



CARVER COUNTY *minnesota*

**Carver County Board of Commissioners
November 22, 2022
Special Session/Work Session**

The County Board Room is open to the public.

Individuals who are not able to attend in person and wish to provide public comments can do so by email at admin-contact@co.carver.mn.us or by leaving a voicemail at (952) 361-1516. Public comments received in writing such as those received by e-mail will be summarized during the meeting and posted on the County website at <https://www.co.carver.mn.us/government/county-board-of-commissioners/county-board-meetings-and-agendas> following the meeting. Voicemail public comments will be played during the meeting. If you would like to join the Regular Session videoconference please send an e-mail, no later than noon on the Monday prior to the scheduled meeting date, to Carver County Administration at admin-contact@co.carver.mn.us to receive a WebEx invitation.

Public comments that relate to an item on the agenda will be heard when that agenda item is discussed. Please limit your public comments to five minutes or less.

The Regular Session portion of the meeting will be webcast live at: <https://youtube.com/@CarverCountyMN>

- 9:00 a.m. 1. a) **CONVENE**
- b) **Pledge of allegiance**
- c) **Public comments**
- 2. Agenda review and adoption
- 3. Approve minutes of November 15, 2022, Regular Session 1-4
- 4. Community Announcements
- 9:20 a.m. 5. **CONSENT AGENDA**
- Finances: Improve the County's financial health and economic profile*
- 5.1 Review Health & Human Services and Commissioner Warrants..... NO ATT

9:20 a.m.	6. CONNECTIONS: Develop strong public partnerships and connect people to services and information	
	6.1 2023 Legislative Priorities	5-29
	6.2 State Legislative Lobbyist Agreement	30-32
9:45 a.m.	RECESS AS COUNTY BOARD AND CONVENE AS CARVER COUNTY DITCH AUTHORITY	
9:45 a.m.	7. GROWTH: Manage the challenges and opportunities resulting from growth and development	
	7.1 2023 Ditch Assessments	33
9:50 a.m.	ADJOURN AS CARVER COUNTY DITCH AUTHORITY AND RECONVENE AS COUNTY BOARD	
9:55 a.m.	8. County Administrator Report	
10:00 a.m.	ADJOURN SPECIAL SESSION	
WORK SESSION		
10:00 a.m.	A. COMMUNITIES: Create and maintain safe, healthy, and livable communities	
	1. Parks & Trails Asset Management Plan	34
10:40 a.m.	B. FINANCES: Improve the County's financial health and economic profile	
	2. Finance 3Q Update	35-51

David Hemze
County Administrator

UPCOMING MEETINGS

November 29, 2022	No Board Meeting
November 29, 2022	7:00 p.m. Carver County Township Association Meeting Waconia American Legion
December 1, 2022	6:00 p.m. 2023 Budget Public Hearing
December 6, 2022	AMC Conference, No Board Meeting
December 13, 2022	9:00 a.m. Board Meeting
December 20, 2022	9:00 a.m. Board Meeting
December 27, 2022	No Meeting
January 3, 2023	9:00 a.m. 2023 Organizational Meeting

A Regular Session of the Carver County Board of Commissioners was held in the County Government Center, Chaska, on November 15, 2022. Chair Gayle Degler convened the session at 9:02 a.m.

Members present: Gayle Degler, Chair, John P. Fahey, Vice Chair, Tim Lynch, Matt Udermann and Tom Workman.

Members absent: None.

No public comments were received.

Lynch moved, Fahey seconded, to approve the agenda. Motion carried unanimously.

Udermann moved, Workman seconded, to approve the minutes of the November 1, 2022, Regular Session. Motion carried unanimously.

Udermann moved, Lynch seconded, to approve the following consent agenda items:

Contract with PowerPhone pending finalization of the contract review process.

Approved adjusting the Environmental Attendant positions within the Environment Services Department and related budget amendment.

Approved Twin Cities Public Health and Environmental Health Mutual Aid Agreement.

Professional services agreement with Henning Professional Services, Inc., for \$149,200 for the Highway 40 Project Belle Plaine area pending finalization of the contract review process.

Resolution #88-22, FY23 MN Department of Veterans Affairs Enhancement Grant.

Resolution #89-22, To Support the US Highway 212 and County Highway 51 Intersection Freight and Safety Project 2022 Minnesota Corridors of Commerce Request.

Resolution #90-22, MnDOT Agreement 1051940 with the State of Minnesota.

Resolution #91-22 Approving State of Minnesota Joint Powers Agreement with the County of Carver on Behalf of its County Attorney and Sheriff.

