



Carver County Board of Commissioners  
November 27, 2018  
Work Session  
County Board Room  
Carver County Government Center  
Human Services Building  
Chaska, Minnesota

PAGE

**WORK SESSION**

9:00 a.m.	<b>A. FINANCES: Improve the County's financial health and economic profile</b>	
	1. 2019 Budget Update and 2020 Long Term Financial Plan .....	1-7
9:40 a.m.	<b>B. COMMUNITIES: Create and maintain safe, healthy and livable communities</b>	
	1. County Roadway Safety Plan Board Member Presentation .....	8
10:45 a.m.	<b>BOARD REPORTS</b>	
	1. Chair	
	2. Board Members	
	3. Administrator	
	4. Adjourn	

David Hemze  
County Administrator

**UPCOMING MEETINGS**

November 29, 2018 6:00 p.m. 2019 Budget Public Meeting  
December 4, 2018 AMC Conference No Meeting  
December 11, 2018 9:00 a.m. Board Meeting  
December 18, 2018 4:00 p.m. Board Meeting  
December 25, 2018 No Board Work Session

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**2019 Budget Update and 2020 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:**

**2019 Budget Update:**

County staff will update the County Board on the County Administrator's Recommended 2019 Budget.

**2020 Long Term Financial Plan:**

The 2020 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 18th Board meeting.

FISCAL IMPACT:

**FUNDING**

If "Other", specify:

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 2018 - 5822



# **2020 Long Term Financial Plan**

*Presented for Adoption  
December 18, 2018*

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

Date: December 18, 2018  
Motion by Commissioner: \_\_\_\_\_

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

**COUNTY BOARD ADOPTION OF THE  
2020 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 2020 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 18<sup>th</sup> day of December, 2018, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 18th day of December, 2018.

David Hemze  
County Administrator

## EXECUTIVE SUMMARY

This 2020 Long Term Financial Plan, (the “Plan”) along with the 2019 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 \$4 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 annually generate \$1.7 million from auto and motorcycle license renewals for County road and bridge projects.

**Request for State Bonding:** In 2018, the County requested \$5 million from the State which would be matched with \$5 million from the County to fund a \$10 million Phase I Development Project for Lake Waconia Regional Park. The 2018 Legislature approved a \$1.5M grant from the State which will be matched with \$1.5M in County funds for a total of \$3 million. The remaining \$7 million funding gap for a Lake Waconia Regional Park: Phase I Development Project will be addressed with the 2019 Legislature.

**Road & Bridge Tax Levy:** The County Board has directed that the \$2.0M tax levy for road and bridge annual maintenance be increased \$100K for the next 6 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 2019 Budget has approximately \$394,000 in unallocated 2019 CPA. \$100,000 is being directed to fund one-time capital projects listed on 2019 Budget Attachment E and the remaining \$294,000 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 \$470,000. 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 has been 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 2019 Budget includes \$1.5 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 2020 thru 2024. 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 \$1.5 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 \$7M 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 2020-2024 Road and Bridge CIP has been 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 2019 Annual Budget and the 2020 Long Term Financial Plan are expected to be approved at the December 18, 2018 County Board meeting.



# Carver County Board of Commissioners Request for Board Action

**Agenda Item:****County Roadway Safety Plan Presentation**

Primary Originating Division/Dept: Public Works - Program Delivery

Meeting Date: 11/27/2018

Contact: Dan McCormick Title: Transportation Manager

Item Type:  
Work Session

Amount of Time Requested: 60 minutes

Attachments:  Yes  No

Presenter: Dan McCormick, Howard Pres Title:

**Strategic Initiative:**

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

**BACKGROUND/JUSTIFICATION:**

This is a presentation on the update to the 2013 County Roadway Safety Plan being worked on with MnDOT and their consultant CH2M Hill. The goal of this presentation is to create a shared understanding of the County Road Safety Plan update process and its importance. Please note that this is a pre-presentation to a planned County-wide CRSP Safety Workshop happening in the afternoon in the EOC on November 27th.

**ACTION REQUESTED:**

Presentation by county and consultant staff on the next County Roadway Safety Plan

**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 2018 - 5775