



Carver County Board of Commissioners  
November 28, 2017  
Work Session  
County Board Room  
Carver County Government Center  
Human Services Building  
Chaska, Minnesota

PAGE

**WORK SESSION**

- 9:00 a.m.    **A.    COMMUNITIES: Create and maintain safe, healthy and livable communities**
- 1. CDA Request for County Board's General Obligation Pledge to Refinance Existing CDA Debt ..... 1
  - 2. Discussion of Carver County's Authority to Change Tobacco Sales Legal Age to Age 21 ..... 2
  - 3. Update on the Solid Waste Master Plan process..... 3
- 10:00 a.m.    **B.    GROWTH: Manage the challenges and opportunities resulting from growth and development**
- 1. 2040 County Comprehensive Plan Update ..... 4
- 10:45 a.m.    **C.    FINANCES: Improve the County's financial health and economic profile**
- 1. 2019 Long Term Financial Plan..... 5-11
- 11:15 a.m.    **BOARD REPORTS**

David Hemze  
County Administrator

**UPCOMING MEETINGS**

- |                   |                                      |
|-------------------|--------------------------------------|
| December 5, 2017  | No Meeting AMC Conference            |
| December 7, 2017  | 6:00 p.m. 2018 Budget Public Hearing |
| December 12, 2017 | 9:00 a.m. Board Meeting              |
| December 19, 2017 | 4:00 p.m. Board Meeting              |
| December 26, 2017 | No Board Work Session                |
| January 2, 2018   | 2018 Organizational Session          |

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**CDA Request for County Board's General Obligation Pledge to Refinance Existing CDA Debt**

Primary Originating Division/Dept: <input type="text" value="Property &amp; Financial Services"/>	Meeting Date: <input type="text" value="11/28/2017"/>
Contact: <input type="text" value="David Frischmon"/> Title: <input type="text" value="Property &amp; Financial Services Di"/>	Item Type: <input type="text" value="Work Session"/>
Amount of Time Requested: <input type="text" value="15"/> minutes Presenter: <input type="text" value="Kathy Aho"/> Title: <input type="text" value="CDA Financial Consultant"/>	Attachments: <input type="radio"/> Yes <input checked="" type="radio"/> No
Strategic Initiative: <input type="text" value="Communities: Create and maintain safe, healthy, and livable communities"/>	

**BACKGROUND/JUSTIFICATION:**

The CDA is requesting the County Board to pledge its General Obligation to a CDA Bond Sale which will be used to refinance existing CDA debt. The refinancing will lower the CDA's interest costs and allow the CDA to cashflow necessary capital improvements to a CDA senior apartment building. The CDA staff and its financial consultant will be at the workshop to provide more information.

**ACTION REQUESTED:**

None - Informational presentation only. Formal approval is expected to be requested by the CDA at the 12/12/17 Board Meeting.

<b>FISCAL IMPACT:</b> <input type="text" value="None"/> <p><i>If "Other", specify:</i> <input type="text"/></p>	<b>FUNDING</b> County Dollars = <input type="text"/> <input type="text"/> <b>Total</b> <input type="text" value="\$0.00"/>
<b>FTE IMPACT:</b> <input type="text" value="None"/>	<input checked="" type="checkbox"/> Insert additional funding source

**Related Financial/FTE Comments:**

The Board's backing of additional CDA debt is expected to have no impact on the County's Bond rating since the CDA's debt service payments are funded by existing CDA housing revenues.

*Office use only:*

RBA 2017 - 5099

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**Discussion of Carver County's Authority to Change Tobacco Sales Legal Age to Age 21**

Primary Originating Division/Dept: Attorney

Meeting Date: 11/28/2017

Contact: Mark Metz  Title: County Attorney

Item Type:  
Work Session

Amount of Time Requested: 15  minutes

Attachments:  Yes  No

Presenter: Dan Ryan  Title: Assistant County Attorney

**Strategic Initiative:**

Communities: Create and maintain safe, healthy, and livable communities

**BACKGROUND/JUSTIFICATION:**

Local governmental units, including Carver County, are responsible for licensing and regulating the sale and distribution of tobacco products. According to Minnesota Statutes Section 461.12, no one under the age of 18 can purchase tobacco products. Local governmental units are allowed to pass ordinances that are more restrictive than state statute. Several local municipalities have recently adopted ordinances to increase the age to purchase tobacco to 21.

