



## BOARD WORKSHOP MINUTES

### BOARD OF WRIGHT COUNTY COMMISSIONERS

MAY 9, 2023

DATE APPROVED : MAY 16, 2023

Tina Diedrick  
Darek Vetsch  
Jeanne Holland  
Nadine Schoen  
Michael Kaczmarek

District 1  
District 2  
District 3  
District 4  
District 5

#### Others Present:

t: Darek Vetsch, Jeanne Holland, Nadine Schoen, Michael Kaczmarek, Tina Diedrick, Lee Kelly, Greg Kryzer, Kim Johnson, Alan Wilczek, Clay Wilfahrt, Phil Hodges, Jill Pooler, Marc Mattice, Lindsey Meyer, Heather Lemieux, James O'Dell, Marion Larson

Commissioner Darek Vetsch opened the meeting at 9:00 a.m.

#### I. Schedule Meetings as Needed

There was discussion about scheduling a Committee of the Whole (COTW) meeting regarding Administrator performance expectations, as there has not yet been an expectation meeting with the current board. It was decided that the meeting would be at 11:30 a.m. Monday, May 15.

There was discussion about scheduling a COTW meeting regarding the topics on the Administration project list and solidifying those items. It was decided that the meeting would be at 10:30 a.m. Tuesday, May 16 after the county board meeting.

There was discussion about rescheduling the Household Hazardous Waste Tour that originally was scheduled for 10:34 a.m. Tuesday, May 2. It was decided that the tour would be rescheduled for 1 p.m. Tuesday, May 16.

Commissioner Michael Kaczmarek asked to discuss the decisions and expectations from feedback received from committees and staff involved in workgroups. Vetsch said that he would like to take five minutes to discuss this issue instead of scheduling a meeting. Vetsch said that the board tries to set the standard for the workgroup and the expectation of the workgroup is to help guide in creating an ordinance, that then goes out for public comment. The purpose of a public hearing is so the commissioners can make modifications based on public comment and the comment of the townships. It is not voiding the process from the workgroup; it is following the process of government and public hearing. Assistant County Attorney Greg Kryzer said that one item that could have done better on is posting the amendments online before the Planning Commission. Discussion was had regarding public comment being taken up until the posting deadline and a suggestion of possible change of the public deadline to be able to accommodate the posting deadline. Vetsch said that, in the future, the board can better set the expectation of the work group in a written document.

***RECOMMENDATION: Schedule a COTW Closed Session to discuss County Administrator performance expectations at 10:30 a.m. Monday, May 15. Schedule COTW to discuss Administration Project List review at 10:30 a.m. Tuesday, May 16. Reschedule the Household Hazardous Waste Tour at 1 p.m. Tuesday, May 16***

#### II. Legislative Updates

Vetsch said that it has been an interesting past couple of weeks at the Legislature. There are two very different versions of county program aid in the House and Senate. The House is expecting to give \$100 million more in county program aid and the Senate is expected to give \$40 million more. The House has added inflationary increases, the Senate is proposing a one-time \$40 million increase with no inflation included. Vetsch said from the county perspective, the House version has the better benefit.

Vetsch said that both the House and Senate made small modifications to homestead exclusions that would mainly benefit home values between \$300,000 and \$500,000. The Legislature spent more time on property tax rebates, which are targeted to income base threshold and do not benefit the middle and upper class.

Vetsch said that the Senate language regarding energy storage has been amended from 10-megawatt storage to 300-megawatt storage. The House does not have any language regarding storage. Vetsch sent another letter to Representative Aisha Gomez continuing to articulate Wright County's concerns. With the first letter, Gomez was able to keep the language from the House version but did not have the same luck in the Senate, which will now go to conference committee. Gomez will likely be a part of that committee and Vetsch's second letter is encouraging her to hold strong in removing the language for exemption for energy storage. Kryzer asked if Wright County should add language into an ordinance amendment regarding energy storage if the language is not removed and Vetsch said it is something the county can possibly look at once a decision is made.

Vetsch said the Solar Garden language has changed the allowable size of the solar garden from 1 megawatt to 5 megawatts in the Senate. The House has not made any changes and the bill will go into conference committee to determine adoption. The House has not passed its energy bill, but no language has been added.

Vetsch said that the drainage registry has died. It had no luck on the Senate side.

Vetsch said that there is still hope on the revisor bonding bill for the dental center and getting a general bonding bill passed. The bill has been rolled into House File 669 and Vetsch has asked to put that into another piece of legislation or into the original House file.

Kaczmarek asked about the Wright Tech Center. Vetsch said without a bonding bill being passed the Legislature will not be adding any more local projects. Wright County legislators have articulated they are voting against any bonding bills currently.

### ***RECOMMENDATION: Informational Only***

#### **III. 2024 Budget Forecast**

Finance Director Lindsey Meyer said that the budget team is looking for more guidance from the board as to where it would like the levy set so guidance can be given to department heads as they are setting their budgets for the upcoming year. Meyer said that there is major pressure on personnel costs, and she would highly discourage the board to go below a 3.37 percent levy. Meyer presented impact considerations and gave numbers of past levy increases that show the county has not been keeping up with growth plus inflation. Personnel cost updates were also presented, showing an updated cost of \$3,006,000 for 2024. Based on conversations in the past few weeks, funding opportunities were presented and included fund balance use, known county programming, leftover Government Center bond funds, health insurance rate cap, and Human Services Center (HSC) sales fund, all as options to reduce the levy.

Kaczmarek asked if there would be any concept of how our fees would potentially change. Vetsch said that the fee schedule makes up less than 10 percent of the average revenue of the county and is on the Administration project list to be reviewed.

