of services rendered or to be rendered, payment of recruitment expenses, payment of moving expenses, and the provision of other financial assistance necessary for the recruitment and retention of physicians, provided that the expenditures in whatever form are lawful and reasonably necessary under the facts and circumstances of the situation;
- (6) offer, directly or indirectly, products and services of the Corporation and/or affiliated entities to individuals, organizations and the general public, and retain any net

margin earned through the provision of these products and services for the purpose of advancing the mission of the Corporation;

(7) own shares of stock in business corporations;

(8) borrow money and issue bonds in support and promotion of the Corporation's purposes and mission;

(9) accept gifts, grants, loans, or contributions of funds or property or financial or other aid in any form from, and enter into service contracts or other transactions with, the federal government, the State of Minnesota, third-party payors, or any other lawful source, and lawfully to use any gifts, grants, loans, contributions or payments for any of its corporate purposes;

(10) enter shared service and other cooperative ventures;

(11) join or sponsor membership in organizations intended to benefit the Corporation;

(12) enter partnerships, joint ventures, or other business arrangements to advance the mission of the Corporation;

(13) sue or be sued;

(14) incorporate other corporations, both for profit and nonprofit, subject to any conditions in the Act;

(15) appoint such officers, employees, and agents as this Corporation may require for the performance of its duties;

(16) appoint an Executive Committee (as specified in **Section 7.3**) and other committees of the Board of Directors (as specified in **Article VII**); provided, however, that all committees must operate under the authority and control of the Board of Directors, and no committee may impair the authority and obligation of the Board of Directors to provide ongoing oversight and governance of the Corporation's activities and operations;

(17) appoint advisory committees and other ad hoc committees, including but not limited to community or advisory committees, provided that no such committees shall exercise the ultimate authority vested in the Board of Directors;

(18) advance or reimburse reasonable expenses to the members of the Board of Directors' committees and advisory boards, as specified in **Section 4.6**;

(19) arrange or contract for the provision of health care and related services, including, but not limited to, the provision of medical care for underserved persons;

(20) enter into obligations or contracts, and carry out any acts useful to the transaction and promotion of this Corporation's purposes, including but not limited to purchasing insurance or arranging for self-insurance;

(21) acquire, hold, mortgage, pledge, or dispose of shares, bonds, membership interests, securities and other evidence of equity or debt of any domestic or foreign corporation or business entity, either profit or nonprofit, and either public or private, and, if the owner thereof, to exercise all rights, powers, and privileges of ownership, including the right to vote;

(22) purchase, sell, own or lease, manage, obtain and use or dispose of real and personal property, in advancement of the purposes of the Corporation;

(23) make donations to other charitable entities, domestic or foreign, consistent with the purposes of this Corporation; and

(24) conduct this Corporation's affairs within and outside the State of Minnesota.

Section 4.2 Other Powers. Subject to the Act and the Reserved Powers specified in **Article III**, the Board of Directors shall have all the powers necessary and convenient for the operation, administration, management, and control of the Corporation's affairs. The enumeration of specific powers in **Section 4.1** is not intended to restrict the powers of the Corporation to take any action which is not prohibited by law or the Reserved Powers and limitations as specified in **Article III**, and in the exercise of the Board of Directors' discretion, is deemed necessary or convenient to further the purposes of the Corporation, whether or not the powers to take the action are necessarily implied from the powers expressly granted under these Bylaws.

Section 4.3 Composition and Election. The Board of Directors shall consist of between eleven (11) and fifteen (15) Directors. The Board of Directors shall include two (2) Commissioners currently serving on the County Board, the Chief Executive Officer of the Corporation and the President of the HHS Medical Staff as *ex officio* voting members of the Board, and other persons as described below. Directors shall possess a high degree of experience and knowledge in relevant fields and possess a high degree of interest in the Corporation and support for its mission. Directors shall be appointed based in part on the objective of ensuring that the Corporation includes diverse and beneficial perspectives and experience including, but not limited to, those of medical or other health professionals, urban, cultural and ethnic perspectives of the population served by the Corporation, business management, law, finance, health sector employees, public health, serving the uninsured, health professional training, and the patient or consumer perspective.

Directors shall be selected in the manner described in **Section 7.6**.

Section 4.4 Terms. The terms of the County Commissioner members of the Board shall be one (1) year. The term of the Chief Executive Officer and the President of the HHS Medical Staff on the Board shall be coterminous with their service in those roles. Other Directors shall serve staggered three (3) year terms, for a maximum of nine (9) years, after which they shall no longer be on the Board of Directors for at least one (1) year before they shall again be eligible to serve on the Board of Directors. A Director shall hold office until expiration of the Director's term and a successor has been elected and qualified or until the earlier death, resignation, removal or disqualification of the Director. The Chief Executive Officer and President of the HHS Medical Staff shall not be subject to the nine (9) year maximum specified above.

Section 4.5 Compensation. Directors, other than the Chief Executive Officer and the President of the Medical Staff, shall not be compensated for services rendered to the Corporation in their capacity as Directors and, if applicable, as members of committees or advisory bodies of the Corporation.

Section 4.6 Costs and Reimbursement. Pursuant to policies established by the Board of Directors, the Corporation may advance or reimburse Directors (and members of committees and advisory bodies) for reasonable costs and expenses necessary for travel or other purposes as requested for the advancement of this Corporation's purposes.

Section 4.7 Voting Rights. Each Director may cast one (1) vote on any matter that comes before the Board of Directors. No Director shall have the right to vote by proxy. Unless otherwise provided under the Act or these Bylaws, an action of the Board of Directors shall be passed by a simple majority vote of those present at a meeting duly called and at which a quorum was present when the meeting was convened. Cumulative voting is not permitted.

Section 4.8 Resignation. A Director may resign at any time by giving written notice to the Chair or Chief Executive Officer of the Corporation. A resignation shall take effect at the later of the time specified in the resignation or upon delivery of the written resignation to the Chair or Chief Executive Officer.

Section 4.9 Removal of Directors by Corporation Board. Any Director, except a Director who is also a Commissioner, the Chief Executive Officer or the President of the HHS Medical Staff, may be removed without cause by a two-thirds (2/3) majority vote of the Directors in office. In addition, if any Director attends less than seventy percent (70%) of the regular Board meetings and seventy percent (70%) of the regular meetings of committees of which they are a member in any given year, the remaining Directors shall consider whether there is good cause to retain that Director, taking into account whether the Director is otherwise making substantial contributions to the benefit of the Corporation and whatever other factors they deem in their discretion to be relevant to good cause. If a majority of the

remaining Directors find that there is not good cause to retain that Director, that Director shall be deemed automatically removed. Notwithstanding the foregoing, only the County Board shall have the right to remove a Director who is also a County Commissioner. Similarly, notwithstanding the foregoing, the Chief Executive Office and President of the HHS Medical Staff may be removed by a simple majority vote of the Directors in office.

Section 4.10 Removal of Directors by the County Board.

(i) **Directors Who Are Commissioners.** A Director who is a County Commissioner may be removed by a majority vote of the County Board and shall automatically cease being a member of the Board of Directors upon the loss of their position as a County Commissioner.

(ii) **Non-Commissioner Directors.** The County Board may remove any Director of the Corporation for violation of the Director's ethical and legal duties as specified in Minnesota Statute Section 383B.905 or for the repeated failure to act in the best interests of the Corporation.

(iii) **The Entire Board.** The County Board may remove the entire Board of Directors of the Corporation in order to resume management of Hennepin County Medical Center, upon a two-thirds (2/3) vote of the entire County Board.

Section 4.11 Vacancies. If a vacancy arises in a Director position held by a County Commissioner, the County Board shall appoint a different Commissioner to that position.

For a vacancy in a Non-County Position occurring prior to the completion of a term, the Governance Committee shall recommend to the Board of Directors one (1) or more candidates for such a position. The Board of Directors may, by majority vote, appoint a person to fill such vacancy for the unexpired term, provided that the appointment is submitted to the County Board for approval, and is then approved, when the next slate of Directors is submitted to the County Board for approval.

For vacancies in a Non-County Position that occur because of expiring terms, the Governance Committee shall nominate a slate of candidates of a number at least sufficient to fill all expiring terms of Directors (as well as any vacancies).

The Governance Committee shall present its slate of candidates to the Board of Directors for approval and the Board of Directors shall forward its recommended slate to the County Board. The County Board shall choose to accept or reject the entire proposed slate of such candidates. If the County Board rejects the slate of such candidates, the Board of Directors shall propose a new slate of such candidates for approval by the County Board. This process shall continue until the County Board has approved a slate of candidates recommended by the Board of Directors.

Section 4.12 Open Meeting Law.

(i) The Board of Directors of the Corporation is subject to Minnesota Statutes Chapter 13D, the Minnesota Open Meeting Law.

(ii) The Board may close all or part of a Board meeting when discussing competitive data or considering strategic, business, planning, or operational issues the disclosure of which, in its discretion, it determines could cause competitive disadvantage to the Corporation, including causing adverse effects on the current or future competitive position of the Corporation or the entities, facilities, and operations for which it is responsible. Meetings of committees of the Board of Directors may, at the discretion of the Board, be closed to the public.

(iii) In addition, the following meetings of the Corporation shall be held and shall be open meetings: (1) an annual public meeting to report on the affairs of the Corporation and the goals for the future, including a report on the health services plan specified in Minnesota Statute Section 383B.918; (2) meetings of the Corporation held during the development and implementation phase of the health services plan for the purpose of informing the public and receiving public comment; and (3) that portion of a meeting at which the Board of the Corporation approves the annual budget prior to submission to the County Board for approval. Meetings held under clause (1) or (2) may be chaired by a Director or a member of the administration as designated by the Board of Directors. Except as provided in paragraphs (i), (ii), and (iii) above, other meetings of the Corporation are not subject to Minnesota Statutes Chapter 13D.

Section 4.13 Annual Meetings. The Board of Directors shall hold an annual public meeting to report on the affairs of the Corporation and on the health services plan, which shall be a regular meeting of the Corporation for purposes of the manner of notice to be provided to the Directors as specified in **Section 4.16**. The Chair shall designate one (1) regular meeting as the Board of Directors' annual meeting.

Section 4.14 Regular Meetings. The Board of Directors shall hold regular meetings at least six (6) times a year, the schedule for which shall be kept at the Corporation's principal place of business. If the time or place of a regular meeting is to be changed, notice shall be given to each Director as specified in **Section 4.16**. Notice of any adjourned meeting shall be made by announcement at the meeting at which adjournment is taken.

Section 4.15 Special Meetings. In addition to its regular meetings, the Board of Directors may hold "special" and "emergency" meetings, as those terms are used in the Minnesota Open Meeting Law, Minnesota Statute Section 13D.04. Such meetings of the Board of Directors may be called by the Chair and must be called by the Chair whenever requested in writing by any four (4) or more Directors.

Section 4.16 Notice of Meetings. Notice of a meeting, whether a regular, special or emergency meeting, shall comply with the requirements of the Minnesota Open Meeting Law, Minnesota Statutes Chapter 13D. For regular meetings, notice shall be: (i) mailed to each Director addressed to a Director’s residence or usual place of business, at least five (5) days before the day on which the meeting is to be held; or (ii) delivered personally, by telephone, facsimile, or other electronic means of communication, not less than three (3) days before the day on which such meeting is to be held. The notice shall state the time and place of the meeting.

Section 4.17 Place of Meetings. The Board of Directors may hold its meetings at the general business offices of this Corporation or at such place or places as the Board of Directors may, from time to time, determine, consistent with the Minnesota Open Meeting Law.

Section 4.18 Time of Meetings. The Board of Directors may hold its meetings at such times as it determines, consistent with the Minnesota Open Meeting Law.

Section 4.19 Waiver of Notice. A Director may waive notice of a meeting of the Board of Directors. A waiver of notice by a Director is effective whether given before, at, or after the meeting, and whether given in writing, or by attendance as described in the next sentence. Attendance by a Director at a meeting constitutes a waiver of notice of such meeting, unless such Director objects at the beginning of the meeting to the transaction of such business because the meeting is not lawfully called or convened and does not participate in the meeting.

Section 4.20 Electronic Communications. Directors or members of any committee or advisory body appointed by the Board of Directors may participate in a meeting by means of telephone conference or similar communications equipment, which enables all persons participating in the meeting to hear each other during such meeting. Such participation shall be considered presence in person at such meeting for purposes of notice and quorum requirements as specified in these Bylaws.

Section 4.21 Quorum and Manner of Acting. A majority of the Directors in office constitutes a quorum for the transaction of business. A majority of the Directors present may adjourn the meeting until a quorum is present. Except as otherwise specified in the Act or in these Bylaws, the Board of Directors may act by a majority vote of those present so long as a quorum was present at the time the meeting was convened.

ARTICLE V. OFFICERS

Section 5.1 Number. The Corporation shall have the following officers of the Board (collectively the “Board Officers”): a Chair, a Vice Chair, a Secretary and a Treasurer. The Corporation shall also have a Chief Executive Officer who is an Operating Officer. The Board Officers and Operating Officers are collectively referred to as the “Officers.” The Board of

Directors may designate such additional Officers as it determines are necessary for the management of the affairs of the Corporation. Subject to these Bylaws, the Board of Directors shall fix the powers and duties of all Officers.