Contract with Groom and Bloom LLC for snow removal for two seasons at First Street, Encore and Historical pending finalization of the contract review process.

Contract with Excel Lawn and Landscape for snow removal for two seasons at the Chaska and Chanhausen License Centers and Environmental Center pending finalization of the contract review process.

Resolution #92-22, Support and Approval for Highway 5 Arboretum Area Project 2022 Minnesota Corridors of Commerce Request.

Contract with CliftonLarsonAllen to provide auditing services for the County's 2022 audit pending finalization of the contract review process.

Reviewed November 8, 2022, Community Social Services' actions/Commissioners' warrants in the amount of \$528,692.64 and reviewed November 15, 2022, Community Social Services' actions/Commissioners' warrants in the amount of \$449,642.94

Motion carried unanimously.

Lynch moved, Fahey seconded, to open the public hearing on Ordinance No. 103-2022 amending the County Building Code regulations. Motion carried unanimously.

Jason Mielke, Land Management, entered into the record the proof of publication, Planning Commission Resolution, draft Ordinance, draft County Board Resolution and any documents considered as part of the official records. He noted the Planning Commission held a public hearing and recommended approval. Mielke explained changes were needed to align the County to be consistent with the Minnesota State Building Code for the unincorporated areas of the County.

He highlighted proposed language changes that included removal of redundancies and clarifying permit fees. Mielke stated the County Attorney's Office and building official have reviewed the language and concurred with modifications.

No public testimony was received.

Fahey moved, Lynch seconded, to close the public hearing. Motion carried unanimously.

Fahey offered the following Resolution, seconded, by Lynch:

Resolution #93-22
Adopting Ordinance No. 103-222
Amending the Carver County Code of Ordinance
Chapter 150 – Building Regulations

On vote taken, all voted aye.

Ordinance No. 103-2022, Amendments to the Carver County Code of Ordinances, Chapter 150 of the Building Regulations.

The following is a summary of the essential elements of Ordinance No. 103-2022 for the purpose of publication as required by M.S. Section 375.51. A printed official copy of the ordinance is available for inspection by any person during regular business hours at the office of the Carver County Recorder, or a copy may be obtained from the Carver County Land Management Department. Ordinance No. 103-2022 includes text language updates to the Carver County Code of Ordinances, Chapter 150 (Building Regulations). The changes are needed in order to allow the County to be

consistent with the administration and enforcement of the Minnesota State Building Code (Minnesota State Statutes) for the unincorporated (Township) areas of the County. The Building Regulation amendments include but may not be limited to: removal of redundancies (i.e., text), previous code adoption text (i.e., years) and clarifying county permit fees.

Workman moved, Fahey seconded, to open the public hearing on Ordinance 87-2023 to consider changes to the 2023 fee schedule. Motion carried unanimously.

Mary Kaye Wahl, Assistant Finance Director, explained the revised fee schedule reflects changes brought forth by Division Directors. She explained Statutes allows the County to charge fees to cover its costs associated with providing services.

The Board discussed the number of data requests and applying fees to recoup staff time. Nick Kuktavy, Assistant Administrator, clarified Statutes outlines how and when Counties can charge for data requests.

No public testimony was received.

Workman moved, Lynch seconded, to close the public hearing. Motion carried unanimously.

Workman offered the following Resolution, seconded by Udermann:

Resolution #94-22
Adopting Ordinance 87-2023
2023 Carver County Fee Schedule

On vote taken, all voted aye.

Ordinance 87-2023, Amendments to Ordinance 87, the Carver County Fee-For-Service Schedule.

The following is a summary of the essential elements of Ordinance 87-2023 for the purpose of publication as required by M.S. Section 375.51. A printed official copy of the ordinance is available for inspection by any person during regular business hours at the office of the Carver County Auditor, or a copy may be purchased from the Carver County Finance Department. Ordinance 87-2023 provides for the 2023 Carver County Fee Schedule, which is a list of fees that Carver County charges to cover its costs associated with providing various services, including but not limited to recording, filing, certifying, providing copies, solid waste fees, and services provided by any county office, official, department, court, or employee. There is a reasonable relation between the fee and the cost of providing the service.

Martin Walsh, Parks Director, requested the Board approve the Southwest Regional Trail Master Plan. He reviewed the history of the Master Plan and pointed out the amendments made in 2016, 2018 and 2021. Walsh identified the requirements of the Plan and the elements that must be addressed. He noted new boundaries in Victoria and Chaska and the new trail segments between the Southwest Regional and Minnesota River Bluffs Regional Trails.

