



Health Budget Overview

Presentation of the 2027 Mayor's Recommended
Budget for the Health Department to the City of
Minneapolis Budget Committee,
September 24, 2026

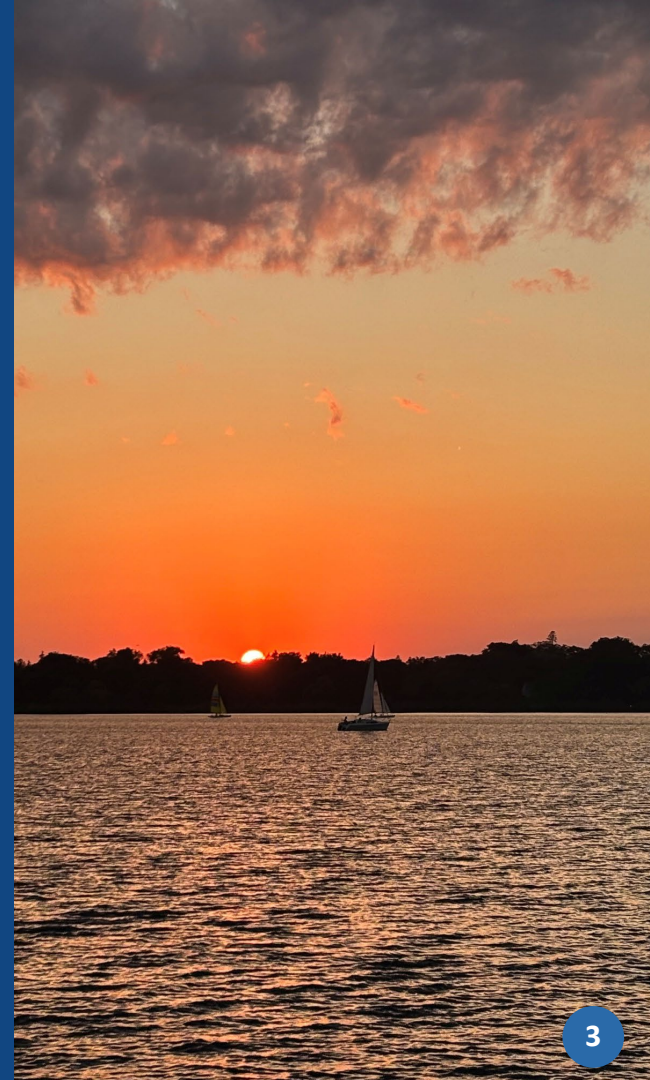




Agenda

1. Department and budget overview
2. Program and division updates
3. Special topic:
 - Opioid Settlement Fund

Department and budget overview





Office of Public Service: Health Department

Deputy COO: Brette Hjelle

Interim Director: Heidi Ritchie

Divisions: 6

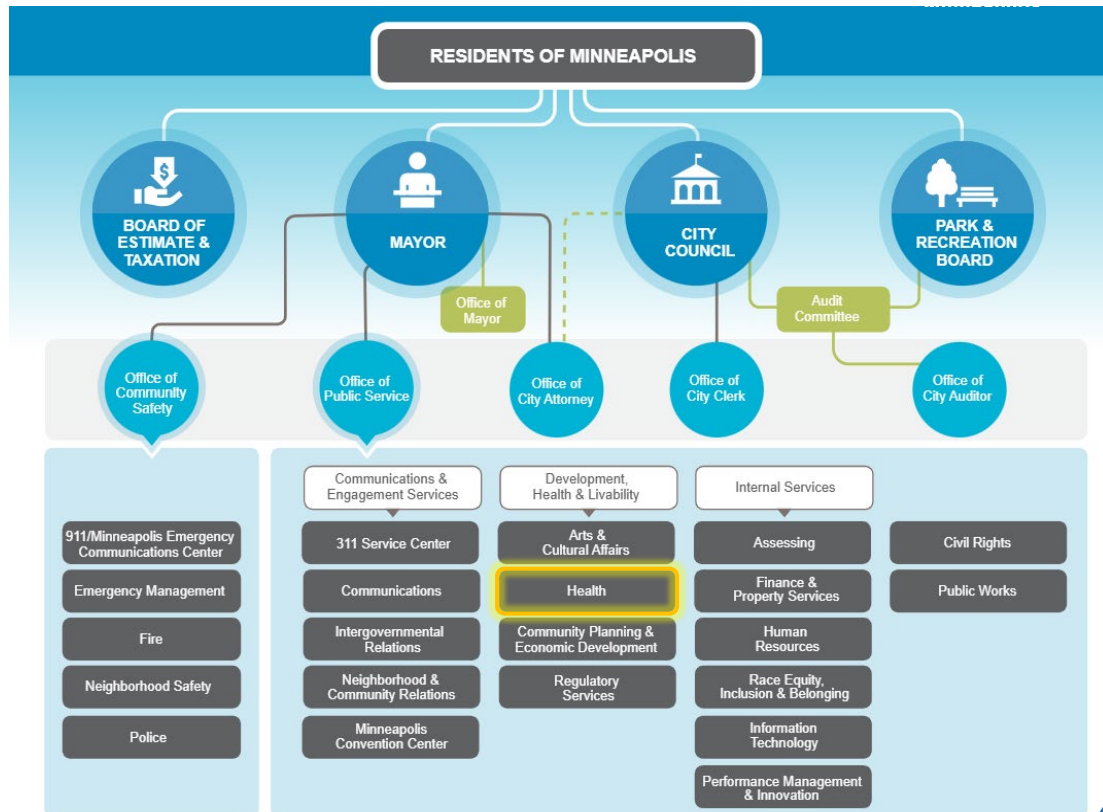
Current 2026 FTE Count: 172.5

Portfolio: Development, Health & Livability