Section 5.2 Board Officers. The Board Officers shall hold office for terms of two (2) years and may be re-elected for additional two-year terms. Board Officers shall be elected by majority vote of the Directors in office, and except for the Chair and Vice Chair, need not be Directors, but shall be accountable to the Board of Directors in their role as Board Officers. Board Officers shall not be compensated for services rendered to the Corporation in their capacity as Board Officers, or if applicable, as members of committees or advisory bodies. The Board Officers have the following duties:

(i) **Chair.** The Chair shall (a) preside at meetings of the Board of Directors at which they are present; (b) develop mechanisms to implement the actions approved by the Board of Directors and ensure that all orders and resolutions of the Board of Directors are carried into effect; and (c) perform all other lawful duties as specified in these Bylaws or as may, from time to time, be prescribed by the Board of Directors. The Chair shall be a community member who is not employed by the County or the Corporation.

(ii) **Vice-Chair.** In the absence of the Chair, the Vice Chair shall perform the duties of Chair, and when so acting, shall have all the powers of and be subject to all the restrictions placed upon the Chair under the Act and these Bylaws. The Vice Chair also shall perform all other lawful duties as specified in these Bylaws or as may, from time to time, be prescribed by the Board of Directors. The Vice Chair shall be a community member who is not employed by the County or the Corporation.

(iii) **Secretary.** The Secretary shall: (a) act as the secretary at all meetings of the Board of Directors, unless an assistant secretary or some other person is appointed to act as secretary; (b) give or cause to be given proper notice of the meetings of the Board of Directors and committees or advisory bodies; (c) maintain or supervise the maintenance of the Corporation's records, these Bylaws (as amended or restated), and the minutes of all meetings of the Board of Directors and committees or advisory bodies; and (d) perform all other lawful duties as specified in these Bylaws or as may, from time to time, be prescribed by the Board of Directors.

(iv) **Treasurer.** The Treasurer shall: (a) have control over the corporate funds and securities of the Corporation; (b) cause to be kept full and accurate accounts of receipts and disbursements of the Corporation; (c) cause all monies and other valuables to be deposited to the credit of the Corporation in such depositories as may be designated by the Board of Directors, (d) disburse the funds of the Corporation pursuant to the policies established by, or as ordered by, the Board of Directors; (e) report to the Board of Directors and account for such transactions; and (f) perform all other lawful duties as specified in these Bylaws or as may, from time to time, be prescribed by the Board of Directors.

Section 5.3 Operating Officers. Operating Officers other than the Chief Executive Officer need not be Directors of the Corporation. The Chief Executive Officer shall hold office at the discretion of the Board of Directors. Operating Officers may receive compensation from the Corporation for their services as Operating Officers, regardless of whether they are Directors.

(i) **Chief Executive Officer.** The Chief Executive Officer shall serve as an *ex officio* voting member of the Board of Directors and provide regular reports to the Board of Directors. Subject to the ultimate authority of the Board of Directors under law or these Bylaws, the Chief Executive Officer of the Corporation shall: (i) have overall responsibility for management of the Corporation; (ii) work with the Chair to ensure that orders and resolutions of the Board of Directors are properly implemented; (iii) sign and deliver, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments pertaining to the business of this Corporation, except in cases in which the authority to sign and deliver such documents is required by law under the Act to be exercised by another person on behalf of the Governing Member or is expressly delegated by the Act, these Bylaws, the Board of Directors, or the Chief Executive Officer to another Officer, agent, or duly-appointed representative of this Corporation or to the Governing Member; (iv) maintain records of and, when necessary, certify proceedings of the Board of Directors; (v) perform the duties of a Hospital Administrator unless such duties are assigned by the Board of Directors to another Officer or individual; (vi) determine the compensation for such other Operating Officers of the Corporation as the Board shall establish, subject to the parameters established by the Board; and (vii) perform such other duties permitted hereunder as are customary to such office or are prescribed by the Board of Directors. The Board of Directors may, from time to time, appoint other key personnel to assist the Chief Executive Officer as it deems necessary to carry out the duties and obligations of the Board of Directors.

Section 5.4 Term of Office. An Officer shall hold office until a successor is elected or until the Officer's death, resignation or removal from office as hereinafter provided.

Section 5.5 Resignation; Removal; Vacancies. A Board Officer may resign at any time by giving written notice of resignation to the Chair of the Board of Directors or the Chief Executive Officer of the Corporation. A resignation takes effect at the later of the time specified in the written notice or at the time when the written notice is given. A Board Officer may be removed by two-thirds (2/3) majority vote of the Directors in office. A Board Officer whose removal is under consideration by the Board of Directors is not entitled to vote on the question of their removal as a Board Officer and shall not be counted in determining the presence of a quorum. Any Director who is removed as specified in **Sections 4.9 or 4.10** or resigns as specified in **Section 4.8** and who is also a Board Officer shall be deemed to have resigned as a Board Officer, effective as of the date such Board Officer is removed as a Director. Any person appointed an Officer by reason of being a management employee of the Corporation shall be deemed to have resigned as an Officer, effective as of the date such employee is no longer employed by the Corporation. The removal of an Officer is without prejudice to contractual rights of the Officer, if any. A vacancy in any Board Officer position

occurring for any reason shall be filled for the unexpired portion of such term by the affirmative vote of a majority of the remaining Directors present at any meeting of the Board of Directors, provided that if the Board Officer also is to serve as a Director, such appointment must be approved as otherwise provided in these Bylaws.

Section 5.6 Costs and Reimbursement. Pursuant to policies established by the Board of Directors, the Corporation may advance or reimburse an Officer for reasonable costs and expenses necessary for travel or other purposes for the advancement of this Corporation's purposes.

ARTICLE VI.
SUBSIDIARY CORPORATIONS OR AUXILIARY ORGANIZATIONS

Subject to approval by the County Board as specified in **Article III**, this Corporation may create one (1) or more subsidiary corporations, business entities or auxiliary organizations, to operate for the benefit of the Corporation and assist the Corporation in carrying on its own purposes as specified in the Act and these Bylaws. The bylaws of such subsidiary corporation or auxiliary organization shall specify its purposes and the details of its organization, and any amendments thereto, and shall be subject to the control of the Corporation and its Board of Directors as the sole governing member of such corporation or organization, unless determined otherwise by the Board of Directors of the Corporation.

ARTICLE VII.
COMMITTEES

Section 7.1 Committees. Committees of the Board of Directors shall be standing or special committees. Standing committees shall include at least the following: an Executive Committee, a Finance Committee, an Audit and Compliance Committee, a Governance Committee, a Quality and Safety Committee, and Mission Effectiveness Committee. Each shall meet at least once a year. Each Committee shall have at least three (3) Board members, unless otherwise specified in these Bylaws. The Chair shall appoint a Director to each committee chair position, subject to the approval of the Board of Directors. Each committee, whether standing or special, shall have such membership, rights, powers, authority, duties, and responsibilities as are determined by the Board of Directors. Such committees shall, at all times, be subject to the direction and control of the Board of Directors and shall report to the Board of Directors upon request or as otherwise specified in these Bylaws.

Section 7.2 Open Meeting. Meetings of committees of the Board of Directors may, at the discretion of the Board, be closed to the public. Any meeting of a committee of the whole, however, may only be closed when discussing competitive data or considering strategic, business, planning, or operational issues the disclosure of which, in the committee's discretion, it determines could cause competitive disadvantage to the Corporation, including causing

adverse effects on the current or future competitive position of the Corporation or the entities, facilities, and operations for which the Board is responsible.

Section 7.3 Executive Committee. The Executive Committee shall consist of the Chair of the Board, Vice-Chair of the Board and the Chairs of the Finance, Audit and Compliance, Governance, Quality and Safety Committees, and Mission Effectiveness of the Board serving as ex-officio voting members of the Executive Committee. One County Commissioner Director will be offered an opportunity to be an E&G member if there is no current County Commissioner member acting as a Committee Chair. The Chief Executive Officer shall be an *ex officio* nonvoting member of the Executive Committee. The Executive Committee shall have the power to transact all regular business of the Corporation during the period between meetings of the Board of Directors (subject to any prior limitation or direction imposed by the Board of Directors or the County as Governing Member, as applicable), and to perform such other functions as lawfully may be delegated to it by the Board of Directors, including but not limited to oversight of such areas as clinical quality and safety, medical staff issues, strategic planning and human resources. The Executive Committee shall recommend compensation for the Chief Executive Officer to the Board of Directors, which shall have the ultimate authority on the issue.

Section 7.4 Finance Committee. The Finance Committee shall be responsible for those duties and obligations related to the annual budgets, financial plans, financial performance and similar matters of this Corporation as the Board of Directors delegates to it from time to time.

Section 7.5 Audit and Compliance Committee. The Audit and Compliance Committee shall be responsible for those duties and obligations related to the Annual Audit of the finances and the compliance functions of the Corporation as the Board of Directors delegates to it from time to time.

Section 7.6 Governance Committee: Nomination to the Board. The Governance Committee shall consist of at least five (5) members. The Governance Committee shall be responsible for those duties and obligations related to this Corporation's compliance with the legal requirements and governance documents, including specifically the Act and these Bylaws, governing the business and affairs of this Corporation and such other governance and management issues as the Board of Directors may delegate to it from time to time.

In addition, the Governance Committee shall serve as the nominating committee for vacancies (other than vacancies in the positions occupied by County Commissioners and ex-officio Directors) on the Corporation's Board of Directors (hereinafter, a "Non-County Position"). For Non-County Positions, this Committee shall provide a public announcement of such vacancies on the Board of Directors in the manner normally used by Hennepin County to provide public notice of open appointments.

Section 7.7 Quality and Safety Committee. The Quality and Safety Committee shall be responsible for ensuring that the patient care services of the Corporation are performed under processes that are designed to continuously improve quality. The Quality and Safety Committee shall review such areas as patient safety, quality, clinical performance improvement, risk management, regulatory and accreditation compliance, and credentialing and privileging within the Corporation. The Quality and Safety Committee shall have no independent decision-making authority, but shall study, advise, comment and make appropriate recommendation(s) to the Board.

Section 7.8 Mission Effectiveness. The Mission Effectiveness Committee shall be responsible for monitoring and assessing the effectiveness of the Corporation in achieving its mission and for advising the Corporation on the best ways to advance its mission as the Board of Directors delegates to it from time to time.

Section 7.9 Other Committee(s). The Board of Directors may, by majority vote, establish one (1) or more additional standing or ad hoc committees. Each committee shall consist of at least three (3) or more members, including at least one (1) Director, who shall serve as chair. Any committee shall, if so requested by the Board of Directors, provide recommendations and other actions or advice to the Board of Directors toward accomplishment of specific objectives of this Corporation for which the committee was formed.

Section 7.10 Advisory Bodies. The Board of Directors may, by majority vote, designate one (1) or more organizations, governmental representatives, individuals, or other persons to serve on an advisory body reporting to the Board of Directors, with such powers, duties and obligations as may be designated by the Board of Directors. Advisory bodies shall have no voting rights and shall solely be advisory to the Board of Directors.

ARTICLE VIII. FISCAL YEAR

The fiscal year of this Corporation shall be based on a calendar year ending December 31.

ARTICLE IX. FINANCIAL MATTERS; BOOKS AND RECORDS

Section 9.1 Books and Records. The Board of Directors shall cause to be kept:

- (i) records of proceedings of the Board of Directors and all committees;

- (ii) records of actions of the County acting as Governing Member related to the Corporation;
- (iii) customary financial books, accounts, and records concerning the Corporation;
and
- (iv) such other records and books of account of the Corporation as shall be necessary or appropriate to the conduct of the Corporation's business.

Section 9.2 Documents Kept at Principal Office. The Board of Directors shall cause to be kept at the principal office of the Corporation originals or copies of:

- (i) records of proceedings of the Board of Directors and all committees;
- (ii) records of actions of the County as Governing Member related to the Corporation;
- (iii) all financial statements of this Corporation; and
- (iv) a copy of the Act and these Bylaws, including any amendments and restatements thereof.

These records shall be open to inspection by the County or by a Director of the Corporation, or the agent or attorney of either, for any proper purpose.

Section 9.3 Accounting System and Audit. The Board of Directors shall cause to be established and maintained, in accordance with generally accepted accounting principles for similar organizations applied on a consistent basis, an appropriate accounting system for the Corporation. The Board of Directors shall cause the records and books of account of the Corporation to be audited by an independent certified public accounting firm at least once each fiscal year and at such other times as the Board of Directors may, in its discretion, deem necessary or appropriate.

Section 9.4 Data Practices Act. The Corporation shall be subject to the Minnesota Government Data Practices Act to the extent provided in the Act.

Section 9.5 Contracts, Checks, Drafts and Other Matters. All deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation, and all checks, drafts, or other orders for the payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Corporation, shall be signed by the officer(s), agent(s), or other duly-appointed representatives of the Corporation, and in such manner as may be determined by the Board of Directors.