Workman moved, Udermann seconded, to approve the Southwest Regional Trail Master Plan and to direct staff to submit to the Metropolitan Council for approval. Motion carried unanimously.

Lynch moved, Fahey seconded, to recess as the County Board and convene as the Carver County Regional Rail Authority. Motion carried unanimously.

Walsh requested the Rail Authority approve the new license agreement with the Veterans Memorial Registry. He explained five years ago the Rail Authority entered in to an agreement for the monument and identified the location of the monument on the trail. He pointed out the previous amendments to the site plan to include equipment pads.

He reviewed the request to renew the agreement to include a second phase of development that included site grading, an additional equipment pad and the construction of a future sidewalk.

Stan Heldt, Mayer, explained the sidewalk was a safety factor and cost would be split between the County, the Veterans Memorial and City of Mayer. He highlighted improvements that would be made to the drainage and stated pads would be constructed after they knew the size of the equipment they would be getting. Heldt pointed out their website if citizens were interested in purchasing a paver or other information.

Lynch moved, Fahey seconded, to approve a new license agreement with the Veterans Memorial Registry for the Veterans Memorial in the City of Mayer pending finalization of the contract review process and authorize the Chair and Administrator to sign the Agreement and to approve expenditure of \$3,200 for construction of a sidewalk along Highway 25. Motion carried unanimously.

Udermann oved, Fahey seconded, to adjourn as the Rail Authority and reconvene as the County Board. Motion carried unanimously,

Lynch moved, Degler seconded, to go into a closed session to discuss labor negotiation strategy. Motion carried unanimously.

The Board adjourned the closed and Regular Session at 11:50 a.m.

David Hemze
County Administrator

(These proceedings contain summaries of resolutions/claims reviewed. The full text of the resolutions and claims reviewed are available for public inspection in the office of the county administrator.)

Carver County Board of Commissioners Request for Board Action



Agenda Item:
2023 Legislative Priorities

Primary Originating Division/Dept: Administration (County)

Meeting Date: 11/22/2022

Contact: Dave Hemze Title: County Administrator

Item Type:
Select...

Amount of Time Requested: 20 minutes

Attachments: Yes No

Presenter: Dave Hemze Title: County Administrator

Strategic Initiative:
Connections: Develop strong public partnerships and connect people to services and information

BACKGROUND/JUSTIFICATION:

The proposed 2023 Carver County Legislative Priorities were reviewed by the Board during an October 25 work session. Final proposed priorities are attached.

ACTION REQUESTED:

Motion to approve 2023 Carver County Legislative Priorities.

FISCAL IMPACT: Other

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT: None

Total \$0.00

Insert additional funding source

Related Financial/FTE Comments:

Legislative issues have various fiscal impacts, some of which are outlined in the priority document.

Office use only:

RBA 2022 - 8684



CARVER COUNTY

LEGISLATIVE PRIORITIES

2023

“Where the future embraces the past in keeping Carver County a great place to live, work, and play for a lifetime.”

Local Control Policy

The Carver County Board of Commissioners supports local decision-making authority and opposes legislation that removes the ability for local elected officials to respond to the needs of its businesses and constituents or that restricts local decision-making authority.

Locally elected decision-makers hold the best position to determine what health, safety and welfare regulations best serve their constituents. Like State and Federal legislative leaders, local elected officials are held accountable through Minnesota's robust elections process. Ordinances at the local level are enacted only after a comprehensive, legal, and open process.

The public's access to local officials is much easier, as is attending local county board and city council meetings.

Counties are often laboratories for determining public policy approaches to the challenges that face residents and businesses. Preserving local control in our state has yielded widespread benefits such as the 2007 Freedom to Breathe Act, and an amendment to the Minnesota Clean Indoor Air Act.