**ACTION REQUESTED:**

Discuss the implications and merits of adopting a more restrictive ordinance for Carver County to increase the age to purchase tobacco products to 21.

**FISCAL IMPACT:** None

If "Other", specify:

**FUNDING**

County Dollars =

**FTE IMPACT:** None

**Total**  \$0.00

Insert additional funding source

Related Financial/FTE Comments:

*Office use only:*

RBA 2017 - 5098

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**Update on the Solid Waste Master Plan process**

Primary Originating Division/Dept:

Meeting Date:

Contact:  Title:

Item Type:

Amount of Time Requested:  minutes

Attachments:  Yes  No

Presenter:  Title:

Strategic Initiative:

**BACKGROUND/JUSTIFICATION:**

The Environmental Services Department has worked for many months with a Stakeholder Group - made up of Carver County residents, representatives from the waste management industry, a representative from the Minnesota Pollution Control Agency (MPCA), and a member from each of our two largest Carver County cities - to update our Solid Waste Master Plan (SWMP), as required by the State of Minnesota. The SWMP, which must be updated once every five years, is viewed as a guiding document designed to help counties meet goals and requirements set forth by the State of Minnesota.

The staff would like to update the Board on our progress with the SWMP.

**ACTION REQUESTED:**

Board guidance.

**FISCAL IMPACT:**

*If "Other", specify:*

**FUNDING**

County Dollars =

**FTE IMPACT:**

**Total**

Insert additional funding source

Related Financial/FTE Comments:

*Office use only:*

RBA 2017 - 4959

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**2040 County Comprehensive Plan Update**

Primary Originating Division/Dept:

Meeting Date:

Contact:  Title:

Item Type:

Amount of Time Requested:  minutes

Attachments:  Yes  No

Presenter:  Title:

**Strategic Initiative:**

**BACKGROUND/JUSTIFICATION:**

The County staff has been proceeding with work on the 2040 Comprehensive Plan update per regional and state mandates. Members of the Planning and Water Management Department and Public Works Division staffs will present an update on the process, including critical plan elements, and preliminary direction and goals. The next steps will involve drafting goals, policies, and strategies for Board review and dissemination to Townships, Cities, and the public. Updated plans are due to the Metropolitan Council by Dec. 31, 2018.

**ACTION REQUESTED:**

Board comments on the process, plan elements, preliminary direction and goals of the 2040 County Comprehensive Plan.

**FISCAL IMPACT:**

*If "Other", specify:*

**FUNDING**

County Dollars =

**FTE IMPACT:**

**Total**

Insert additional funding source

Related Financial/FTE Comments:

*Office use only:*

RBA 2017 - 5067

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**  
**2019 Long Term Financial Plan**

Primary Originating Division/Dept:

Meeting Date:

Contact:  Title:

Item Type:

Amount of Time Requested:  minutes

Attachments:  Yes  No

Presenter:  Title:

Strategic Initiative:

**BACKGROUND/JUSTIFICATION:**

The 2019 Long Term Financial Plan (the "Plan") fulfills the County Board's direction to connect financial strategies to the County's long-term strategic goals and objectives. This Plan is not a budget but rather a non-binding assertion of future intent to allocate future County resources. Individual elements of the Plan will be systematically rolled forward until they are brought into the Annual Budget for approval and implementation.

**ACTION REQUESTED:**

Board review and direction only - Formal Board approval will be requested at the December 12th Board meeting.

**FISCAL IMPACT:**   
*If "Other", specify:*

**FUNDING**

County Dollars =

**FTE IMPACT:**

**Total**

Insert additional funding source

**Related Financial/FTE Comments:**

The Plan is a long range planning tool so projects listed in the Plan are financial placeholders only. Projects are not approved until they are included in the Annual Budget process.