ARTICLE X.
CONFLICTS OF INTEREST; CONFIDENTIALITY

Section 10.1 Annual Statements. Each Director, Officer and member of a committee with Board delegated powers shall annually sign a statement which affirms that such person has received a copy of the Standard of Conduct and Conflict of Interest Policy, has read and understands the policy, and agrees to comply with the policy. Any physician employed by the Corporation who serves on the Board of Directors or any committee thereof does so to advance the interests of the Corporation as a whole.

Section 10.2 Duty to Disclose. A Director, Officer, or member of a committee with Board delegated powers must disclose in writing, when possible, or orally when time does not allow for written disclosure the existence and nature any actual or potential conflict of interest they may have, including their relationship or material financial interest that gives rise to the actual or potential conflict. Disclosure shall be made to the Directors and members of committees with Board-delegated powers considering the proposed transaction or arrangement at or prior to the meeting at which the proposed transaction or arrangement is considered.

Section 10.3 Procedures. The procedures set forth in the Conflict of Interest Policy shall be followed to ensure that a transaction or arrangement is not void or voidable under state law and is consistent with the Corporation's status as a tax-exempt organization. These procedures are not required, however, if the transaction or arrangement under consideration is between related organizations.

Section 10.4 Violations of the Conflicts of Interest Policy. If the Board or committee has reasonable cause to believe that an individual has failed to disclose an actual or potential conflict of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the individual has in fact failed to disclose a conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 10.5 Records of Proceedings. The minutes of the Board and all committees with Board-delegated powers shall contain (a) the names of the Directors, Officers or committee members who disclosed or otherwise were found to have a potential or actual conflict of interest in connection with a proposed or existing transaction or arrangement with the Corporation and the nature of the relationship or material financial interest; (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, evidence as to comparability (surveys, etc.) and a record of any votes taken in connection therewith.

Section 10.6 Compensation Matters. A Director or committee member who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to their compensation. When establishing the compensation of any Officer, Director or other individual in a position to exercise substantial influence over the affairs of the Corporation, the Board or committee shall obtain and rely on appropriate data as to comparability (surveys, etc.) prior to making its decision. A physician who is a Director and receives compensation, directly or indirectly, from the Corporation for services is precluded from deliberating and voting on matters pertaining to that physician's or other physicians' compensation. No physician or Physician Director, either individually or collectively, is prohibited from providing information to the Board of Directors regarding physician compensation.

Section 10.7 Confidentiality. Any Director, Officer, or member of any committee of the Board or advisory body to the Board with access to trade secrets and other confidential business information of the Corporation (collectively, "Insiders") shall keep such information confidential, and shall not disclose any such information to any person, firm, or other third party without authorization to do so pursuant to policies adopted by the Corporation, nor use any such information for any purpose other than as authorized by the Corporation through its established management processes. Any disclosure or use of information concerning the Corporation in violation of this **Section** shall be grounds for removal from the role the Insider serves with the Corporation, and other appropriate administrative or legal actions including potentially subjecting the person, in addition, to any damages for breach of this **Section** or remedies available to the Corporation at law or in equity, including, without limitation, the right to obtain injunctive relief to prevent any threatened or pending disclosure or use of information in violation of this **Section**. This duty of confidentiality and nondisclosure shall not preclude sharing of information with other Insiders or with the County's employees who have need to know such information in connection with their work performed for or on behalf of this Corporation, or work performed on behalf of the County as Governing Member in connection with this Corporation (both subject to the Corporation's usual management processes), or in circumstances for which the Board of Directors has determined that disclosure shall not be subject to this **Section**. Each Insider shall also comply with state and federal laws and regulations concerning confidentiality of records.

ARTICLE XI.
STANDARDS OF CONDUCT; INDEMNIFICATION

Section 11.1 Prudent Person; Business Judgment; Not Trustees. Officers and Directors of the Corporation shall discharge their duties in good faith, in the manner the Officer or Director reasonably believes to be in the best interests of the Corporation and with the care an ordinary prudent person, in a like position, would exercise under similar circumstances. The business judgment rule shall apply to such actions, in accordance with law. Accordingly, Officers and Directors are not to be considered trustees with respect to the Corporation and

property held or administered by the Corporation, including without limitation, property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 11.2 Reliance. A Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by (a) one (1) or more Operating Officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent on matters presented; (b) counsel, public accountants, or other persons as to matters that the Director reasonably believes are within the person's professional or expert competence; (c) a committee of the Board upon which the Director does not serve, duly established under **Article VII** of these Bylaws, as to matters within its designated authority, if the Director reasonably believes the committee to merit confidence; or (d) instructions or other determinations of the County as Governing Member. A Director is not entitled to rely on any of the above, however, if the Director has actual knowledge concerning the matter in question that makes the reliance that would otherwise be permitted unwarranted.

Section 11.3 Indemnification. The Corporation shall defend and indemnify its current and former Officers of the Board, Directors, and Board-appointed committee members having, directly or indirectly, the power to direct or cause the direction of the management or policies of the Corporation, against judgments, penalties, fines, including without limitation, excise taxes assessed against the person with respect to an employee benefit plan, settlements, and reasonable expenses, including attorneys' fees, and disbursements, incurred by such persons in connection with a proceeding in which they are or are threatened to be made a party by reason of their action on behalf of the Corporation. In order to avail themselves of this indemnification provision, however, a person must: (1) not already be indemnified by another organization in connection to the same proceeding and the same acts or omissions; (2) have acted in good faith with respect to the acts or omissions complained of; (3) have received no improper personal benefit; (4) in the case of a criminal proceeding, have had no reasonable cause to believe their conduct was unlawful; (5) in the case of a civil proceeding, have reasonably believed that they were acting in the best interests of the Corporation. The Corporation shall have, with respect to indemnification, the authority and legal capacity of a Minnesota nonprofit corporation under Minnesota Statutes Chapter 317A , as now enacted or as hereafter amended.

Section 11.4 Advances. If a person is made or threatened to be made a party to a proceeding for which defense and indemnification would be available under **Section 11.3**, the person is entitled, upon written request to the Corporation, to payment or reimbursement by the Corporation for reasonable expenses, including attorneys' fees and disbursements, incurred by the person in advance of the final disposition of the proceeding, upon receipt by the Corporation of a written affirmation by the person of a good faith belief that the criteria for indemnification in **Section 11.3** have been satisfied and a written undertaking by the person to repay the amounts paid or reimbursed by the Corporation, if it is determined that the criteria for indemnification have not been satisfied; and after a determination that the facts then known to those making the determination would not preclude indemnification under **Section 11.3**.

Section 11.5 Determination of Eligibility. Determinations as to whether defense and indemnification of a person is required because the criteria set forth in **Section 11.3** have been satisfied and whether a person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding under **Section 11.4** must be made: (a) by the Board of Directors by a majority of a quorum, but Directors who are at the time parties to the proceeding are not counted for determining a majority or the presence of a quorum; (b) if a quorum under clause (a) cannot be obtained, by a majority of a committee of the Board of Directors, consisting solely of two (2) or more Directors not at the time parties to the proceeding, duly designated to act in the matter by a majority of the full Board of Directors including Directors who are parties; (c) if a determination is not made under clause (a) or (b), by special legal counsel, selected either by a majority of the Board of Directors or a committee by vote under clause (1) or (2), or if the requisite quorum of the full Board cannot be obtained and the committee cannot be established, by a majority of the full Board including Directors who are parties; (d) if a determination is not made under any of the preceding clauses, by the County Board if the County is not a party to the proceeding; or (e) if an adverse determination is made under any of the preceding clauses within sixty (60) days after the termination of a proceeding or after a request for an advance of expenses, by a court in this State, which may be the court in which the proceeding involving the person's liability took place, upon application of the person seeking indemnity and notice the court requires.

Section 11.6 Insurance. The Corporation may buy and maintain insurance on behalf of a person in that person's official capacity against liability asserted against and incurred by the person in or arising from that capacity, whether or not the Corporation would have been required to indemnify the person against the liability under this **Article XI**.

Section 11.7 Other Persons. This **Article XI** does not limit the power of the Corporation to defend or indemnify other persons as determined by, or pursuant to a policy approved by, the Board of Directors.

Section 11.8 Cumulative Rights. The rights of indemnification provided in this **Article XI** shall not limit, but shall not be in addition to, any other rights to which a person may otherwise be entitled by contract, law or statute, or otherwise. In the event of such person's death, such rights shall extend to such person's heirs, legal representatives, or successors.

Section 11.9 Sovereign Immunity. Nothing herein shall be deemed to increase, decrease, alter or waive any immunities from suit or liability to which a person, the Corporation or any subsidiary or venture in which it is involved, or the County as Governing Member, may be entitled pursuant to the Act or other applicable law.

Section 11.10 Severability. If any provision of this **Article XI** shall for any reason be determined to be invalid, the remaining provisions thereof that reasonably can be given effect apart from the invalid part shall not be affected thereby, but shall remain in full force and effect.

ARTICLE XII.
EXEMPT ACTIVITIES

Notwithstanding any other provision of the Act or these Bylaws, this Corporation shall take no action nor carry on any activity which is inconsistent with the exemption from taxation granted by the Act, or with its status as an organization described within Internal Revenue Code Section 501(c)(3), or with the purposes of the Corporation as specified in the Act or these Bylaws, or with the provisions of any amendments or restatements thereof. No part of the net earnings and assets of the Corporation shall inure to the benefit of any private individual, nor shall any part of the income or assets of the Corporation be distributed to or divided among any private individuals as dividends or otherwise.

ARTICLE XIII.
ASSETS UPON DISSOLUTION

Upon the dissolution of the Corporation, its assets shall be distributed to Hennepin County, Minnesota, for public purposes.

ARTICLE XIV.
RULES OF ORDER

The Board of Directors shall establish its own rules of order, which shall also govern the committees of the Board.

ARTICLE XV.
AMENDMENT

These Bylaws may be amended, revised, or restated, from time to time, to include or omit any provision which could lawfully be included therein or omitted therefrom at the time the amendment, revision, or restatement is adopted. Any number of amendments, or an entire revision, or restatement of these Bylaws may be considered, acted upon, and adopted, provided that the amendment, revision, or restatement of these Bylaws is discussed and presented at a meeting of the Board of Directors called for such purpose, and, in the case of a special meeting, provided that the notice of the meeting indicates that the purpose is to present proposed amendments, revisions, or restatements of these Bylaws. Any such amendment, revision or restatement must be approved by (a) the affirmative vote of at least two-thirds (2/3) of the Directors in office, and (b) by the County, through its County Board, if required by **Article III**.

ARTICLE XVI.
EFFECTIVE DATE

These Bylaws shall become effective, provided the County Board approves them pursuant to Minnesota Statute Section 383B.906, on _____.

THIS IS TO CERTIFY that these Bylaws, are current as of January 1, 2024 and include the amendments approved by action of the Board of Directors of Hennepin Healthcare System, Inc. on October 25, 2023.

By: _____
Secretary of Hennepin Healthcare System, Inc.

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Board Action Request

23-0441

Item Description:

Approval of the 2024 Hennepin Healthcare System, Inc. Financial Plan as submitted by the Hennepin Healthcare System, Inc. Board of Directors

Resolution:

BE IT RESOLVED, that the Hennepin County Board of Commissioners approves the 2024 Hennepin Healthcare System Annual Budget, including operational and capital budget, as submitted by the Hennepin Healthcare System, Inc. Board of Directors.

Background:

The Hennepin County Board of Commissioners has certain reserved powers over Hennepin Healthcare System, Inc. (HHS), one of which is the power to approve the corporation's annual budget. On November 8, 2023, the 2024 HHS operating and capital budget was approved by the HHS Board of Directors and is now recommended by that Board for approval by the Hennepin County Board of Commissioners.

Hennepin Healthcare System, Inc.'s 2024 budget includes Hennepin Healthcare, Hennepin Healthcare Research Institute, and Hennepin Healthcare Foundation.

The organization is focused on aligning resources to mission, vision, and values as well as assuring quality of and access to care. To achieve this, focus will be on proactive high-quality care made easy, standing as a national leader in trauma care, modeling world class health equity and racial justice in medicine, and supporting a workplace culture of respect, learning, and growth.

The HHS 2024 budget anticipates providing approximately 126,000 days of hospitalized care to 17,000 patients discharged from inpatient care. Additionally, patients will seek care through 840,000 outpatient encounters. This includes approximately 12,000 patients treated in HHS operating rooms.

Contained in the 2024 budget there are \$127 million in margin improvement initiatives which includes revenue cycle, growth and throughput, alignment of staffing to volumes, premium pay, and non-staffing expense savings.

The 2024 budget anticipates spending \$1.48 billion and generating almost \$1.49 billion in revenues, resulting in a \$16.2 million operating margin. A positive cash flow margin of \$118.4 million will be generated. Capital expenditures, exclusive of County Funded Capital, are budgeted at \$42.3 million. This includes \$31.5 million for routine capital expenditures and continued investment in the Comprehensive Campus Development Plan, and debt repayment of \$10.8 million.

Finally, a part of the HHS Budget is the projected revenue HHS receives from the County pursuant to the Uncompensated Care Formula. It is projected that this formula will produce \$28 million in payments during 2024.