Vetsch said that he would caution anyone in the room that it would be very dangerous to go below 5.75 percent for the levy increase. It would create huge tax impact increases in two to three years. The board is trying to create a stable taxpayer impact and Vetsch's current target would be between 5.75 percent to 6.25 percent with potential to go lower, but not until the audit is done and the fund balance is known.

Kaczmarek said that he would like a 2.38 percent levy increase based upon simple math matching county growth so the taxpayers would feel the impact less. Vetsch said that he loves that methodology, but it would only work if it started 100 years ago and it was kept up, but that has not happened. There was a decade where Wright County lowered taxes and didn't capture any growth. People paid less for a long period of time and the current Board is working to become whole again. Wright County is in a better spot than it was, and the board is trying to prevent huge corrections. If a 2.38 percent levy increase is made this year, it would result in a 15 percent levy increase in four years. Kaczmarek asked for the

average levy appetite of the commissioners and Assistant Finance Director Heather Lemieux confirmed the average to be 5.48 percent.

Vetsch said that he's looking to land between 5.75 percent and 6.25 percent. If the state funding goes through for county aid and the fund balance comes back high after the audit, the percentage could potentially be reduced to maybe 4.9 percent. But if things go south, the county would need to be looking closer to the 5.75 percent and 6.25 percent range, and even then, departments will need to be stagnant and find cost cuts. At 2.38 percent, it doesn't even cover personnel cost increases.

Kaczmarek asked if the board could explain to the public that 5.48 percent is the average of the five decision-makers. Vetsch said that he is trying not to base his decision on a single factor of growth. The county has a tax shift that will be seen for decades from commercial to residential and people are sensitive to that. No matter what is discussed at the board level, personal taxes will go up. Most people want to see an increase in property taxes in line with the Consumer Price Index (CPI). Vetsch said that timing is everything and questioned if we have seen the worst in the economy yet.

Vetsch asked Financial Services Manager Kim Johnson if caseloads are increasing since government cost and demand goes up when the economy goes down. Johnson said child support cases are looking to decrease across the state and that child support collections are decreasing, which is usually indicative that there may be suffering, and the economy may get worse for a little longer. Daycare assistance and SNAP benefits are going up.

Vetsch asked Social Services Manager Jill Pooler how the economy affects our aging population. Pooler said that seniors can qualify for a waiver to be serviced in their homes to avoid going to a center and that their cases are skyrocketing with an additional 12 cases per month, but they have not added staff at the same rate. Pooler said that the effects of the baby boom will be felt until 2030 and Social Services is seeing an increase in the struggle to meet needs. Vetsch thanked Johnson and Pooler for their input and said that there are a lot of things at play here and he doesn't want the board to back itself into a corner to make things worse down the road, or overburden taxpayers now.

When asked by Lemieux for guidance, Vetsch said a levy increase of 5.5 percent to 6.5 percent could be a guideline but that he wanted each ask to stand on the merit of the ask. Kaczmarek added that as soon as a number is thrown out and the number is met, the savings stop. Meyer said that no guidance results in a very high ask.

***RECOMMENDATION: Use 5.75 percent as guidance for budget setting.***

#### **IV. AMC- National Center for Public Lands**

County Administrator Lee Kelly said that he received a letter from the Association of Minnesota Counties (AMC) about a project that the board of directors at the National Association of Counties (NACo) is working on, creating a National Center for Public Lands. NACo's ask was to all the Minnesota counties that had been distributed local assistance and tribal consistency funds, which Wright County received a total of \$100,000 over two years, for \$1,000/year for the next two years. Kelly asked if there was any interest from the board.

Vetsch said to let those that it impacts fund it. Wright County does not have a lot of land in lieu of tax, federal land, or any tribal land.

***RECOMMENDATION: Decline the request for funding from AMC***

#### **V. Central Minnesota EMS**

Central Minnesota Emergency Medical Services (CMEMS) Coordinator Marion Larson presented to the workshop regarding Central Minnesota EMS and the services it provides. Larson said that Minnesota has eight Emergency Medical

Services (EMS) Regions. The CMEMS Region supports pre-hospital EMS agencies across an 11-county member area. CMEMS serves first responders, fire departments, law enforcement agencies and ambulance services. Its mission is to promote and support a coordinated system for local Emergency Medical Services.

Larson said that the Central EMS Region is funded through an annual allocation from the state's General Fund, and the funds collected from seatbelt citations. These funding mechanisms have largely remained unchanged for more than 20 years. The organization relies on the EMS Fund and the EMS Relief Fund to sustain operational and programmatic expenditures. The annual EMS Fund allocation has remained stagnant since 2015, at only \$73,125. In 2022, the State Legislature provided the EMS Regions with a one-time allocation of an additional \$100,000 for each year of the 2022-2023 biennium. At this time, that additional funding will expire on June 30, 2023 and CMEMS will revert to receiving \$73,125 annually.

Larson said that the funding formula has not yet been agreed upon and legislation is also still pending. Legislation is out there – it is impactful and Larson encouraged the board to weigh in. If there isn't an increase in funding, CMEMS will not be able to maintain, and its work will fall upon the local government.

***RECOMMENDATION: Informational Only***

#### **VI. Metropolitan Water Supply Advisory Council Appointment**

Kelly said the Metropolitan Water Supply Advisory Council has asked Wright County to make an appointment to its board. Former Commissioner Mark Daleiden sat on the Metropolitan Water Supply Advisory Council. Diedrick offered to represent Wright County.

***RECOMMENDATION: Put together a letter of support from the Board.***

*The meeting adjourned at 10:48 a.m.*

*County Board Workshop Minutes submitted by Caitlin Chovan, Administration Office Manager*