*Office use only:*

RBA 2017 - 5097



# **2019 Long Term Financial Plan**

*Expected to be Adopted December 12, 2017*

**BOARD OF COUNTY COMMISSIONERS  
CARVER COUNTY, MINNESOTA**

Date: December 12, 2017  
Motion by Commissioner: \_\_\_\_\_

Resolution: \_\_\_\_\_  
Seconded by Commissioner: \_\_\_\_\_

**COUNTY BOARD ADOPTION OF THE  
2019 LONG TERM FINANCIAL PLAN  
FOR CARVER COUNTY**

WHEREAS, the Long Term Financial Plan (the "Plan") fulfills the County Board's direction to "connect financial strategies to the County's long-term strategic goals and objectives"; and

WHEREAS, the Plan which has been prepared by division directors and reviewed by the County Board of Commissioners provides the basis for determining the non-binding intent to allocate future County resources; and

NOW, THEREFORE, BE IT RESOLVED by the Carver County Board of Commissioners 2019 Long Term Financial Plan is hereby adopted and placed on the County's website.

BE IT FINALLY RESOLVED, that copies of this resolution be forwarded to division directors of Carver County.

YES	ABSENT	NO
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

STATE OF MINNESOTA  
COUNTY OF CARVER

I, David Hemze, duly appointed and qualified County Administrator of the County of Carver, State of Minnesota, do hereby certify that I have compared the foregoing copy of this resolution with the original minutes of the proceedings of the Board of County Commissioners, Carver County, Minnesota, at its session held on the 12<sup>th</sup> day of December, 2017, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 12th day of December, 2017.

David Hemze  
County Administrator



## EXECUTIVE SUMMARY

This 2019 Long Term Financial Plan, (the “Plan”) along with the 2018 Annual Budget, fulfills the County Board’s direction to “connect financial strategies to the County’s short and long-term strategic goals and objectives.” The Plan is not a budget but rather a non-binding assertion of future intent. Ideally, individual elements of the Plan will systematically be rolled forward each year until they are brought into the Annual Budget process for approval and implementation.

The Plan focuses on the four areas which will significantly impact future property tax levy and budgets:

- A. Capital Improvement Plans (CIPs) for New Capital Projects
- B. Five Year Replacement Schedule for Facilities, Vehicles and Equipment
- C. Bond Sales and Debt Service
- D. Personnel Costs

### A. Capital Improvement Plans (CIPs) for New Capital Projects:

#### CIP Revenue Summary:

**County ½ cent Sales Tax:** In 2017, the County Board approved a ½ cent sales tax that is expected to generate approximately \$3.5 million annually for County road and bridge projects.

**Wheelage Tax:** In 2017, the County Board approved increasing the wheelage tax to \$20 effective January 1<sup>st</sup>, 2018 which is expected to generate \$1.7 million from auto and motorcycle license renewals for County road and bridge projects.

**Request for State Bonding:** A County Board Legislative Priorities for 2017 that is being considered again for 2018 is a request for \$5 million in State Bonds that would be matched by \$5 million in County bonds to pay for a \$10 million Phase I Development Project for Lake Waconia Regional Park. The debt service for the County bond sale would be approximately \$330K per year for the next 15 years.

**Road & Bridge Tax Levy:** The County Board has directed that the \$1.9M tax levy for road and bridge annual maintenance be increased \$100K for the next 7 years to finance the Road Preservation Plan.

**State, Federal and Local funds:** New road and bridge construction projects are financed from the Minnesota Highway Users Tax Distribution Fund (Fuel Tax, License Fees and Motor Vehicle Sales Tax), Sales Tax on Leased Vehicles, as well as Federal and State grant programs, City funds, and proceeds from County Bonds.

**State County Program Aid (“CPA”):** The Recommended 2018 Budget has approximately \$320K in unallocated 2018 CPA which will be directed to the CIPs according to the percentages below:

50%	Road & Bridge CIP
25%	Park & Trail CIP
<u>25%</u>	Building CIP
100%	Total State CPA

**State Sales Tax “Legacy Funds”:** The 2008 State Legislature increased the State sales tax and allocated a portion of the new revenue to expand parks and trails throughout the State. The County’s share of these new funds is expected to be approximately \$350,000. These funds commonly referred to as “Parks and Trails Legacy Funds,” are being used for the local match to Federal Grants for the Extension of the MN River Bluffs Regional Trail and trail pavement resurfacing.