Recommendation from County Administrator: Recommend Approval



HENNEPIN HEALTHCARE SYSTEM 2024 BUDGET

MISSION

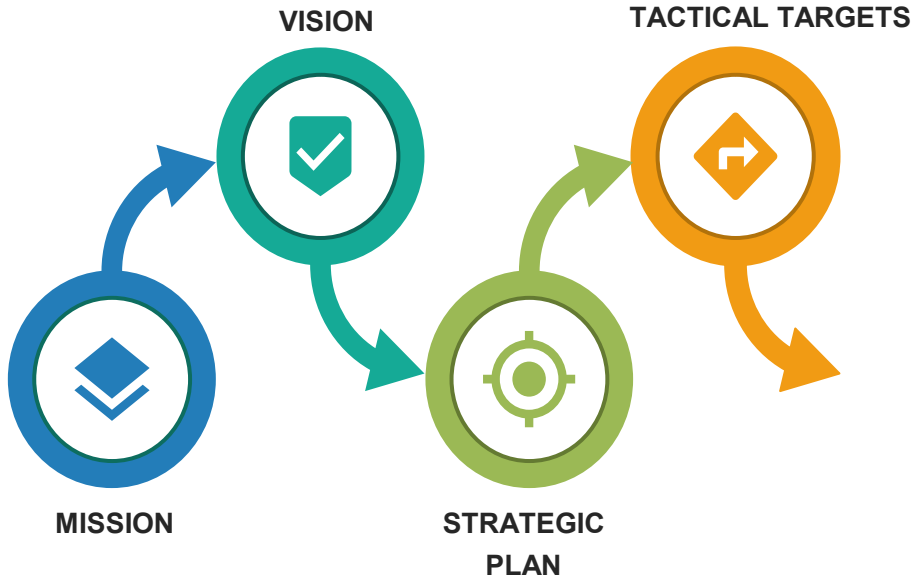


We partner with our community, our patients, and their families to ensure access to outstanding care for everyone while improving health and wellness through teaching, patient and community education and research.



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- Promote proactive, high-quality care made easy
- Stand as a national leader in trauma care
- Model world class health equity and racial justice in medicine
- Support a workplace culture of respect, learning, and growing



VISION



Transforming the health of our community – exceptional care without exception.



Inside Minnesota's busiest ER, the trauma of dealing with trauma never stops



Investing in Solutions for the challenges we face

Health care is at a crossroads



- Workplace violence
Investing in security
- Staffing challenges
Investing in pathways
- Nowhere to discharge patients
Advocating for placement
- Health Inequities
Investing internal & external
- Rising costs and outdated payment rates
Advocating for change

Investing in Access

- EMS response
 - Expanded staffing
 - Training academy
- Inpatient capacity
 - Expanded nursing
 - On demand staffing
- Specialty Areas
 - Lab
 - Pharmacy
 - Radiology
- Outpatient
 - Ambulatory Clinic team
 - Allergy
 - Infusions



HENNEPIN HEALTHCARE CONSOLIDATING INCOME STATEMENT

In Thousands

Description	2024 Budget				2023 Forecast HHS	2024 vs 2023 Variance
	HCMC	HHF	HHRI	HHS		
Operating Income/(Loss) Margin	1.0%	17.6%	-0.2%	1.1%	-0.6%	1.7%
EBIDA Margin	8.1%	17.6%	-0.2%	7.9%	2.7%	5.2%
Total Revenues	\$1,431,576	\$13,256	\$51,896	\$1,496,728	\$1,419,262	\$77,466
Operating Expenses:						
Salaries, Wages and Benefits	\$968,201	\$3,591	\$24,638	\$996,430	\$960,123	(\$36,307)
Other Expenses	449,375	7,334	27,368	484,076	467,397	(16,679)
Total Expenses	\$1,417,576	\$10,925	\$52,006	\$1,480,507	\$1,427,520	(\$52,987)
Operating Income (Loss)	\$14,000	\$2,331	(\$110)	\$16,221	(\$8,258)	\$24,479
Non-operating	60,870	-	-	60,870	5,777	71,314
Net Income/(Loss)	\$74,870	\$2,331	(\$110)	\$77,091	(\$2,481)	\$79,572
EBIDA	\$116,145	\$2,331	(\$110)	\$118,366	\$38,123	\$80,244

CAPITAL BUDGET

\$ in Millions

CAPITAL BUDGET					
Description	2020	2021	2022	2023 Forecast	2024 Budget
County Funded Asset Preservation	\$12.0	\$12.0	\$12.5	\$12.5	\$32.5
County Funded Campus Development	5.4	14.2	0.0	7.0	40.0
Annual Debt Service	8.9	9.5	10.7	10.6	10.8
Contingency	3.9	4.0	5.0	5.0	5.0
Capital Projects	22.2	28.1	15.7	23.5	26.5
Total Capital Budget	\$52.4	\$67.8	\$44.9	\$58.6	\$114.8

Board Action Request

23-0436

Item Description:

Amd 3 to Shared Services Agreement A111901 between Hennepin County and Hennepin Healthcare System, extending end date to 12/31/33

Resolution:

BE IT RESOLVED, that Amendment 3 to Shared Services Agreement A111901 between Hennepin County and Hennepin Healthcare System, extending the term of the Agreement from December 31, 2023, to December 31, 2033, be approved; and that the Chair of the Board be authorized to sign the Amendment on behalf of the County.

Background:

In 2006, the County Board approved a Shared Services Agreement (Resolution 06-055) between the County and Hennepin Healthcare Systems (HHS) for purchase of goods and services between the parties and also provide a framework for specific purchases to be completed by Individual Service Agreements.

Amendment 2 to the Agreement, which expires December 31, 2023, was approved in 2017 (Resolution 17-0445). There are currently 66 Individual Shared Service Agreements including for medical and dental services for inmates, pharmaceuticals, lab testing, IT services, property management services, and emergency vehicle maintenance and fueling.

Current Request:

Amendment 3 will extend the term of the Shared Services Agreement through December 31, 2033, providing a framework for the County and HHS to continue to share goods and services.

Recommendation from County Administrator: Recommend Approval

Board Action Request

23-0438

Item Description:

Affirming Hennepin County strategy for Metropolitan Region Sales and Use Tax for housing proceeds and Statewide Local Affordable Housing Aid revenues

Resolution:

BE IT RESOLVED, that the Hennepin County Board of Commissioners hereby affirms the county's housing strategy focusing on households with the lowest incomes to reduce racial disparities in homelessness and housing cost burden, and to increase access to greater economic opportunities; and supports deployment of Metropolitan Region Sales and Use Tax for housing proceeds and Local Affordable Housing Aid to proven strategies identified herein and attached hereto.

Background:

The 93rd Minnesota Legislature approved historic levels of new state funding for housing, including a first-ever sales and use tax dedicated to affordable housing, and annual appropriations to the new Statewide Local Affordable Housing Aid fund. The new 0.25% Metropolitan Region Sales and Use Tax for housing will raise an estimated \$29 million per year for Hennepin County, and the Statewide Local Affordable Housing Aid will allocate an estimated \$2 million per year to Hennepin County. While state agencies continue to develop required guidelines/regulations for the use of both revenues, staff has developed an implementation framework tailored to leverage Hennepin County's unique program-based strengths and strategies to address our deepest racial disparities in housing.

State statute outlines three categories of eligible projects for both new revenues in the Metro area:

- Emergency rental assistance <80% AMI
- Financial support to nonprofit affordable housing providers in their mission to provide safe, dignified, affordable and supportive housing
- Construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, refinancing, and gap financing of affordable housing (homeownership projects <115% AMI; rental < 80% AMI)

In addition, state statute defines funding priorities for both new revenues: affordability (homeownership <80% AMI, rental < 50% AMI); reduce disparities in homeownership; reduce housing cost burden, housing instability, or homelessness; improve the habitability of homes; create accessible housing; or create more energy- or water-efficient homes.

The primary intent of these new funding sources is to increase production of affordable housing in the metropolitan area. To do so, staff propose applying new Metropolitan Region Sales and Use Tax for housing proceeds and Local Affordable Housing Aid to proven county strategies along the affordable housing continuum:

- Emergency renter assistance
- Supportive housing capital

- Supportive housing operating
- Single room occupancy housing
- Preservation of naturally occurring affordable housing (NOAH)
- Affordable housing production accelerator
- Homeownership assistance.

This approach applies the disparities reduction framework and goals and uses program infrastructure already tested through the pandemic. Since this is a new permanent source of revenue, staff recommends a multiphase approach to both meet immediate needs, and to pave the way for long-term impact. Consistent with Attachment A:

1. Launch a new permanent eviction prevention fund. This will continue the successes of the COVID-era eviction prevention, helping at Housing Court where it is needed most.
2. Repair and build the capacity of affordable housing developers. The region needs a healthy ecosystem of developers and owners to truly expand affordable housing production, but partners are still struggling to keep existing projects open.
3. Support community partners to deliver the wrap-around services that residents need to be successful in the projects receiving Hennepin County Housing and Redevelopment Authority's (HCHRA) Supportive Housing capital funds.
4. Develop a healthy pipeline of housing projects, while also providing strategic investments to finish high priority projects quickly.
5. Advance disparity reduction and climate impacts in homeownership creation and preservation.

Once normalized, staff projects that housing sales tax receipts and appropriations will assist over 1,200 additional households/units in Hennepin County annually.

Activity implementation will be captured in future budgets and subject to competitive selection processes and board approval (where appropriate).

Current Request:

This request affirms the county's housing strategies focused on households with the lowest incomes and supports deployment of Metropolitan Region Sales and Use Tax for housing proceeds and Statewide Local Affordable Housing Aid revenues consistent with the county's disparities reduction framework and goals using program infrastructure already tested through the pandemic.

Impact/Outcomes:

Metropolitan Region Sales and Use Tax for housing proceeds and Statewide Local Affordable Housing Aid revenues are projected to assist over 1,200 households/units in Hennepin County annually once fully available/implemented.

Housing Disparity Domain:

Households of color are disproportionately housing cost burdened at or below 50% of AMI. This request helps guide how best to use county programming to reduce disparities by removing barriers.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

HOUSING AND REDEVELOPMENT AUTHORITY

DATE: October 11, 2023

TO: Hennepin County Board of Commissioners

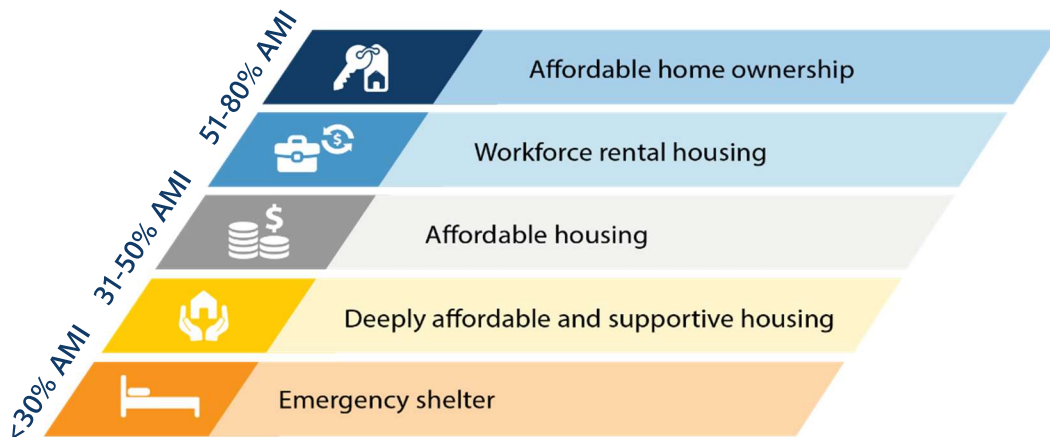
FROM: Kevin Dockry, Chief Housing and Economic Development Officer *KDD*
 David Hewitt, Housing Stability Director **DH**
 Julia Welle Ayres, Housing Development and Finance Director **JWA**

SUBJECT: Implementation plans for Metro Area Sales and Use Tax for Housing proceeds

This year, the 93rd Minnesota Legislature approved historic levels of new state funding for housing, including a first-ever tax dedicated to affordable housing. The new 0.25% Metro Area Sales and Use Tax for Housing, established with support from leadership from Hennepin County and other local jurisdictions, will raise an estimated \$29 million per year for Hennepin County. While state agencies continue to develop required guidelines/regulations for the use of sales tax proceeds, we understand that Commissioners may also be receiving outside inquiries. This point-in-time memo outlines staff’s best understanding of eligible uses for the sales tax proceeds, as well as an implementation plan tailored to leverage Hennepin County’s unique strengths and strategies to address our deepest racial disparities in housing.

Background

Hennepin County administers over \$146 million annually to address the full spectrum of housing needs.



In 2020, the county pushed harder on some of these tactics most needed for emergency response: vastly increased emergency rental assistance, property acquisition for emergency and long-term use, and shelter system improvements.

In March 2021, staff presented the key tactics and results of this housing strategy. First, to grow our impact on housing disparities, we must minimize the number of people entering homelessness, and maximize the number of people exiting homelessness, always in partnership with people with lived experience of homelessness. We minimize entries through emergency rental assistance, homeless diversion, and navigation

and legal support for renters. We maximize exits by lowering barriers and improving services in emergency shelters, providing housing-focused case management, expanding project-based subsidies, implementing the supportive housing strategy, and re-introducing single room occupancy (SRO) housing to the market.