2026 Adopted Budget: \$50M

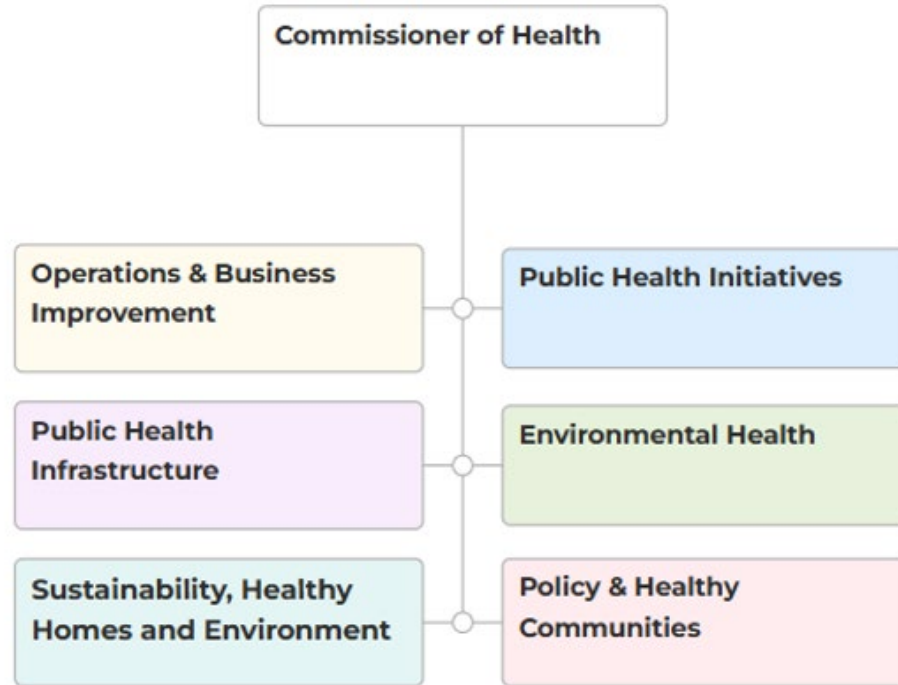
2027 Proposed Budget: \$45M

Mission Statement: MHD works in partnership with communities to protect and promote equitable health outcomes and eliminate health disparities through education, prevention, regulation, and advocacy.





Health Department: organization



Activities and service delivery overview

Department objectives

Vision

Minneapolis Health Department's vision is health justice, where people of all races, genders, religions, sexual orientations, and immigration statuses in Minneapolis have positive and equitable health outcomes.