2023 Legislative Priorities

I) Road and Bridge

1. 82nd Street Reconstruction Funding
2. Highway 5 Reconstruction in Chanhassen Funding
3. Protect and Enhance Transportation Revenue
4. Reduce Legal Fees for Property Owners and Local Government Around Public Transportation Projects

II) Parks and Trails

5. Parks and Trails Legacy Funding
6. Capital Improvement Funding for Regional Parks
7. Lake Waconia Regional Park Phase III Development
8. Maintain Operations and Maintenance Funding for Regional Parks

III) Health and Human Services

9. Simplify MN Family Investment Budget Methodology
10. Support Permanent Basic Sliding Fee Child Care Reprioritization of the Wait List
11. Make Workforce Development Investments to Support Minnesota's Workforce
12. Increase Mental Health Reimbursement Rates

IV) General Government

13. Alternate Pathways to Peace Officer Licensure
14. Attorneys' Fees and Costs From 2021 Redistricting Lawsuit
15. Increase Filing Fees Retained by Deputy Registrars for Processing Driver's License Applications
16. High-Speed Internet to All County Residents and Businesses
17. Unfunded State and Federal Mandates
18. Metropolitan Council Governance Reform

Item numbering is not a priority listing



Issue #1: Provide Funding for 82nd Street Reconstruction

Background

Carver County, along with its partners, completed a transportation plan for all roadway corridors around the Minnesota Landscape Arboretum. The Arboretum Area Transportation Plan identified \$200 million in roadway, trail, utility, and water quality infrastructure investment needed in the next 20 years for Highway 5, Highway 7, Highway 41, Rolling Acres Road, and 82nd Street in the Cities of Victoria, Chaska, and Chanhassen.

Highway 18 serves as a key transportation corridor and plays an important role in the economic health and resilience of Victoria, Chanhassen, Chaska, and greater Carver County. Significant freight and daily use traffic on Highway 5 makes investment in CSAH 18 critical for safety and providing congestion relief on Highway 5.

Running parallel to Highway 5, an improved Highway 18 would provide a bypass to a congested state highway. Approximately 5,000 cars per day are forced to use Highway 5, which is dangerous and congested, or use 82nd Street, which is a two-lane gravel road, to make simple community connections. The improved roadway will serve as a critical last-mile connector and vital route for school buses and adolescent drivers. The roadway connects thousands of the region's residents to two school districts and current and future businesses throughout the County and region. In addition, an improved Highway 18 would provide secondary access to the Minnesota Landscape Arboretum, a nationwide destination for 500,000 annual visitors with growth plans expected to attract an additional 100,000 visitors per year.

The \$10 million grant would fully fund the Highway 18 Community Connection project which has a total project cost of \$23 million. The project will upgrade two miles of roadway from gravel to pavement between Bavaria Road and Highway 41 in Victoria, Chanhassen, and Chaska. A trail will be constructed on the north side of the road. A bridge will be constructed to traverse the ravine near Highway 41, which allows for a grade separated pedestrian crossing and ravine restoration. A roundabout will be constructed at the west end of the project at Bavaria Road.

Carver County has committed \$13 million in local option sales tax and county state aid funding towards this project. An allocation of \$10 million of state bonding funds will cover the Cities of Victoria, Chanhassen, and Chaska's share in advancing this project. The Cities has no capacity to fund the project without state bonding given its location in the community.

Requested Position

Provide \$10 million for a grant to Carver County for the Highway 18 Community Connection Project locally known as 82nd Street.



Issue #2: Provide Funding for Highway 5 reconstruction in Chanhassen

Background

Carver County, along with its partners, completed a transportation plan for all roadway corridors around the Minnesota Landscape Arboretum.

The plan identifies the Highway 5 Mobility and Lake Minnewashta Causeway Bridge Project as part of the long-range vision for planning for significant growth within the Twin Cities Metropolitan Area.

Highway 5 provides access to the Minnesota Landscape Arboretum, a nationwide destination for 500,000 annual visitors with growth plans expected to attract an additional 100,000 visitors per year. In addition, Highway 5 serves as a major freight and commuter corridor. The Highway 5 Mobility and Lake Minnewashta Causeway Bridge Project allows the Arboretum and the Cities of Chanhassen, Chaska, Victoria, and Carver County to realize their full growth potential for jobs and housing.

The project will include roadway expansion to 4 lanes from Minnewashta Parkway to Highway 41 in Chanhassen, a 1,900-foot-long bridge to elevate the roadway and reconnect Lake Minnewashta as well as bicycle and pedestrian connections to the regional trail system and the Arboretum.

Today, Highway 5 is traveled by 27,000 vehicles (800 heavy commercial) a day, experienced 87 crashes from 2014-18 (three times the state average) and will see 180,000+ hours/year peak period delay by 2040 without improvements. There are often two-mile backups on Highway 5 in this area due to congestion. The project will reduce delays and improve safety in this heavily traveled and important corridor for the region.

The total project cost is estimated at \$46 million. The County recently received a federal appropriation for \$2 million and a commitment from MnDOT for \$500,000. Despite Highway 5 being a state roadway, the County continues to seek other grant funding and is committed to funding the remaining gap of \$18.5 million with local option sales tax revenue.