In 2022, with the appropriation of State and Local Fiscal Recovery Funds from the American Rescue Plan Act, the county was able to allocate \$91.35M to housing and homelessness. Once again, these funds were programmed into our existing strategy for greatest impact, namely: homeless case management and employment services, additional shelter improvements, continued operations of low barrier and 24/7 shelters, eviction prevention, SRO conversion, and financing the pandemic-related increases to create affordable housing, preservation of naturally occurring affordable housing, accelerating the production of high-priority affordable housing, and new homeownership opportunities.

Hennepin County’s housing strategy focuses on households with the lowest incomes to reduce racial disparities in homelessness and housing cost burden, and to increase access to greater economic opportunities. This includes targeting funding to most affordable housing units, as well as creating new financial and development models to fill gaps in the housing continuum. This nationally recognized strategy has worked for Hennepin County’s residents, and we continually seek opportunities to sustain and grow it.

Metro Area Sales and Use Tax for Housing

The Metro Area Sales and Use Tax for Housing will be distributed within three pools:

- 25% to the new state rent assistance program
- 25% to the metropolitan city portion of the new Local Affordable Housing Aid program (distributed by share of cost-burdened households to cities with populations over 10,000)
- 50% to the metropolitan county portion of the new Local Affordable Housing program (distributed by 3% to each of the seven counties, plus as a share of cost-burdened households)

The 93rd Legislature also approved a Statewide Local Housing Aid program funding through appropriations. Both programs have the same criteria for metro-area jurisdictions, and so are treated as a single program for this memo.

Funding anticipated 2023-2026

Source	2023	2024	2025	2026
Statewide Local Housing Aid	\$1,721,944 ¹	\$3,913,509 ²	\$3,913,509	\$1,721,944
Local Affordable Housing Aid		\$22 million ³	\$29 million	\$29 million

¹ Amount to be disbursed December 26, 2023

² Amount yet to be confirmed; half disbursed July 20, 2024, half December 26, 2024

³ Amount to be announced by August 1, 2024, based on revenues collected through June 1, 2024, and disbursed December 26, 2024

Qualifying projects

Statute outlined three categories of eligible projects:

- Emergency rental assistance <80% AMI
- Financial support to nonprofit affordable housing providers in their mission to provide safe, dignified, affordable and supportive housing
- Construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, refinancing, and gap financing of affordable housing (homeownership projects <115% AMI; rental < 80% AMI)

In addition, statute defined how funds should be prioritized:

- affordability (homeownership <80% AMI, rental < 50% AMI);
- reduce disparities in homeownership;
- reduce housing cost burden, housing instability, or homelessness;
- improve the habitability of homes;
- create accessible housing; or
- create more energy- or water-efficient homes.

Eligibility for our proven strategies

Several of Hennepin County’s proven strategies (highlighted in the Background section above) meet qualifying project definitions under Local Affordable Housing Aid.

Hennepin County’s proven strategies	Local Affordable Housing Aid
<i>Shelter diversion</i>	
<i>Financial empowerment</i>	
<i>24/7 shelter</i>	
<i>Case management</i>	
<i>Employment services</i>	
<i>Low barrier shelters</i>	
<i>Project based operating assistance</i>	
<i>Emergency renter assistance</i>	✓
<i>Supportive housing capital</i>	✓
<i>Supportive housing operating</i>	✓
<i>Single room occupancy</i>	✓
<i>NOAH Preservation</i>	✓
<i>Affordable housing accelerator</i>	✓
<i>Homeownership assistance</i>	✓

Implementation plan

The primary intent of this new funding source is to increase production of affordable housing in the metropolitan area. To do so, staff propose applying new Local Affordable Housing Aid funds to the proven strategies eligible under the statute. This strategy implements our disparities reduction framework and goals, and uses the program infrastructure already tested through the pandemic.

Since this is a new permanent source, staff recommend a multiphase approach to both meet immediate needs, and to pave the way for long-term impact.

First, the initial funds to arrive in late 2023 will launch a new permanent eviction prevention fund. This will continue the successes of the COVID-era eviction prevention, providing assistance at Housing Court where it is needed most.

Second, funding will repair and build the capacity of affordable housing developers. We will need a healthy ecosystem of developers and owners to truly expand affordable housing production, but our partners are still

struggling to keep existing projects open. Over the pandemic and recession, projects experienced tenants unable to pay rents on top of the increase in operating costs due to inflation and workforce issues. From 2024-2026, new funding will go to shore-up our developers and owners who have shown a long-term commitment to creating and maintaining affordable housing in Hennepin County, but who are at significant financial risk due to the pandemic.

Third, funding will support and augment the Human Services budget to ensure continuity of high-impact programs. Specifically, sales tax funds will support our community partners to deliver the wrap-around services that residents need to be successful in the projects receiving HRA’s Supportive Housing capital funds. Staff estimate that half of the 1,000 supportive housing units we finance from 2020-2030 will require a 15-year service or operating subsidy to cover unique operating and service gaps. Starting in 2025, new funding will be provided as up-front capitalized reserves to replace existing property tax commitments. Going forward, future commitments will not require ongoing annual property tax funding for these wrap-around services.

Fourth, once developer capacity is restored, we will work toward production (and not stop). Our pandemic recovery funding outcomes demonstrated that we make the biggest impact when developing a healthy pipeline of housing projects, while also providing strategic investments to finish high priority projects quickly. To that end, a portion of funds will expand the HRA’s Affordable Housing Incentive Fund, and a portion will resume the pandemic era “Affordable Housing Accelerator” fund that provided higher funding amounts to projects meeting key county priorities.

And finally, modest appropriations starting in 2026 will advance disparity reduction and climate impacts in homeownership creation and preservation.

Implementation phases	New permanent eviction prevention funding				
	Build developer capacity Support / augment HHS budget			Expand production	
Implementation years	2024	2025	2026	2027	2028
Emergency rental assistance	\$\$	\$\$	\$\$	\$\$	\$\$
Affordable rental housing: repair + grow capacity	\$\$\$	\$\$\$	\$\$\$		
Supportive housing operating		\$\$\$\$	\$\$\$	\$\$	\$\$
Affordable rental housing: increase and accelerate production			\$\$\$	\$\$\$\$\$	\$\$\$\$\$
Homeownership opportunities			\$	\$	\$
Homeownership preservation			\$	\$	\$

Once normalized, staff projects the following impacts:

Projected resident impacts by 2026

Program	Implementation	Annual funding	Annual impact
Emergency rental assistance	\$6000/household; 100% <30% AMI ; \$500K admin	\$5,000,000 (operating)	750 households

Affordable rental housing pipeline	Gap deferred financing for capital costs of creating/ preserving long-term affordable units; 25% < 30% AMI ; \$200K admin	\$5,000,000	270 units
Affordable rental housing accelerator	Deferred financing for capital costs of creating/ preserving high-impact long-term affordable units; 50% units < 30% AMI ; \$200K admin	\$11,250,000	90 units
Supportive housing operating	Capitalized reserves for unique services and operating costs for supportive housing projects; 100% < 30% AMI ; \$200K admin	\$3,750,000	50 units
Homeownership opportunities	Deferred financing for capital costs of building long-term affordable homes; 100% < 80% AMI ; \$200K admin	\$2,000,000	60 units
Homeownership preservation	Leverage other funding sources for low-barrier climate resiliency and home health and safety improvements; 100% < 60% AMI ; \$40K admin	\$500,000	24 units
Total		\$32,000,000	1,244 households/units

This implementation plan will be advanced for Board affirmation at an upcoming meeting. Please do not hesitate to contact David, Julia, or Kevin with any questions.

Thank you.

Cc: David Hough, County Administrator
 Dave Lawless, Chief Financial Officer
 Kareem Murphy, Intergovernmental Relations Director

Board Action Request

23-0437

Item Description:

Set 2024 special levies for Shingle Creek Watershed at \$986,265; Bassett Creek Watershed at \$2,238,000; West Mississippi Watershed at \$159,075; and Elm Creek Watershed at \$814,200

Resolution:

BE IT RESOLVED, that the 2024 special levy for the Shingle Creek Watershed Management Commission be set at \$986,265 to support five priorities in the commission's watershed management plan, including two water quality cost share programs, a maintenance fund, as well as the Pike Creek Stabilization Project in the city of Plymouth and the Brookdale Park Natural Channel Phase 1 Project in the city of Brooklyn Park; that the levy be certified to the County Auditor; and that the levy be placed on all taxable property under the jurisdiction of the Shingle Creek Watershed Management Commission; and

BE IT FURTHER RESOLVED, that the 2024 special levy for the Bassett Creek Watershed Management Commission be set at \$2,238,000 to support the Medley Park Stormwater Treatment Facility in the city of Golden Valley, the SEA School - Wildwood Flood Reduction Project in the city of Golden Valley, the Cost Share Purchase of a High-efficiency Street Sweeper Project in the city of Golden Valley, the Bassett Creek Main Stem Restoration Project in the city of Golden Valley, the Ponderosa Woods Stream Restoration Project in the city of Plymouth, and the Sochacki Park Water Quality Improvement project in the cities of Robbinsdale and Golden Valley; that the levy be certified to the County Auditor; and that the levy be placed on all taxable property under the jurisdiction of the Bassett Creek Watershed Management Commission; and

BE IT FURTHER RESOLVED, that the 2024 special levy for the West Mississippi Watershed Management Commission be set at \$159,075 to support two water quality cost share programs; that the levy be certified to the County Auditor; and that the levy be placed on all taxable property under the jurisdiction of the West Mississippi Watershed Management Commission; and

BE IT FURTHER RESOLVED, that the 2024 special levy for the Elm Creek Watershed Management Commission be set at \$814,200 to support two water quality cost share programs as well as the South Fork Rush Creek Stream Restoration Project in the city of Maple Grove, the CSAH 12/Dayton River Road Ravine Stabilization Project in the city of Dayton, and the Downtown Pond Expansion and Reuse Project in the city of Rogers; that the levy be certified to the County Auditor; and that the levy be placed on all taxable property under the jurisdiction of the Elm Creek Watershed Management Commission.

Background:

The Shingle Creek Watershed Management Commission has requested a special levy of \$986,265 to support five priorities in the commission's watershed management plan, including two water quality cost share programs, a maintenance fund, and two water quality projects. Earlier this year, the county board established the maximum levy to fund these same priorities at \$986,265. The programs, funds, and projects are more fully described in board action request 23-0290.

The Bassett Creek Watershed Management Commission has requested a special levy of \$2,238,000 for six water quality projects. Earlier this year, the county board established the maximum levy for these same

projects at \$2,238,000, which are more fully described in board action request 23-0288.

The West Mississippi Watershed Management Commission has requested a special levy of \$159,075 to support two water quality cost share programs. Earlier this year, the county board established the maximum levy to fund the cost-share programs at \$159,075, which are more fully described in board action request 22-0290.

The Elm Creek Watershed Management Commission has requested a special levy of \$814,200 for two water quality cost share programs and three water quality projects. Earlier this year, the county board established the maximum levy at \$814,200 for these projects and programs, which are more fully described in board action request 23-0289.

The projects proposed by the watersheds will be paid for by a special levy authorized pursuant to Minnesota Statutes §103B.251 and such levies are exempt from any statutory limitation on taxes. A county levying a tax under Minnesota Statutes §103B.251 shall not include that tax in the county's general levy but shall separately certify that amount to the County Auditor. The County Auditor shall extend that levy as a special taxing district.

Current Request:

This request is to set the Shingle Creek Watershed Management Commission 2024 special levy at \$986,265, the Bassett Creek Watershed Management Commission 2024 special levy at \$2,238,000, the West Mississippi Watershed Management Commission 2024 special levy at \$159,075, and the Elm Creek Watershed Management Commission 2024 special levy at \$814,200 for projects that improve water quality. This request also establishes that levies for each commission be certified by the County Auditor and each levy to be placed on taxable properties under the jurisdiction of each respective commission.

Impact/Outcomes:

The special levies will fund projects that will facilitate the improved water quality and habitat of a wide variety of water resources throughout the county. Projects in this request will improve water quality and aquatic habitat throughout the Shingle Creek, Bassett Creek West Mississippi, and Elm Creek watershed areas.

These projects will also contribute to make Hennepin County more resilient to climate change by creating streambanks that are better able to withstand high flows associated with increasing precipitation patterns, and by improving water quality in advance of wetter and warmer mid-century conditions.

This action supports the county's disparity reduction efforts by enhancing stormwater management systems and mitigating the flooding risks that climate change poses to our infrastructure and vulnerable populations.

Recommendation from County Administrator: Recommend Approval

Board Action Request

23-0474

Item Description:

Review and approval of Three Rivers Park District 2024 Budget

Resolution:

BE IT RESOLVED, Under M.S. 383B.73 subdivision 1, the Hennepin County Board of Commissioners has fifteen days to comment after the Park Board submits its budget to the county. The county received the Park District budget on November 9, 2023. The County Board has no recommended changes to the budget.