Strategic Priorities (Goal Areas)

- Equity
- Flexible and Sustainable Funding
- Foundational Infrastructure
- Strong Leadership and Workforce
- Strategic Partnerships

Key services and activities

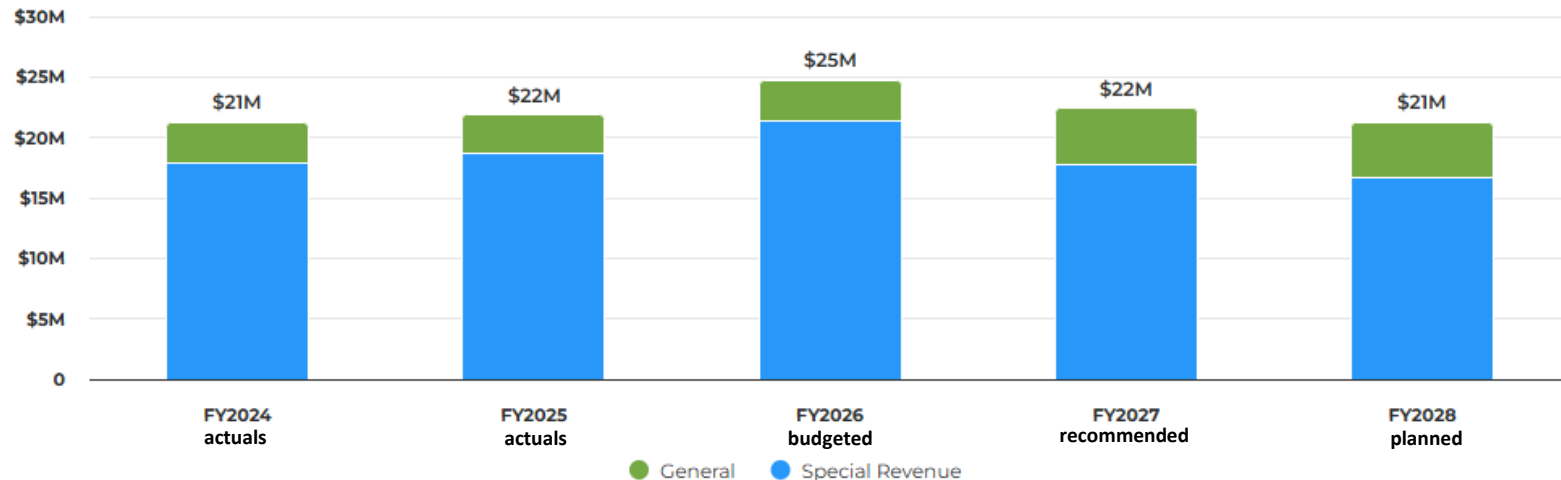
We seek to create a city that is a healthy place to live, work, and play. Our programs include:

- School based clinics
- Energy efficiency & environmental sustainability
- Substance misuse and opioid response
- Infectious disease response
- Food, lodging, and pool inspections
- Chronic disease prevention
- Lead hazard control
- Maternal, child, adolescent health
- Health disparities & equity
- Organizational development & training





2027-28 Mayor's Recommended Budget revenue forecast, all funds



2026 to 2027 Forecasted Change
-\$2.3M



Increase Drivers

+\$1.2M General Fund related to Environmental Health and Environmental Services Fees