**Metropolitan Council Reimbursement for Park Land Acquisition:** The County is currently reimbursed 100% from the Metropolitan Council for parkland acquisitions that are included in the County’s Regional Park Master Plan. The reimbursement formula is currently up to \$1.7M of the purchase price reimbursed at the land acquisition closing and then a biannual reimbursement of up to \$470K. Based on the current reimbursement formula, the County will be waiting until 2024 for full reimbursement from the Met Council for previous land acquisitions.

CIP Project Summary:

**Buildings CIP:** Building projects related to ongoing maintenance, increasing security and expanding square footage are included in the Building CIP. These projects include:

- Furnishing a new Chaska library
- Building Master Space Plan Study

Funding for these building projects has not been identified at this time.

**Roads & Bridges CIP:** The County completed a 2014 amendment to the 2030 Road system Plan (RSP). The RSP identifies \$860 million of road and bridge projects to meet the needs of the projected growth in population and employment by 2040. This includes \$670 million for County road and bridges and \$190 million for critical State highway projects.

Road and bridge needs include preservation (overlays), bridge replacement, safety enhancements (turn lanes, traffic signals, roundabouts, etc.), system expansion (added lanes), system connectivity (new roads and bridges), and reconstruction (rebuilding existing roads without adding lanes). A 6 year Road

and Bridge Plan is being updated to recognize the additional funding from the ½ cent sales tax and increased wheelage tax which were approved in 2017 by the County Board.

The plan funds traditional preservation, bridge replacement and safety enhancement goals as well as partially fund high priority expansion, connectivity and other emerging regionally significant projects. The CIP identifies projects that are traditional and development driven as the County has a cost participation policy that differs for each.

**Parks and Trails CIP:** This CIP focuses on sustainability projects to maintain the County's existing park and trail system as well as the next round of park and trail development projects. Additional resources may need to be identified in order to complete park and trail development projects on a timely basis. Options to address this potential financing gap are being developed by the Park Board and County staff.

#### B. Five Year Replacement Schedule for Facilities, Vehicles and Equipment

The Administrator Recommended 2018 Budget includes \$1.4 million in levy funding to replace facilities, vehicles and equipment. This Plan includes a five year replacement schedule for Facilities, Vehicles and Equipment based on division requests for 2019 thru 2023. These capital replacement requests will be rolled forward each year until they become part of current year Budget process. The five year replacement schedule relies on a \$100,000 a year increase to the \$1.4 million levy over the next five years. The County Board has been supportive of this \$100K a year increase in levy dollars to create an orderly and scheduled replacement of County facilities, vehicles and equipment.

#### C. Bond Sales and Debt Service

Pay-as-you-go financing is the Board's preference for financing Building and Park & Trail projects. Other than the potential match to the \$5M State Bonding request for a Lake Waconia Regional Park development project, there are no current plans to issue debt in either the Building CIP or the Park & Trail CIP.

The 2019-2023 Road and Bridge CIP is being updated to reflect the additional funding from the ½ cent sales tax and wheelage taxes that were approved in 2017. Depending on the success of various State and Federal grant applications, County bonds may be necessary to provide matching grant dollars for high priority projects. The majority of the projects in the Road & Bridge CIP are funded by external funding sources that have been secured.

#### D. Personnel Costs

Personnel costs are the largest and have been the fastest growing portion of the County's operating budget. This Plan identifies strategies for addressing the three major drivers of personnel costs:

1. Requests for Additional Levy Funded Staffing
2. Employee Health Insurance
3. Other Post-Employment Benefits (OPEB)

The County Board carries the ultimate budget authority. The 2018 Annual Budget and the 2019 Long Term Financial Plan are expected to be approved at the December 12, 2017 County Board meeting.