Background:

As proposed by the superintendent the 2024 General Fund Operating Budget is \$50,841,662, an increase of \$2,115,865 or 4.34% from the 2023 amended budget. The operating levy is going up by \$970,740 or 2.4%. The debt service levy is increasing \$699,383 or 9.5%. The total budgeted property tax levy including debt service is \$49,329,617 or \$1,670,123 or 3.5% more than 2023. A summary of the budget is attached. Staff recommends no changes to the budget.

Recommendation from County Administrator: Recommend Approval



Three Rivers

PARK DISTRICT



2024 General Fund Operating Budget



Three Rivers

PARK DISTRICT

2024 GENERAL FUND OPERATING BUDGET

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Introduction

An annual budget is often viewed as a set of numbers showing what resources are available and how an organization is planning to use them. However, the real value of a budget comes from understanding the organization's goals, priorities and planned actions that helped determine the budget amounts. The Park District's 2024 General Fund Operating Budget is centered around its mission and System Plan and provides a road map for 2024 operations and how the Park District will manage the challenges it faces.

Three Rivers Park District was created in 1957 and is responsible for managing approximately 27,000 acres of parkland and hundreds of miles of trails in the suburbs of Minneapolis. The Park District's mission is to "promote environmental stewardship through recreation and education in a natural resource-based park system." This mission requires the Park District to consider how best to manage and preserve natural resources while providing unique recreational and educational opportunities. Inclusion of these two core values in the mission statement is meant to ensure the Park District considers both issues financially and philosophically as decisions are made. The 2024 General Fund Budget provides an outline of how the Park District intends to meet these conflicting goals.

Priorities of the 2024 General Fund Operating Budget

The Park District's 2024 General Fund Operating Budget totals \$50,841,662 and provides funding for the goals and priorities identified below through a combination of property taxes, Metropolitan Council grants, park guest fees, and other revenue sources.

Continue to provide high quality facilities, programs, and recreational opportunities.

The 2024 General Fund Operating Budget continues to provide the public with the high-quality facilities, programs and recreational opportunities for which the Park District is known and respected. The Park District's facilities, including visitor centers, nature centers, play areas, picnic shelters and trails, provide users with unique opportunities to learn about and interact with their surroundings. Educational programs led by highly skilled naturalists and recreation staff provide wonderful opportunities to recreate and/or learn about the natural world. And, through a variety of casual recreation opportunities, including picnicking surrounded by nature, biking and hiking on more than 175 miles of regional trails, swimming in a lake or a chlorinated swim pond, and cross-country skiing just to name a few, the Park District is dedicated to meeting the desires of its users.

Priority for funding in 2024 was given to those budget initiatives that maintain and support the level of service provided in past years including increased funding for regular and seasonal staff wages and benefits and funding for increased costs of goods and services.

Continue to manage natural resources, be a leader in natural resource management issues and educate the public on natural resource management issues.

Management of open space and natural resources and the education of natural resources issues continues to grow in importance. Invasive species, both aquatic and land based, continue to impact natural resources and the Park District maintains its leadership role and works closely with state and local partners in managing and controlling these threats. The 2024 General Fund Operating Budget will continue to provide the resources necessary for water quality testing and studies, wildlife study and management, forest and prairie restoration and maintenance of landscaped areas by funding the hiring and retention of highly

qualified staff, many of whom are viewed as experts in their fields and providing them with the funding needed to efficiently and effectively do their jobs.

Continue implementation of the System Plan by providing a wide range of services to Park District users both within existing park locations and in resident's local communities.

The Park District's System Plan calls for Park District facilities and programs to be welcoming, provide a variety of activities throughout the recreation spectrum and reach out to underrepresented communities and groups. The Park District continues to invest in programs and partnerships to increase our presence in many communities through visits to community festivals and parks, collaborative educational programming at a variety of sites outside of our parks, programs as part of school curriculums and collaborating with other partners to reach targeted populations. The 2024 budget funds these efforts through staff dedicated to offering these services and reaching out to new groups as they are identified.

Use non-property tax revenue to fund needed budget increases.

After a decade of little to no property tax increases, the Park District finds itself in a period of increasing total property tax levies. The Park District believes the total property tax increase, which includes both the operating and debt service levy, is what should be measured since this is the impact the property owner sees. The Park District is committed to using grants and user fees to maintain a low annual property tax increase.

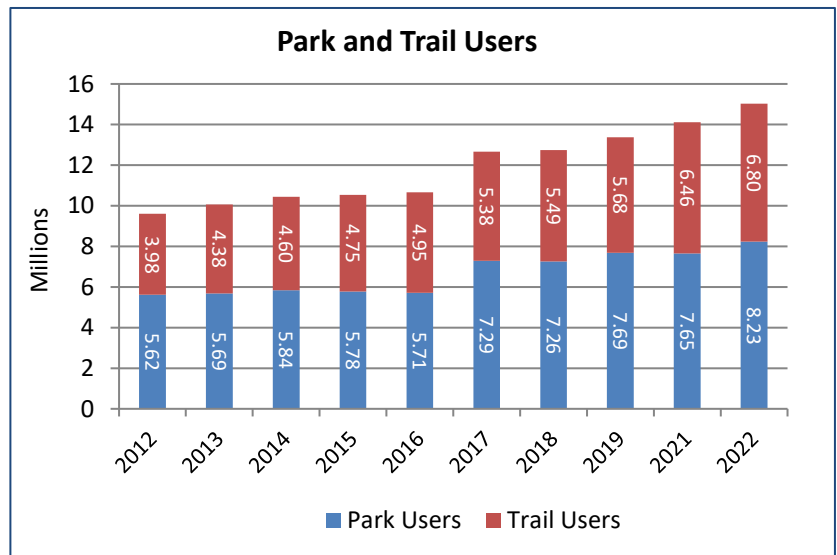
The 2024 budget uses \$1.16 million in increases from Metropolitan Council grants and park user revenue to fund fifty-five percent of the total budget increase.

Challenges Facing the Park District in 2024 and Beyond

Increased Park Visitation

Park users continue to enjoy the District's parks and trails in record numbers. Visitation increased to more than 15.1 million in 2022 as the popularity of parks and trails continues to grow. The Park District anticipates annual visitation will continue to increase for the foreseeable future.

The Park District is one of ten park agencies that make up the Metropolitan Regional Park System (the "System"), which is monitored and partially funded by the Metropolitan Council. The Park District historically accounts for more than 20% of the System's total visitation and both the Park District's and System's usage increased by 6.4% in 2022.



Increased visitation, combined with the high quality of service the District provides, will continue to impact the costs of operating and maintaining both parks and trails. Increased visitation requires more maintenance costs, increased cleaning costs and ultimately, additional staff to meet park user's needs.

Wages and Benefits

Park staff and the services they provide play an important part in attracting and retaining park users. For that reason, the hiring and retaining of highly qualified, creative, and dedicated staff is an annual priority. Wages and benefits account for 79% of the General Fund Budget. Increases in wages and benefits are influenced by internal factors (such as contracts, insurance premiums etc.) and external factors (labor market, wages offered by others, etc.) making it an annual challenge to stay competitive in the labor market. Changes to compensation and benefits during 2023 has helped the Park District recruit and retain staff, but the District needs to continue to review and change budget parameters to remain competitive. The 2024 Budget contains additional increases in seasonal rates, wage adjustments for targeted positions where employee retention is an issue and benefit changes designed to keep the District competitive within the local economy.

Natural Resources Management

Natural resource management is a principal element of the District's mission. The District needs to be proactive in protecting natural resources from aquatic, forest and prairie invasive species in order to meet its mission and provide high quality natural resources experiences for park visitors. Meeting this need requires the ability to identify potential invasives, to control their spread, effectively treat the invasive and replace the invasive with native materials. In addition, since management practices within Park District properties and throughout the area have the ability to impact natural resources, working with and educating the public and cooperating with other interested groups is absolutely necessary to be successful in managing natural resources. The 2024 budget includes more than \$4.425 million dedicated to the management of natural resources. Future budgets will need to continue to include these efforts and the costs associated with them.

Property Taxes

The Park District's largest revenue stream comes from the property tax levied against all property in suburban Hennepin County. The property tax levy has two components; an operating levy and a debt service levy. The operating levy is used to fund daily operations and the Board of Commissioners has the responsibility for setting the operating levy each year. The operating levy is limited by state statute to .03224% of taxable market value. The Park District monitors its levy compared to this limit annually, but has always been well below the limit. The levy limit for 2024 is \$57.6 million while the actual operating levy is \$41.2 million. The second component, the debt service levy, must be used to pay the principal and interest on debt issued for park acquisition and improvements. This amount can be decreased if adequate funds are on hand to help pay principal and interest costs.

Property Tax Levy History		
Year	Levy Amount (in millions)	Percent Change
2014	40.30	--
2015	41.21	2.3%
2016	41.47	0.6%
2017	41.46	--
2018	41.44	--
2019	41.43	--
2020	42.63	2.9%
2021	43.74	2.6%
2022	45.47	4.0%
2023	47.66	4.8%
2024	49.33	3.5%

The combined impact of the two components of the tax levy are what the taxpayer sees and hence, the overall tax levy is the amount the Park District has worked to control. As the table to the left shows, the Park District has avoided large annual tax increases. During the same period, the District has continued to provide core services while adding trails and new services. Decreases to the debt service levy have often resulted in corresponding changes to the operating levy in an effort to not increase the tax burden of suburban Hennepin County residents. In fact between 2014 and 2024, the annual tax levy increase has averaged \$903,000 (2.25%) with five years showing an increase of less than one percent. As the table shows, the ability to convert debt service levy decreases into operating levy increases is no longer a mechanism available to continue to fund operational increases. The 3.5%

property tax increase for 2024 results in a \$1.77 per year increase in the taxes for a homeowner in suburban Hennepin County with a home valued at \$417,350 (the median residential value for suburban Hennepin County).

In an effort to plan for the future, the Park District has used a model which projects potential property tax increases five years into the future. The model, which allows for operational growth and anticipated future debt service costs, projects property tax increases for the next 5 years to be between 3% and 5% each year. This model provides a starting point for future budgets and the actual tax levy increase will be determined annually based on priorities and the District's ability to use other strategies to balance the budget including reallocating resources to higher priority activities and increasing user fees.

Park District System Plan

The Park District System Plan identifies the Park District's vision and goals for the future and will guide decision making and budget priorities. The vision of the 2040 System Plan is to make nature easily accessible for all people to experience and appreciate on a regular basis, foster connections to nature through high quality education programs and recreational offerings and inspire curiosity, promote stewardship, and improve the quality of life while preserving natural resources for future generations.

Achieving this vision will require the Park District to continue looking at how and where recreational services are provided and will need to include searching for partners to help provide services. Currently the Park District partners with a number of cities, school districts and other organizations to provide recreational and educational services. Future partnerships will be needed if the Park District is to continue to meet the user's and taxpayer's recreational and educational needs and desires while facing increasing costs driven by market conditions and continued increase in the number of park visits and requested services.

Funding for the 2024 General Fund Operating Budget

Funding for the 2024 General Fund Operating Budget is provided by property taxes, user fees, intergovernmental revenues, and other miscellaneous revenues. The following table summarizes the sources of funding over the last 4 years:

Source of Revenue	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2024 Budget Over/(Under) 2023 Budget	
					Dollars	%
Property Taxes	\$35,937,829	\$38,036,512	\$39,589,211	\$40,540,536	\$ 951,325	2.40%
Park Use	7,129,004	7,529,268	7,345,406	7,370,622	25,216	0.34%
Grants-Met Council	1,163,924	1,168,043	1,139,146	2,271,470	1,132,324	99.40%
Grants-Other	234,796	297,648	120,000	120,000	---	---
Interfund Transfers	23,546	57,614	76,732	76,732	---	---
Interest Income	-93,487	-677,044	200,000	200,000	---	---
Other Revenue	300,767	291,679	255,302	262,302	7,000	2.74%
Total Revenue	\$44,696,379	\$46,703,720	\$48,725,797	\$50,841,662	\$2,115,865	4.34%

The increase in property tax revenue is due to the 3.5% property tax levy increase discussed above. The percentage shown is less than the 3.5% increase since the information in the above table only includes the operating portion of the levy, which accounts for 83.6% of the total levy.

The budget for park use revenue is increasing as a result of changes in the revenue estimates for a variety of park locations and revenue sources. The estimate changes include reductions in revenues at Mississippi Gateway Regional Park due to reconstruction of the park and its amenities that is occurring in 2024 and The Landing resulting from changes in operations.

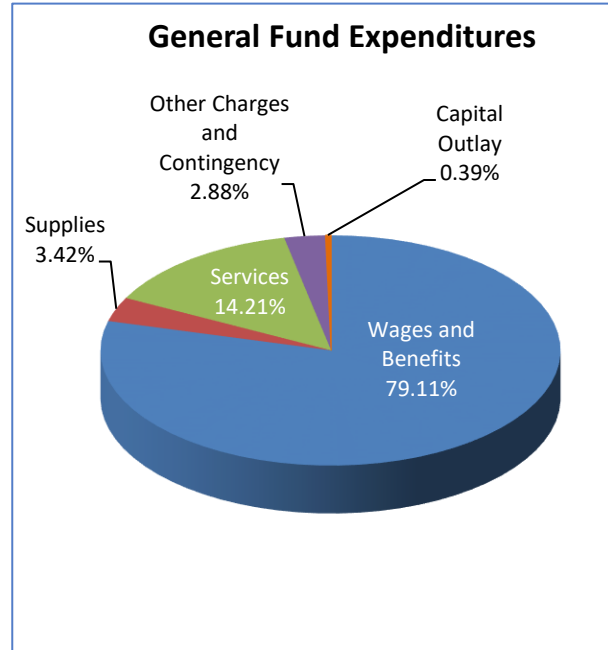
The increase in Met Council grants comes from an increase in annual funding of \$411,000, a repurposing of Lottery-in-Lieu-of funding from the Asset Management Program to the operating budget of \$321,000 and the first of four allocations from a new \$1.6 million state grant for operations.