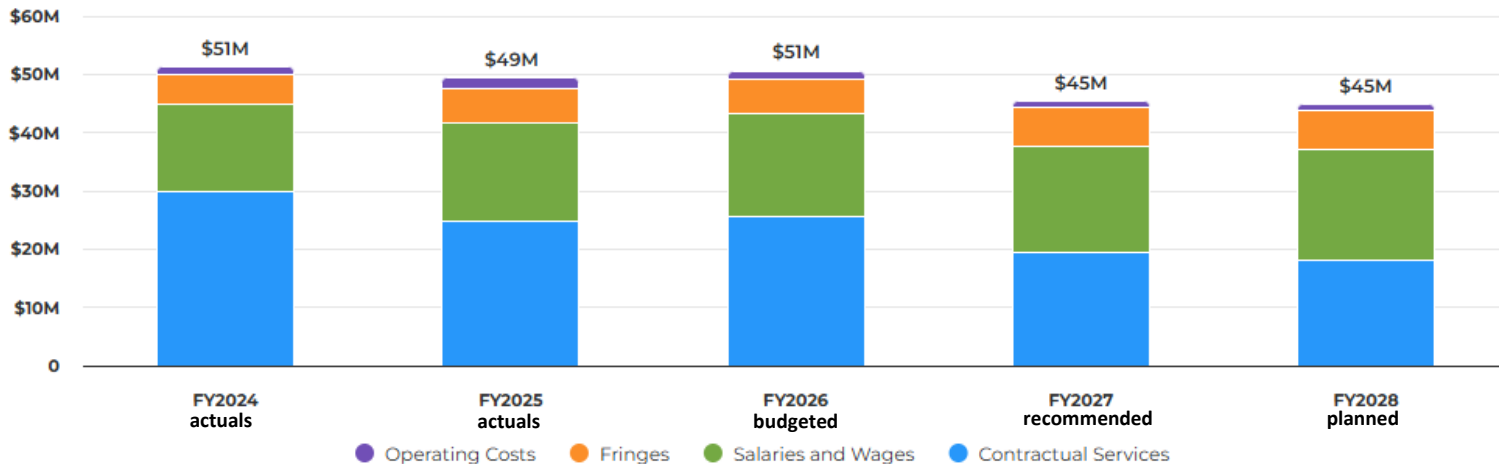


Decrease Drivers

-\$3.5M Special Revenue Funds (decrease in grant revenue)



2027-28 Mayor's Recommended Budget expenses, all funds



2026 to 2027 Proposed Change

-\$5.1M

+ Major Investments

+ \$1.3M Opioid Prevention & Response (Special Revenue Fund)

- Major Divestments

- -\$1.3M (8 FTE) reduction
- -\$3.6M CLI contractual services reduction



2027-28 Mayor's Recommended Budget expenses, all funds details

Expense Category	FY2024 actuals	FY2025 actuals	FY2026 budgeted	FY2027 recommended	FY26 to FY27 Change
Salaries and Wages	\$15,047,204	\$16,862,548	\$17,632,339	\$18,242,503	+\$610,163 / +3%
Fringes	\$5,220,490	\$5,678,992	\$6,094,463	\$6,534,464	+\$440,001 / +7%
Contractual Services	\$29,810,532	\$24,909,543	\$25,526,793	\$19,475,832	-\$6,050,962 / -24%
Operating Costs	\$1,153,063	\$1,894,793	\$1,262,467	\$1,128,249	-\$134,218 / -11%
TOTAL	\$51,231,289	\$49,345,876	\$50,516,063	\$45,381,047	-\$5,135,015 / -10%



2027-28 Mayor's Recommended Budget overview, all funds details

Recommended expenditures, all funds

Category	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Recommended Budget	FY 2028 Planned Budget
Governmental					
General	\$24,498,098	\$27,240,894	\$28,686,953	\$26,028,522	\$26,639,951
Special Revenue	\$26,733,192	\$22,104,982	\$21,829,110	\$19,352,525	\$18,105,176
Total Governmental	\$51,231,289	\$49,345,876	\$50,516,063	\$45,381,047	\$44,745,128
Total Expenditures	\$51,231,289	\$49,345,876	\$50,516,063	\$45,381,047	\$44,745,128

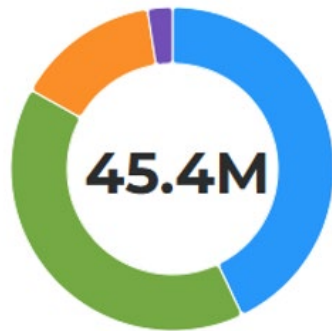
Recommended positions, all funds

Category	FY 2025 Budgeted	FY 2026 Budgeted	FY 2027 Budgeted	FY 2028 Budgeted
Health	172.1	172.5	168.5	168.5
General	88.5	78.2	80.8	80.8
Special Revenue	83.6	94.3	87.7	87.7
Total Authorized FTEs	172.1	172.5	168.5	168.5