Requested Position

Provide a \$25 million grant for improvements to Highway 5 from Minnewashta Parkway to Highway 41 in the City of Chanhassen.



Issue #3: Protect and Enhance Transportation Revenue

Background

Sales Tax on Auto Parts

The 2017 Legislature instituted a new policy of transferring general funds to transportation. The revenue comes from the proceeds from the sales tax on auto parts. However, only \$145.6 million, or about 55%, is transferred with the remainder of those revenues collected each year remaining in the General Fund. Given that increased revenue options for transportation are limited, a 100% transfer of these funds is recommended to help the state, counties, cities, and townships address transportation needs.

Motor Vehicle Leased Sales Tax

The Motor Vehicle Leased Sales Tax (MVLST) dedication was established by the 2008 Legislature and re-established and expanded by the 2017 Legislature. Carver County supports the current distribution formula which provides:

- 38% to greater Minnesota Transit
- 38% to the suburban counties
- 13% to local bridges
- 11% to the highway user tax distribution fund

The portion of MVLST revenue distributed to the five suburban counties helps address transportation infrastructure needs directly related to significant population growth. These needs are well beyond what traditional financial resources, such as county state aid, can provide. In addition, these counties utilize its self-enacted transportation sales and use taxes to help solve budget challenges related to both local and trunk highway improvement projects. Suburban public transit will also benefit because transit vehicles operate on the same roads and bridges.

Requested Position

1. Transfer 100% of the proceeds from the sales tax on auto parts to transportation.
2. Retain the current distribution of the Motor Vehicle Leased Sales Tax (MVLST).



Issue #4: Reduce Legal Fees for Property Owners and Local Government Around Public Transportation Projects

Background

Carver County requests revisions to Chapter 117, Eminent Domain, to mitigate the legislation's unintended consequences. The 2006 revisions to the law resulted in a significant cost increase to taxpayers and property owners related to attorney's fees, as well as interest payments incurred by agencies implementing public transportation improvements. This places an unreasonable and unintended burden on transportation funding. The modest changes proposed below would give condemning authorities a chance to respond to new information that may come to light in the property owner's appraisal, possibly totally avoiding the need to acquire the property through eminent domain.

Requested Position

Change the deadline for a property owner to provide their appraisal from 5 to 45 days before the Commissioners' hearing.



Issue #5: Parks and Trails Legacy Funding

Background

Parks and Trails Legacy Funding was established in 2012 and is funded with the 3/8th of 1% sales tax that is administered by the agencies of the State Park System, Metropolitan Regional Park System, and the Greater Minnesota Regional Park System.

The funding split includes:

- 0.25% off the top for coordination among partners for marketing and promotional efforts for all parks and trails of state or regional significance.
- 0.25% off the top to fund resources to establish criteria to allocate Legacy Funds

The remainder to be split:

- 40% Minnesota Department of Natural Resources
- 40% Metropolitan Regional Parks and Trails
- 20% Greater Minnesota Regional Parks

The Metropolitan area generates substantially more sales tax revenue than it receives through Parks and Trail Legacy Funding. Further, the Regional Park System generates substantially more users than the Greater Minnesota Regional Park System. Ideally, the funding should be split by sales tax generated or by annual parks and trail usage figures.

Carver County receives approximately \$500,000 annually for fund park and trail capital improvements, maintaining its regional parks, recreation instruction and other forms of public parks and recreation outreach activities.

Requested Position

Provide no less than 40% of the revenue from SFY 2024 and 2025 Parks and Trail Legacy Fund, above the initial set aside, to Metropolitan Regional Parks and Trails.



Issue #6: Capital Improvement Funding for Regional Parks

Background

The 2023 portion of the Metropolitan Council's Regional Park CIP is based on the issuance of up to \$10 million of Metropolitan Council bonds to provide a 40% match to a 2020 State bond request of \$15 million. These result in a 2023 CIP requested total for the Metropolitan Regional Park System of \$25 million.

Requested Position

Provide up to \$25 million for the Regional Park CIP for 2022 with \$15 million of State Bonds matched with \$10 million of Metropolitan Council bonds for a combined total of \$25 million for the Metropolitan Regional Parks System.



Issue #7: Lake Waconia Regional Park Phase III Development

Background

Lake Waconia Regional Park is 160-acre Metropolitan Regional Park, minimally developed, and located on the second largest lake in the Twin Cities area. Carver County received past funding from the State for the phased development of Lake Waconia Regional Park.