A more detailed listing of revenues in the 2024 budget can be found on the Revenue Summary by Source table included on page 7.

Expenses included in the 2024 General Fund Operating Budget

Expenses contained in the 2024 General Fund Operating Budget are related to the costs for wages and benefits, supplies, services, and other charges required to conduct the Park District’s day to day operations. Major changes from 2024 include the following:

- Increased wage costs due to 2024 salary adjustments including a 1.5% general wage increase, changes required by union contracts, and the continuation of performance and step-based pay systems (\$1,063,809).
- Increased seasonal staffing hourly rates based on economic conditions and union contract requirements (\$265,417).
- Increased health, life and dental insurance premiums that are shared between the Park District and its employees (\$372,508).
- Increased contribution from the General Fund to manage the costs of operating and maintaining the District's fleet of vehicles and equipment (\$104,000).
- Increased utility and contractual costs whose increases are based on rising prices and are beyond the District's control (\$157,532)
- Wage increases for selected positions that have been subject to repeated staff turnover due to lower than market wages (\$71,646)
- Increased contributions to health insurance costs for employees with high deductible plans to offset increases in the deductible maximum over the past four years (\$45,005).
- Increased operating costs required for Mississippi Gateway Regional Park (\$17,810).
- Increases in a variety of operating costs including training, supplies and contractual services (\$15,638).
- Maintain three vacant positions to allow the flexibility to react to staffing needs as 2024 unfolds.
- Increase the contingency in the budget to provide funds for unforeseen issues that may arise during 2024 (\$2,500).



**2024 GENERAL FUND OPERATING BUDGET
REVENUE SUMMARY BY SOURCE**

Source of Revenue	2021 Actual	2022 Actual	2023 Amended Budget	2024 Budget	2024 Budget Over/ (Under) 2023 Budget	
					Dollars	%
Property Taxes						
Current	\$35,880,892	\$38,019,809	\$39,471,563	\$40,422,888	\$951,325	2.41%
Delinquent	56,937	16,703	117,648	117,648	--	--
Total Property Taxes	35,937,829	38,036,512	39,589,211	40,540,536	951,325	2.41%
Park Use						
Special Use Fees	1,311,975	1,123,700	1,340,324	1,341,324	1,000	.07%
Public Programming	746,974	873,713	734,003	699,722	(34,281)	(4.67%)
Group Education	268,750	393,725	421,843	391,993	(29,850)	(7.08%)
Reservations	277,686	256,563	193,163	208,263	15,100	7.82%
Equipment Rental	516,997	404,189	446,477	461,477	15,000	3.36%
Camping	658,497	689,696	581,798	596,698	14,900	2.56%
Tubing	342,457	630,474	628,403	628,403	--	--
Cross Country Ski Fees	941,527	888,648	827,052	827,052	--	--
Facility Use Fees	638,304	726,302	709,756	724,103	14,347	2.02%
Concessions	542,029	657,696	632,198	633,198	1,000	.16%
Other	884,223	884,562	830,389	858,389	28,000	3.37%
Total Park Use	7,129,419	7,529,268	7,345,406	7,370,622	25,216	.34%
Intergovernmental						
State - Oper. & Maint	685,834	689,953	661,056	671,470	10,414	1.58%
State - Public Safety	106,351	120,869	120,000	120,000	--	--
State - Lottery In Lieu of	478,090	478,090	478,090	1,200,000	721,910	151.00%
Other Grants	128,445	176,779	--	400,000	400,000	100.00%
Total Intergovernmental	1,398,720	1,465,691	1,259,146	2,391,470	1,132,324	89.93%
Transfers						
Operating Transfers From:						
Noerenberg Trust Fund	23,546	57,614	42,936	42,936	--	--
Donations Fund	--	--	33,796	33,796	--	--
Park Maintenance Fund	--	--	--	--	--	--
Total Transfers	23,546	57,614	76,732	76,732	--	--
Other						
Interest Income	46,233	171,743	200,000	200,000	--	--
Unrealized Gain/(Loss) on Investments	(139,720)	(848,787)	--	--	--	--
Charges for Services	136,203	127,311	106,836	106,836	--	--
Fines and Forfeitures	53,807	30,960	25,000	30,000	5,000	20.00%
Miscellaneous Revenue	110,757	133,408	123,466	125,466	2,000	1.62%
Total Other	207,280	(385,365)	455,302	462,302	7,000	1.54%
Total Revenue	\$44,696,794	\$46,703,720	\$48,725,797	\$50,841,662	\$2,115,865	4.34%

**2024 GENERAL FUND OPERATING BUDGET
EXPENDITURE SUMMARY BY TYPE**

Type of Expenditure	2021 Actual	2022 Actual	2023 Amended Budget	2024 Budget	2024 Budget Over (Under) 2023 Budget	
					Dollars	Percent
Personal Services	\$ 34,148,409	\$ 35,291,815	\$ 38,394,931	\$ 40,218,756	\$ 1,823,825	4.75%
Commodities and Supplies	1,554,918	1,831,272	1,723,073	1,737,875	14,802	0.86%
Contracted Services	5,981,675	6,690,731	6,979,460	7,222,787	243,327	3.49%
Other Charges	1,224,052	1,301,958	1,370,328	1,401,739	31,411	2.29%
Capital Outlay	82,256	289,715	196,600	196,600	--	--
Contingency	--	--	30,000	32,500	2,500	8.33%
Transfers to Other Funds	19,650	30,412	31,405	31,405	--	--
TOTAL	<u>\$ 43,010,960</u>	<u>\$ 45,435,903</u>	<u>\$ 48,725,797</u>	<u>\$ 50,841,662</u>	<u>\$ 2,115,865</u>	4.34%

**2024 GENERAL FUND OPERATING BUDGET
EXPENDITURE SUMMARY BY FUNCTION**

	2021 Actual	2022 Actual	2023		2024 Budget Over/(Under)	
			Amended Budget	2024 Budget	2023 Budget	
					Dollars	Percent
Park Maintenance						
Park and Trail Maintenance	\$10,332,967	\$10,875,762	\$ 11,775,898	\$ 12,073,611	\$ 297,713	2.53%
Park Maintenance Management	443,721	406,443	393,812	478,488	84,676	21.50%
Carpentry	751,994	780,801	791,086	865,867	74,781	9.45%
Central Services	774,269	819,596	877,390	916,904	39,514	4.50%
	<u>12,302,951</u>	<u>12,882,602</u>	<u>13,838,186</u>	<u>14,334,870</u>	<u>496,684</u>	<u>3.59%</u>
Public Safety	1,895,443	2,089,191	2,305,178	2,380,636	75,458	3.27%
Recreation, Education and Natural Resources						
Park Facility Services	3,458,433	3,529,820	4,145,632	4,383,468	237,836	5.74%
Park Facility Management	820,807	767,592	815,033	917,591	102,558	12.58%
Nature and Outdoor Education	6,406,889	7,106,784	7,658,451	7,958,728	300,277	3.92%
Outdoor Education Management	293,558	340,432	426,198	469,796	43,598	10.23%
Recreation Programming	933,427	827,320	1,104,187	1,064,488	(39,699)	(3.60%)
Forestry and Horticulture	2,045,019	2,215,126	2,340,759	2,454,317	113,558	4.85%
Wildlife	749,230	810,699	861,316	936,943	75,627	8.78%
Water Resources	632,525	595,262	723,817	746,251	22,434	3.10%
Natural Resources Management	194,167	254,456	277,550	291,043	13,493	4.86%
Division Administration	455,213	597,797	655,231	675,841	20,610	3.15%
Total Recreation, Education and Natural Resources	<u>15,989,268</u>	<u>17,045,288</u>	<u>19,008,174</u>	<u>19,898,466</u>	<u>890,292</u>	<u>4.68%</u>
Park Design, Planning and Technology						
Design/Development	772,859	833,565	680,213	715,845	35,632	5.24%
Planning	741,829	788,086	805,790	856,344	50,554	6.27%
Research	265,624	288,529	350,367	370,404	20,037	5.72%
Technology	2,339,333	2,404,432	2,548,778	2,685,626	136,848	5.37%
Division Administration	311,259	330,029	337,622	248,549	(89,073)	(26.38%)
Total Park Design and Planning	<u>4,430,904</u>	<u>4,644,641</u>	<u>4,722,770</u>	<u>4,876,768</u>	<u>153,998</u>	<u>3.26%</u>

**2024 GENERAL FUND OPERATING BUDGET
EXPENDITURE SUMMARY BY FUNCTION**

	2021 Actual	2022 Actual	2023 Amended Budget	2024 Budget	2024 Budget Over/(Under) 2023 Budget	
					Dollars	Percent
Administration						
Board of Commissioners	190,560	192,390	234,186	156,142	(78,044)	(33.33%)
Office of the Superintendent	853,365	881,940	766,996	1,105,675	338,679	44.16%
Total Administration	1,043,925	1,074,330	1,001,182	1,261,817	260,635	26.03%
General Government Functions						
Finance	2,381,055	2,356,036	1,813,126	1,839,474	26,348	1.45%
Communications Community Engagement/Outreach	1,084,442	1,071,426	1,337,829	1,403,866	66,037	4.94%
Guest Relations	748,428	859,119	954,085	992,466	38,381	4.02%
Human Resources	820,547	873,304	949,158	997,594	48,436	5.10%
Administration	1,770,184	1,758,698	2,194,700	2,229,518	34,818	1.59%
Total General Government Functions	441,907	461,141	343,404	365,682	22,278	6.49%
	7,246,563	7,379,724	7,592,302	7,828,600	236,298	3.11%
Capital Outlay	82,256	289,715	196,600	196,600	--	--
Operating Transfers	19,650	30,412	31,405	31,405	--	--
Contingency	--	--	30,000	32,500	2,500	8.33%
TOTAL EXPENDITURES	<u>\$ 43,010,960</u>	<u>\$45,435,903</u>	<u>\$48,725,797</u>	<u>\$50,841,662</u>	<u>\$2,115,865</u>	4.34%

THREE RIVERS PARK DISTRICT COMPARISON OF ACTUAL 2023 AND 2024 PROPERTY TAX LEVY

	OPERATING BUDGET		DEBT SERVICE		TOTAL	
	2023	2024	2023	2024	2023	2024
Gross amount required from Property Tax	\$39,471,563	\$40,422,888	\$7,382,389	\$8,081,772	\$46,853,952	\$48,504,660
Divided by collection rate of 98.0% (Operating Budget only)	98%	98%	N/A	N/A	N/A	N/A
Amount required from Property Tax Levy	\$40,277,105	\$41,247,845	\$7,382,389	\$8,081,772	\$47,659,494	\$49,329,617
Percent Increase						3.50%
Less: Fiscal Disparities	(2,943,445)	(2,716,422)	(539,504)	(532,234)	(3,482,949)	(3,248,656)
LOCAL LEVY NEEDED	<u>\$37,333,660</u>	<u>\$38,531,423</u>	<u>\$6,842,885</u>	<u>\$7,549,538</u>	<u>\$44,176,545</u>	<u>\$46,080,961</u>
Value used for levy rate	\$1,786,736,647	\$1,924,258,481	\$1,786,736,647	\$1,924,258,481	\$1,786,736,647	\$1,924,258,481
(x) Net Tax Capacity Rate	0.02089	0.02002	0.00383	0.00392	0.02472	0.02394
LEVY BY HENNEPIN COUNTY	<u>\$37,324,929</u>	<u>\$38,523,655</u>	<u>\$6,843,201</u>	<u>\$7,543,093</u>	<u>\$44,168,130</u>	<u>\$46,066,748</u>

Tax Levy for Operations Limit	
Total Market Value	\$178,820,081,588
Percentage	0.03224%
	57,651,594
2024 Property Tax Levy	41,247,845
Unused Tax Levy Authority	<u>\$16,403,749</u>

**THREE RIVERS PARK DISTRICT
COMPARISON OF 2023 AND 2024 PROPERTY TAX AMOUNTS
FOR SELECTED RESIDENTIAL PROPERTIES**

	OPERATING BUDGET		DEBT SERVICE		TOTAL	
	2023	2024	2023	2024	2023	2024
If market value = \$300,000 in 2023	\$300,000	\$314,400	\$300,000	\$314,400	\$300,000	\$314,400
Market Value Exclusion	\$10,240	\$8,944	\$10,240	\$8,944	\$10,240	\$8,944
Tax Capacity @ 1.00%	\$2,898	\$3,055	\$2,898	\$3,055	\$2,898	\$3,055
(x) Net Tax Capacity Rate (decimal)	0.02090	0.02002	0.00383	0.00392	0.02473	0.02394
Three Rivers Park District Tax	\$60.57	\$61.16	\$11.10	\$11.98	\$71.67	\$73.14
If market value = \$400,000 in 2023	\$400,000	\$419,200	\$400,000	\$419,200	\$400,000	\$419,200
Market Value Exclusion	\$1,240	\$0	\$1,240	\$0	\$1,240	\$0
Tax Capacity @ 1.00%	\$3,988	\$4,192	\$3,988	\$4,192	\$3,988	\$4,192
(x) Net Tax Capacity Rate (decimal)	0.02090	0.02002	0.00383	0.00392	0.02473	0.02394
Three Rivers Park District Tax	\$83.35	\$83.92	\$15.27	\$16.43	\$98.62	\$100.35
If market value = \$500,000 in 2023	\$500,000	\$524,000	\$500,000	\$524,000	\$500,000	\$524,000
Market Value Exclusion	\$0	\$0	\$0	\$0	\$0	\$0
Tax Capacity @ 1.00%	\$5,000	\$5,240	\$5,000	\$5,240	\$5,000	\$5,240
(x) Net Tax Capacity Rate (decimal)	0.02090	0.02002	0.00383	0.00392	0.02473	0.02394
Three Rivers Park District Tax	\$104.50	\$104.90	\$19.15	\$20.54	\$123.65	\$125.44

For each example, it is assumed that the market value of the property from 2023 to 2024 will increase by 4.8% which is the increase in valuation for the Park District as a whole.