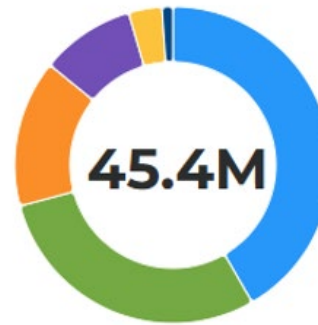
2027 Mayor's Recommended Budget breakdown, all funds

2027 Budget by expense category



Contractual Services	\$19,475,832	42.92%
Salaries and Wages	\$18,242,503	40.20%
Fringes	\$6,534,464	14.40%
Operating Costs	\$1,128,249	2.49%

2027 budget by division



Sustainability, Healthy Homes and Environment	\$18,910,797	41.67%
Public Health Initiatives	\$13,234,035	29.16%
Operations & Business Improvement	\$6,816,852	15.02%
Environmental Health	\$4,365,790	9.62%
Policy & Healthy Communities	\$1,551,544	3.42%
Public Health Infrastructure	\$502,031	1.11%



2026 to 2027 Mayor's Recommended investments overview

Investment Title	Fund	2027 Investment		Impacted Division(s)	Investment Rationale/Service Impact
		FTE	Amount		
Opioid Prevention and Response	Special Revenue Fund	0	\$1,370,000	Public Health Initiatives	Increased funding from the Opioid Settlement Fund to continue opioid prevention and response programming.
Total Recommended Investments		0	\$1,370,000		



2026 to 2027 Mayor's Recommended divestments overview

Divestment Title	Fund	2027 Divestment		Impacted Division(s)	Anticipated Service Impacts
		Est. FTE	Amount		
Budgeted position adjustment (CLI)	General Fund	-3	-\$424,387	Sustainability, Healthy Homes & Environment	Delays in program implementation, scaling back on programs providing resources to residents.
Contractual services (CLI)	General Fund	0	-\$3,657,139	Sustainability, Healthy Homes, & Environment Policy & Healthy Communities, Public Health Infrastructure	Delays in program implementation, scaling back on programs providing resources to residents.
CDBG – Lead & Healthy Homes	Special Revenue	0	-\$86,106	Sustainability Healthy Homes and Environment	Reduction in services provided to families with a lead poisoned child, including contracted services such as dust cleaning and paint hazard remediation. Reduction in required match dollars to HUD funded grants.
Budgeted position adjustment	General Fund & Special Revenue	-6	-\$885,162	Environmental Health, Policy & Healthy Communities, Public Health Initiatives	Delays in program implementation, scaling back on or eliminating programs providing resources to residents.
■ Total Recommended Divestments		-9	-\$5,052,794		

Program and division updates





Sustainability, Healthy Homes and Environment Division

2027 proposed budget: \$18.9M, 82.9% General Fund

2027 planned FTEs: 45

Current vacancies: 0

Mission:

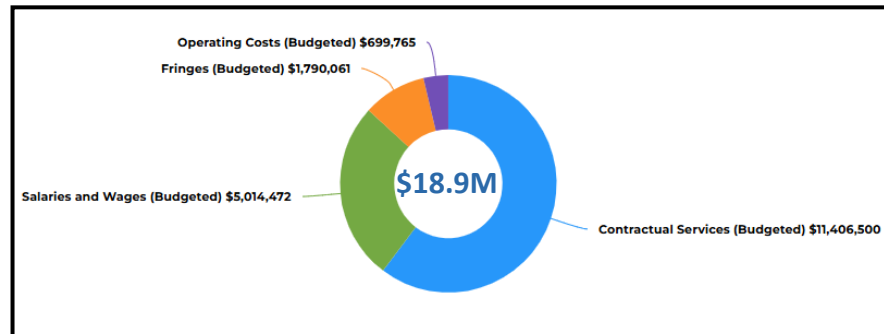
Climate & Sustainability: Leads policy, technical assistance, outreach and citywide coordination of climate change strategies

Lead and Healthy Homes: Responds to childhood lead poisoning cases, prevention of lead poisoning and childhood asthma prevention.

Environment: Policy, regulation, and operational program response to pollution cases in Minneapolis.

Planned 2027 programs and activities:

Maintaining core services, reprioritized climate spending, redistribution of job duties to cut FTEs



2026 to 2027 budget change: -\$2,829,927

Change drivers based on budget book:

- 48 to 45 FTE reduction limits cost increases (-3 FTE proposed divestment).
- Reduction in contractual services budget.