In 2018, the County received \$1.5 million of state bonds for Phase I development which included site grading, installation of municipal utility lines, and the construction of roadways and parking lots.

In 2020, the County received an additional \$2.5 million of state bonds for Phase II development was secured to construct a new waterfront pavilion with restrooms, concessions and to make utility connections.

Carver County has provided \$7 million, 70% of the project costs, in local funds towards Phase I and II developments.

Requested Position

Provide \$2.25 million in State funds to predesign, design, and construction of a playground, parking lot, picnic shelter walkways and other site amenities at Lake Waconia Regional Park.



Issue #8: Maintain Operations and Maintenance Funding for Regional Parks

Background

Carver County receives a portion of its operations and maintenance (O&M) funding for the regional parks it administers. O&M funding comes from funding sources of the State General Fund.

Carver County supports the request of the Metropolitan Council of \$9,140,000 in State Funds for O& M of Regional Parks. The amount is the same as requested in 2021.

In past years Regional Park Implementing Agencies received approximately 9% of their O&M expenditures from the State.

For Carver County, the anticipated funding amount is approximately \$155,000.

Benefits

- Reduces County property tax to maintain its regional parks
- Continues satisfactory levels of park services
- Helps off-set cost of users outside of Carver County

Requested Position

Provide funding for Operations and Maintenance of Regional Parks.



Issue #9: Simplify the Minnesota Family Investment Budget Methodology

Background

Modernization and simplification of Minnesota Family Investment Program (MFIP) and other cash programs reporting requirements is needed. The program should align with nationwide best practices, encourage earned income and employment, calculate benefits based on current (not past) income, and create equity/uniformity with other public assistance programs (such as SNAP). Requiring Carver County families to do monthly reporting for MFIP is an added administrative step that burdens families, creates confusion, and leads to benefits not reaching their intended target population. The State's MFIP budget methodology is an antiquated strategy and reduces the program's potential to help families when they are destabilized. The intent of MFIP is to stabilize families so they can move toward self-sufficiency. When a family falls off the program due to procedural gaps—versus their own financial situation—the program has failed. Changing the budget methodology creates a stable base income for families to move beyond crisis and gather momentum to secure more steady earned income, incentivize having earned income, and reduce county administrative (processing of paperwork) time.

Requested Position

Change the budget methodology from immediately reducing benefits when earnings increase to requiring that the MFIP set benefits for a six-month reporting period instead of monthly.



Issue #10: Support Permanent Basic Sliding Fee Child Care Reprioritization of the Wait List

Background

Access to affordable childcare is central to the vitality of our state and local economy. The Child Care Assistance Program (CCAP), funded by the State of Minnesota, provides financial assistance through a basic sliding fee model to help families with low income pay for childcare so parents may pursue employment. This program is key to stabilizing families and reinvigorating return to work.

Basic Sliding Fee (BSF) childcare helps families avoid enrolling in the Minnesota Family Investment Program (MFIP), a Minnesota public assistance welfare reform program, and ensures children have access to safe and reliable childcare while parents go to work. BSF childcare offers families a ladder out of poverty.

The temporary reprioritization changes allowed by the State in 2021 made it possible for counties to prioritize families and give immediate access to childcare assistance to those who did not have childcare and were not on the MFIP program. This temporary change helped support parents return to those entry-level jobs, but also focused on educating or offering career pathways to higher paying jobs. Making this change permanent can have a long-lasting effect on employers struggling to fill vacancies. Before this temporary change, the lack of accessing affordable childcare drove many families to apply for MFIP. Permanent reprioritization will allow more families to access reliable, affordable, and safe childcare while parents participate in the workforce, directly impacting local economies and prosperity of our communities.

Requested Position

Making Basic Sliding Fee (BSF) reprioritization permanent to bring widespread economic returns and elimination of the childcare assistance (CCAP) wait list.



Issue #11: Make Workforce Development Investments to Support Minnesota's Workforce

Background

Minnesota's current employment landscape is complex and rapidly changing. A strong workforce system is imperative to be prepared for the future.

Due to this complexity, proven employment and training programs are critical to ensure jobseekers are prepared to meet the current and future needs of employers. Funding needs to be aligned to better achieve the best return on this investment. An inadequate supply of qualified labor could cause the economy to stall, forcing businesses to leave Minnesota or delay/eliminate expansion. People with disabilities, ex-offenders, older workers, people of color, and veterans face multiple barriers to gaining stable employment. Youth continue to experience employment at higher rate than adults. In addition, significant income disparities exist among not only the unemployed, but among those who are already working, groups that face the highest inequities are people of color and people from different cultures, individuals with disabilities, youth, and women. The CareerForce System has an exemplary record of leveraging public investments to connect employers and job seekers to the resources they need to be successful.