The Market Value Exclusion is a method used by the state to subsidize residential property taxes by decreasing their taxable value. It is a graduated system providing greater relief for lower valued properties. It is calculated as 40% of a home's value if the home is valued under \$76,000. For properties over \$76,000, the exclusion is \$30,400 minus 9% of the value over \$76,000.

2024 GENERAL FUND OPERATING BUDGET FULL TIME EQUIVALENT POSITIONS

PARK AND TRAIL MAINTENANCE		
Positions	Full-Time Equivalents	
	2023	2024
Director of Maintenance (1)	0.50	0.50
Senior Manager of Parks and Trails Maintenance (1)	1.00	1.00
Park Maintenance Supervisor (6)	6.00	6.00
Golf Maintenance Supervisor (1)	0.20	0.20
Crew Chief (12)	12.00	12.00
Park Technician (20)	17.35	17.35
Park Keeper (13)	13.00	13.00
Park Worker (14)	14.00	14.00
Dam Operations Specialist (1)	1.00	1.00
Golf Specialist (1)	0.20	0.20
Ski Area Specialist - (1)	1.00	1.00
Senior Project Technician (1)	1.00	1.00
Custodian (14)	13.50	13.50
Administrative Specialist (1)	1.00	1.00
Central Services Coordinator (1)	1.00	1.00
Electric/Building Supervisor (1)	1.00	1.00
Electrician (1)	1.00	1.00
HVAC Specialist - (1)	1.00	1.00
Construction Services Supervisor (1)	1.00	1.00
Carpenter (6)	5.70	5.70
Total – Regular Full Time Equivalent Positions	92.45	92.45
Total – Temporary/Intermittent Hours	62,645	62,645

PUBLIC SAFETY		
Positions	Full-Time Equivalents	
	2023	2024
Director of Public Safety (1)	1.00	1.00
Administrative Assistant (1)	1.00	1.00
Sergeant (2)	2.00	2.00
Police Officers (18)	11.25	11.25
Total – Regular Full Time Equivalent Positions	15.25	15.25
Total – Temporary/Intermittent Hours	0	0

Note: Positions shown are for the General Fund Operating Budget Only. Some positions may be split between the General Fund Operating Budget and other budgets.

2024 GENERAL FUND OPERATING BUDGET FULL TIME EQUIVALENT POSITIONS

DIVISION OF RECREATION, EDUCATION AND NATURAL RESOURCES		
Positions	Full-Time Equivalents	
	2023	2024
Associate Superintendent for Recreation, Education and Natural Resources (1)	1.00	1.00
Golf Operations Supervisor (1)	0.25	0.25
Program and Facility Coordinator (1)	1.00	1.00
Director of Facility Services (1)	1.00	1.00
Park Operations Supervisor (5)	5.00	5.00
Alpine Patrol Supervisor (1)	0.10	0.10
Golf Operations Supervisor (1)	0.20	0.20
Facility Supervisor (6)	5.75	5.75
Shift Leader (3)	1.55	1.55
Lead Facility Attendant (3)	1.80	1.80
Facility Attendant (1)	0.67	0.67
Facility Coordinator (4)	4.00	4.00
Ski School Supervisor (1)	1.00	1.00
Golf Program Supervisor (1)	0.20	0.20
Food Service Supervisor (1)	0.70	0.70
Public Service Supervisor (1)	1.00	1.00
Park Service Assistant (8)	7.80	7.80
Park Security Supervisor (1)	1.00	1.00
Division Office Assistants (3)	3.00	3.00
Recreation Supervisor (1)	1.00	1.00
Recreation Program Specialist (5)	3.90	3.90
Outdoor Recreation Educator (2)	1.30	1.30
Office Support Assistant (1)	1.00	1.00
Director of Natural Resources Management (1)	1.00	1.00
Senior Manager of Forestry (1)	1.00	1.00
Horticulture Operations Supervisor (1)	1.00	1.00
Garden Operations Specialist (1)	1.00	1.00
Landscape Specialist (1)	1.00	1.00
Nursery Operations Manager (1)	1.00	1.00
Natural Resources Supervisor – Forestry (1)	1.00	1.00
Forestry Operations Specialist (1)	1.00	1.00
Nursery Operations Specialist (1)	1.00	1.00
Propagation Specialist (1)	1.00	1.00
Technicians (4)	4.00	4.00
Forestry Keepers (3)	3.00	3.00
Senior Manager of Wildlife (1)	1.00	1.00
Natural Resources Supervisor – Wildlife (1)	1.00	1.00
Invasive Species Coordinator (1)	1.00	1.00
Wildlife Biologist (0)	1.00	0.00
Wildlife Specialist (3)	2.00	3.00
Senior Manager of Water Resources (1)	1.00	1.00
Water Resources Supervisor (1)	1.00	1.00
Water Resources Specialist (2)	2.00	2.00
Water Resources Technician (1)	1.00	1.00
Office Support Assistant (1)	1.00	1.00

Note: Positions shown are for the General Fund Operating Budget Only.

**2024 GENERAL FUND OPERATING BUDGET
FULL TIME EQUIVALENT POSITIONS**

DIVISION OF RECREATION, EDUCATION AND NATURAL RESOURCES (Continued)		
Positions	Full-Time Equivalents	
	2023	2024
Director of Outdoor Education (1)	1.00	1.00
Program and Facility Coordinator (1)	1.00	1.00
Outdoor Education Supervisor (5)	5.00	5.00
Education Coordinator (1)	1.00	1.00
Interpretive Naturalist (28)	25.25	25.25
Naturalist Programmer (1)	0.50	0.50
Environmental Educator (2)	1.70	1.70
Historical Interpreter (4)	2.90	2.90
Recreation Specialist (1)	1.00	1.00
Office Support Assistant (8)	6.05	6.05
Administrative Assistant (1)	1.00	1.00
Food Service Supervisor (1)	0.60	0.60
Silverwood Park Supervisor (1)	1.00	1.00
Facility Supervisor (1)	1.00	1.00
Café Supervisor (1)	0.60	0.60
Lead Barista (5)	3.00	3.00
Art Program Coordinator (1)	1.00	1.00
Art Educator (6)	4.60	4.60
Interpretive Naturalist (2)	1.50	1.50
Event Host (1)	0.60	0.60
Office Support Assistant (1)	1.00	1.00
Gale Woods Farm Supervisor (1)	1.00	1.00
Farm Operators Specialist (1)	1.00	1.00
Farm Program Coordinator (1)	1.00	1.00
Farm Educator (5)	4.80	4.80
Historical Interpreter (1)	1.00	1.00
Garden Operations Coordinator (1)	0.80	0.80
Office Support Assistant (3)	1.80	1.80
Total - Regular Full Time Equivalent Positions	145.92	145.92
Total - Temporary/Intermittent Hours	176,431	175,323

Division of Administration		
Positions	Full-Time Equivalents	
	2023	2024
Commissioners (7)		
Superintendent (1)	1.00	1.00
Executive Assistant (1)	1.00	1.00
Legal Counsel (1)	0.75	0.75
Vacant Position on Hold		
Historical Program Supervisor	1.00	1.00
Administrative Assistant-Planning, Design and IT	1.00	1.00
Organizational Development Coordinator	1.00	1.00
Total - Regular Full Time Equivalent Positions	5.75	5.75
Total - Temporary/Intermittent Hours	0.00	0.00

**2024 GENERAL FUND OPERATING BUDGET
FULL TIME EQUIVALENT POSITIONS**

DIVISION OF PARK DESIGN AND PLANNING		
Positions	Full-Time Equivalents	
	2023	2024
Associate Superintendent for Design, Planning and IT (1)	1.00	1.00
Director of Design (1)	1.00	1.00
Senior Manager of Engineering (1)	1.00	1.00
Project Manager (2)	2.00	2.00
Senior Engineering Technician (1)	1.00	1.00
Director of Planning (1)	1.00	1.00
Principal Planner (1)	1.00	1.00
Associate Planner (1)	0.50	0.50
Landscape Architect (1)	1.00	1.00
Senior Manager of Regional Trails (1)	1.00	1.00
Senior Manager of Research (1)	1.00	1.00
Research and Evaluation Analyst (1)	1.00	1.00
Planning and Research Coordinator (1)	1.00	1.00
Director of Information Technology (1)	1.00	1.00
Senior Manager of Technology Infrastructure (1)	1.00	1.00
IT Network Administrator (1)	1.00	1.00
Senior Manager of GIS/ Business Applications (1)	1.00	1.00
GIS Technician (2)	2.00	2.00
Enterprise Applications Administrator (2)	2.00	2.00
IT Support Analyst (2)	2.00	2.00
IT Support Technician (2)	2.00	2.00
Office Support Assistant (1)	0.50	0.50
Total – Regular Full Time Equivalent Positions	26.00	26.00
Total – Temporary/Intermittent Hours	4,012	4,012
GENERAL GOVERNMENT FUNCTIONS		
Positions	Full-Time Equivalents	
	2023	2024
Chief Financial Officer (1)	1.00	1.00
Senior Finance Manager (1)	1.00	1.00
Accountant II (1)	1.00	1.00
Accountant I (2)	2.00	2.00
Treasury Manager (1)	1.00	1.00
Accountant III (1)	1.00	1.00
Accountant II (1)	1.00	1.00
Accountant I (1)	1.00	1.00
Accountant I - Insurance (1)	1.00	1.00
Records Management Technician (1)	1.00	1.00

Note: Positions shown are for the General Fund Operating Budget Only. Some positions may be split between the General Fund Operating Budget and other budgets.

2024 GENERAL FUND OPERATING BUDGET FULL TIME EQUIVALENT POSITIONS

GENERAL GOVERNMENT FUNCTIONS - Continued		
Positions	Full-Time Equivalents	
	2023	2024
Director of Marketing and Community Engagement (1)	1.00	1.00
Media and Intergovernmental Relations Specialist (1)	1.00	1.00
Communications Manager (1)	1.00	1.00
Marketing Coordinator (1)	1.00	1.00
Senior Graphic Designer (2)	2.00	2.00
Photo/Video Media Specialist (1)	1.00	1.00
Marketing Specialist (1)	1.00	1.00
Web Coordinator (1)	1.00	1.00
Digital Marketing Coordinator (1)	1.00	1.00
Media Relations Specialist (1)	1.00	1.00
Community Engagement Supervisor (1)	1.00	1.00
Community Engagement Coordinator (3)	3.00	3.00
Volunteer and Donor Relations Supervisor (1)	1.00	1.00
Volunteer Resources Coordinator (2)	2.00	2.00
Office Support Assistant (2)	2.00	2.00
Guest Services/Events Manager (1)	1.00	1.00
Guest Services Sales and Event Specialist (1)	1.00	1.00
Guest Services Representative (5)	3.80	3.80
Event and Sponsorship Coordinator (1)	1.00	1.00
Event Specialist (2)	2.00	2.00
Office Support Assistant (1)	1.00	1.00
Director of Human Resources (1)	1.00	1.00
Human Resources Manager (1)	1.00	1.00
Human Resources Generalist (1)	1.00	1.00
Human Resources Partner (3)	3.00	3.00
Payroll and Benefits Coordinator (1)	1.00	1.00
Organizational Development Manager (1)	1.00	1.00
Total – Regular Full Time Equivalent Positions	48.80	48.80
Total – Temporary/Intermittent Hours	5,327	4,577

TOTAL GENERAL FUND 2024 OPERATING BUDGET		
Positions	Full-Time Equivalents	
	2023	2024
Total – Regular Full Time Equivalent Positions	334.17	334.17
Total – Temporary/Intermittent Hours	248,415	246,557



Three Rivers
PARK DISTRICT