Sustainability, Healthy Homes and Environment Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Tree Servicing, Thermal Study, energy incentives, climate equity reporting platform, facilitation services, blood lead testing events, air monitoring	Several	General Fund and Grant Revenue	\$555,000	Professional Services	These contracts will support different aspects of the Division's work including the City Trees program, research (i.e. thermal study), climate reporting technical assistance, blood lead testing, air quality monitoring data analysis, energy incentives outreach, etc.



Environmental Health Division

2027 proposed budget: \$4.3M, 100% General Fund

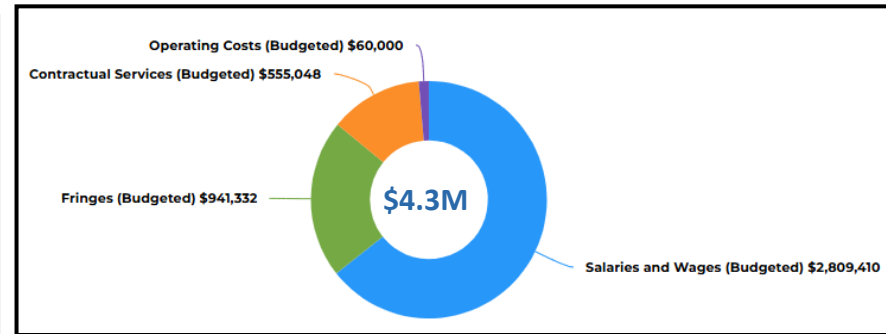
2027 planned FTEs: 25.5

Current vacancies: 1

Mission: Protect Minneapolis' residents and guests by preventing disease and injury at food, lodging, pool, body art and other businesses regulated under health codes.

Planned 2027 programs and activities:

- Inspect businesses under delegation agreements and City ordinances.
- Respond to complaints and investigate foodborne illness.
- Provide clear guidance, education, and practical resources to help businesses meet health requirements and serve customers safely.



2026 to 2027 budget change: +\$111,653

Change drivers based on budget book:

- Standard inflationary growth in personnel and internal service fund budgets.



Environmental Health Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Professional Training Fees	Food Safety Consultants	General Fund	\$19,912	Training	Food safety consultants that provide non-regulatory training and support to food establishments.



Operations & Business Improvement Division

2027 proposed budget: \$6.8M, 33% General Fund

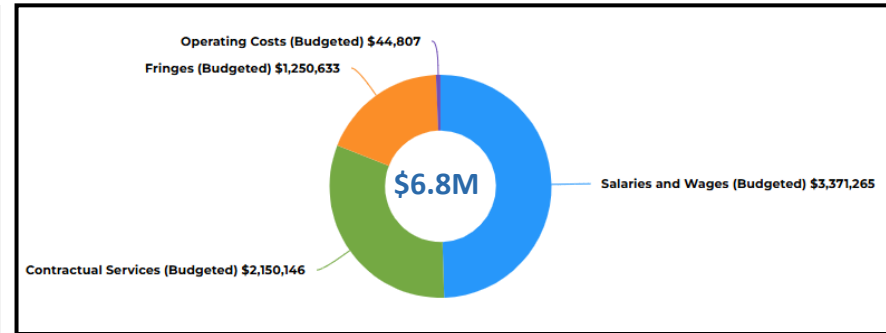
2027 planned FTEs: 30

Current vacancies: 1

Mission: To effectively manage resources, advance equity in all policies and practices, and maintain high standards of operational excellence through continuous improvement and alignment with national best practices.

Planned 2027 programs and activities:

- Budget management
- Grants and contracts administration
- Permit processing
- Revenue collection and payment processing
- Administrative services



2026 to 2027 budget change: +\$868,901

Change drivers based on budget book:

- Increase in grant revenue.
- Standard inflationary growth in personnel.
- General Fund budget is decreasing as Internal Service Fund (ISF) charges have historically been primarily allocated to this division; in the 2027 budget, ISF charges are reallocated to the appropriate divisions.