Requested Position

Supports the following:

1. Jobs and Economic Development finance divisions funding targets that allow for substantial general fund investments in employment and training programs.
2. Flexible funding to advance innovations in career pathways, sector strategies, incumbent worker training, and employer outreach and engagement.
3. Increasing formula funding for the statewide Minnesota Youth Program which provides career counselling and on the job training opportunities for youth.
4. Flexible funding within the Minnesota Youth Program to provide support to increase employer engagement in youth counseling, mentoring, and training opportunities.
5. Clarifying language confirming the original intent of the Workforce Development Fund was to provide resources for the dislocated worker and incumbent worker training and ensure that a balance remains which can fully address those needs in the time of possible recession.
6. Aligning investments and eliminate silos across the workforce development system regardless of funding committee or state agency structure.
7. State and Federal legislation authorizing the Workforce Innovation and Opportunity Act, which reflects the priorities of local workforce development boards in Minnesota.



Issue #12: Increase Mental Health Reimbursement Rates

Background

Carver County Behavioral Health provides mental health services for children, youth and adults ranging from early intervention to intensive treatment. The array of behavioral health services offered allows for critical coordination of care, targeted interventions to address social determinants of health and evidence-based interventions that reduce the risk of higher cost, more restrictive care. Most importantly, access to high quality services supports residents in alleviating mental health symptoms and allows them to engage fully in their communities. Each year, Carver County serves approximately 4,000 individuals across the various behavioral health services with 20% of those individuals receiving more than one service.

In the 2018 Minnesota State Legislature Report “Final Study of Mental Health Reimbursement,” the first recommendation was for the State to “Establish reimbursement methodologies to reflect the cost of providing required elements of community-based mental health services.” That process is yet to be completed and reimbursement rates remain stagnant. Inadequate reimbursement, compounded by the mental health workforce shortage, adds to the challenges of continuing to provide critical safety net mental health services to residents of Carver County.

Requested Position

Support the Mental Health Services Short Term Stability Bill (DHS Rate Study Bridge Bill) providing a 35% rate increase on all services and codes included in the study.



Issue #13: Alternate Pathways to Peace Officer Licensure

Background

Police recruit applications are at historically low numbers nationwide, and Carver County is no exception. Regionally accredited colleges and universities are seeing, on average, a 40% decline in law enforcement students, resulting in less candidates eligible for licensure. The Minnesota POST Board is seeing low numbers of license eligible candidates on their rosters. The Police Executive Research Forum reports 40% increase in retirements and 5% fewer applications nationally, resulting in higher than normal vacancies and an inability for agencies to fill vacant positions. Carver County is similarly situated in its inability to staff vacant positions for all these reasons, as well as other market conditions.

There are basically two paths to State peace officer licensure: 1) Traditional pathway (e.g., university or college degree, followed by POST-approved Professional Peace Officer Education program (PPOE), and pass a licensing exam; or, 2) Reciprocity (i.e., a candidate has prior peace officer experience in another state or military and passes the State's licensing exam to be eligible for licensing in Minnesota).

In both licensing scenarios, the applicant is required to come to the prospective employer with license eligibility. Some agencies, including Carver County, administer "Cadet Programs" wherein a candidate is hired in a "cadet" status and sent to one of thirty POST-approved schools to satisfy PPOE requirements. This creates expense for the employer and further delays a candidate's certification for solo patrol because the first 12 weeks +/- were spent in PPOE program.

Once a candidate has completed the PPOE program and passed the POST exam, they field training with the employer. Much of field training is duplicative of PPOE coursework because the agency is responsible for training to its own standard(s), which are nearly always substantially similar to PPOE coursework, but agency-specific to technologies, tactics, and practices, creating unnecessary redundancy for some candidates.

Requested Position

The State Legislature should direct the POST board to develop an alternative pathway to licensure wherein the agency hires the candidate, who receives a provisional license, and provides POST-approved on-the-job training. This would allow the candidate to minimize redundant or unnecessary training presented in the academic environment, and instead focus on relevant POST-approved, agency-specific training. The candidate would receive a full-time peace officer license upon successful completion of all required training.