Operations & Business Improvement Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Support services	Various	General Fund, Federal and State Grants	\$245,000	Professional Services	These contracts provide programmatic support in the areas of translation and interpreting services, business cards, office supplies, background checks and drug screenings, shipping costs, etc.



Policy & Healthy Communities Division

2027 proposed budget: \$1.5M, 9.7% General Fund

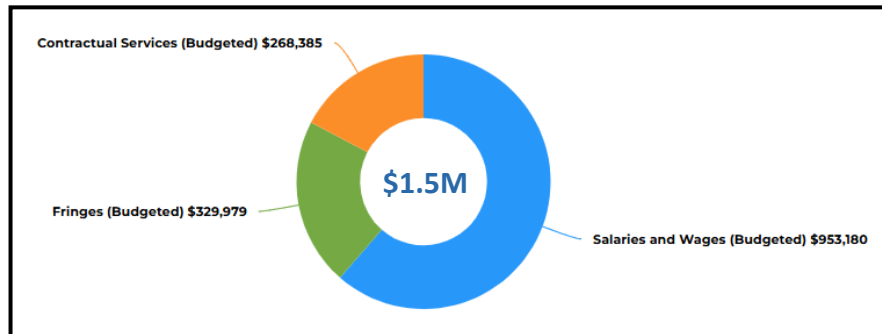
2027 planned FTEs: 9.24

Current vacancies: 0

Mission: To reduce health disparities, help residents reduce chronic disease, care for their personal health and wellbeing, and develop policies that support the health and wellbeing of all residents.

Planned 2027 programs and activities:

- Reducing commercial tobacco use, increasing access to healthy foods and physical activity
- Piloting mental wellbeing initiatives at Southside Safety Center



2026 to 2027 budget change: -\$719,066

Change drivers based on budget book:

- 11.49 to 9.24 FTE reduction limits cost increases (-2.25 FTE proposed divestment).
- Reduction in contractual services budget.



Policy & Healthy Communities Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Chronic disease and tobacco use prevention	Various	Federal and State Grants	\$222,921	Professional Services	These contracts with community partners will support the implementation of REACH and SHIP. Work undertaken with these partners ranges from development and implementation of nutritional guidelines, breastfeeding education, tobacco cessation, development of physical activity programs, worksite wellness, and work with Minneapolis Public Schools on Safe Routes to School.
Community Outreach	Metre	Federal and State Grants	\$50,000	Professional Services	This contract supports the community outreach needs of multiple Health Department projects. Campaigns include a focus on preventing youth cannabis use, mental wellbeing, lead poisoning prevention, climate change strategies.
Food waste prevention	Various	Federal Grant	\$48,600	Professional Services	These contracts provide hands-on technical assistance, training, support, and promotions to help Minneapolis restaurant businesses reduce food waste, improve operational efficiency, and increase cost savings



Public Health Infrastructure Division

2027 proposed budget: \$502K, 83% General Fund

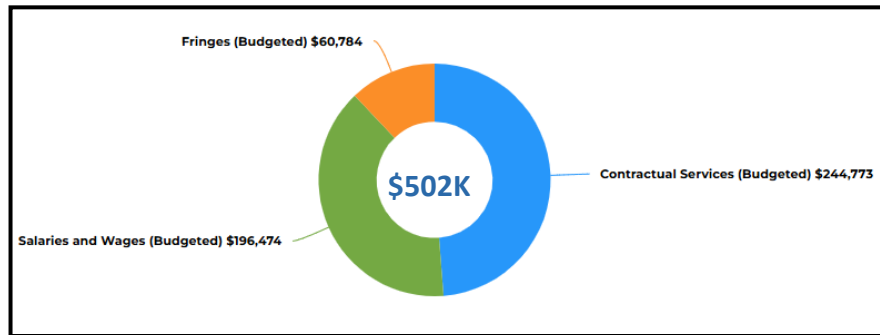
2027 planned FTEs: 2

Current vacancies: 0

Mission: To strengthen public health infrastructure, build public health workforce and organizational capacity, and create the conditions necessary for equitable health outcomes across Minneapolis. Our work supports MHD's mission by ensuring staff, community partners, youth, and future public health leaders have the knowledge, skills, systems, and opportunities needed to eliminate health disparities and improve community health.

Planned 2027 programs and activities:

- Public Health Pathways Program
- Public Health Community Institute
- Professional Pathways Institute
- Public Health Infrastructure
- Organizational Development
- Public Health Workforce Development



2026 to 2027 budget change: -\$309,888

Change drivers based on budget book:

- Reduction in contractual services budget.



Public Health Infrastructure Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Public Health Community Institute	Various	Federal Grant	\$172,500	Professional Services	Capacity building and demonstration project dollars for community agencies leading public health initiatives.
Staff Professional Development and Wellness	Various	Federal Grant	\$105,000	Professional Services	Professional development, coaching, meditation, healing circles and organizational development.



Public Health Initiatives Division

2027 proposed budget: \$13M, 24% General Fund

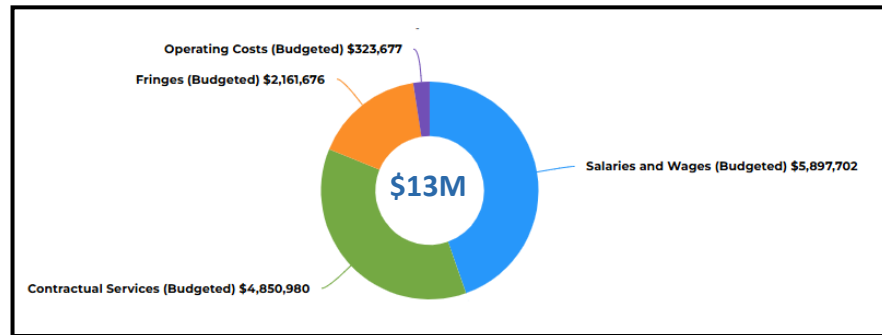
2027 planned FTEs: 56.76

Current vacancies: 0

Mission: Advance the health, wellbeing, and resilience of Minneapolis residents through equitable, evidence-based, and community-informed public health strategies. We strengthen health across the lifespan through prevention, integrated services, data and evaluation, and community partnerships.

Planned 2027 programs and activities:

- Delivery of clinical care through SBC and MMU
- Substance use prevention and mitigation
- Analysis of Minneapolis health data for decision-making and program planning
- Strengthening preparedness to respond to public health emergencies
- Provision of services to strengthen Minneapolis families



2026 to 2027 budget change: -\$2,256,689

Change drivers based on budget book:

- 57.76 to 56.76 FTE reduction limits cost increases (-1 FTE proposed divestment).
- Decrease in grant revenue.



Public Health Initiatives Division sample contracts

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Family Home Visiting	Various	Federal and State grants	\$2.5 Million	Professional Services	These contracts will provide home visiting services to Minneapolis residents. Services will be provided based on grant-specific criteria.
Low-barrier MOUD expansion	University of MN	Federal grant	\$400,000	Professional Services	The University of MN will provide technical assistance and clinical support in the expansion of access to long-acting injectable buprenorphine as a same-day, low-barrier stabilization intervention across community outreach, clinics, reentry settings, etc.
SBC clinic support	Various	State grants	\$250,000	Professional Services	These various contracts support billing, insurance verification, and the electronic health record for the 9 school-based clinics
MMU support	Various	Opioid settlement	\$100,000	Professional Services	These contracts support the medical director and electronic health record system for the MMU
Substance use prevention and mitigation	Various	Opioid settlement, State grant	\$200,000	Professional Services	These contracts support syringe litter mitigation, opioid use prevention, cannabis use prevention, etc.

Special topic





Opiod Settlement Fund – Special Revenue Fund

2027 Recommended Budget includes \$1,370,000 one-time

Prevention/Harm Reduction

Syringe Mitigation Program

- \$75,000

Narcan Vending supply

- \$100,000

Naloxone Distribution/outreach

- \$75,000

Vending Machine/Narcan

- \$20,000

Youth Education/Prevention

- \$20,000

Cultural Street Outreach

- \$50,000

Recovery

Peer Recovery

- \$50,000

Treatment

Community Based Treatment

- \$150,000

Mobile Medical Unit

- \$555,000

Mobile Medical Unit MOUD provider

- \$75,000

Brixadi Treatment Stabilization Project

- \$200,000