Issue #14: Attorneys' Fees and Costs From 2021 Redistricting Lawsuit

Background

After each U.S. census, congressional apportionment takes place. Each state draws the boundaries for its congressional districts following its own procedures and statutes. Since the 1980 census, an appointed Judicial Panel has adopted Minnesota's congressional and legislative redistricting plan. Historically, the redistricting plan has been challenged in the Court and a county election official from one of the State's fastest growing counties has been named as a "representative" defendant, on behalf of all 87 counties, along with the Secretary of State.

When the 2021 redistricting plan was challenged in court, "Kendra Olson, Carver County Elections and Licensing Manager, individually and on behalf of all Minnesota county chief election officers" was a named co-defendant. Carver County was brought into this case as a nominal party and only for purposes of ensuring that any order issued by the Court could be imposed on all County Auditors/Chief Election Officers across the State.

On August 31, 2022, an Order from the Special Redistricting Panel was issued which stated Carver County could be jointly and severally liable with the Secretary of State for up to \$475,927.12 in attorneys' fees and costs.

This result was expected. Despite valid equitable arguments, the Judicial Panel was required to apply the law, which does hold defendants responsible for paying the prevailing parties attorneys' fees and costs.

Historically, the defendant Secretary of State's Office has requested, and the Legislature has approved, paying any ordered attorneys' fees and costs in full, with no financial impact on the "representative" defendant county.

The 2020 U.S. Census reported that the State of Minnesota has a population of 5,706,494 people. Carver County had a population of 106,922 people, or about 1.88% of the entire population of the State of Minnesota.

Imposing the court-ordered attorneys' fees and costs upon Carver County is an unreasonable amount to impose on such a small segment of the population of Minnesota. The costs of this case should be assessed to all citizens and not just those located in Carver County. The only way to equitably distribute the ordered attorney's fees and costs is to impose them on the Secretary of State's budget which is set by the legislature with an allocation from the State's general fund.

The redistricting results produced by the Judicial Panel benefited everyone in Minnesota, not only those people living in Carver County.

Requested Position

Follow historical precedent by the Legislature paying in full the \$475,927.12 in ordered attorney's fees and costs associated with the 2021 Redistricting lawsuit.



Issue #15: Increase Filing Fees Retained by Deputy Registrars for Processing Driver's License Applications

Background

Communities benefit when Deputy Registrar services are provided with a high degree of service and efficiency. The sustainability of Minnesota's Deputy Registrars offices is being threatened by persistent challenges that require Legislative action.

Filing fees retained by Deputy Registrars for processing driver's licenses and motor vehicle applications are set by statute and without legislative action cannot be increased. Thus, the business model for a Deputy Registrar's Office relies on the Legislature regularly increasing filing fees to minimize local tax-payer subsidization.

The **\$8** filing fee retained by Deputy Registrars to process a driver's license application has not changed since 2014 despite Deputy Registrars staff time to process Real/Enhanced ID license applications typically taking twice as long as a standard driver's license in the State's MNDRIVE software. In addition, the number of no-fee customer phone calls and visits has increased significantly due to the more stringent and comprehensive Federal REAL ID documentation requirements.

An Independent Expert Review (IER) team was asked by the Legislature to submit a report on Deputy Registrar filing fees. On page 19 of the IER'S January 12, 2022, Driver & Vehicle Services Report recommends the following:

1. Federal REAL/Enhanced Driver's License **New Application** filing fee increased to **\$16**.
2. Standard Class D Driver's License **New Application** filing fee increased to **\$11**.
3. **Renewal** filing fee for all types of Driver's Licenses increased to **\$11**.

Requested Position

Support the IER team's recommendations to increase driver's license filing fees and to allocate up to 50% of the filing fees the State receives from mail-in and online vehicle transactions to offset Deputy Registrars' staffing cost increases. This minimizes and/or eliminates local taxpayer subsidization and increases long-term sustainability of Deputy Registrar operations.



Issue #16: High-Speed Internet to All County Residents and Businesses

Background

In 2022, the FCC revoked LTD Broadband's Rural Digital Opportunity Fund (RDOF) long form application. The County agrees with this action. The analysis showed LTD failed to demonstrate it could deliver the promised service to the connections it was awarded, which amounted to more than \$1.3 billion in RDOF funding covering more than 15 states.

This revocation creates a major gap in Carver County's efforts to make available fiber connected broadband by stranding more than 2,700 locations that are located within the RDOF coverage area, identified as under/unserved based on the FCC's broadband speed limits.

In June 2022, our Board approved the Connect Up Carver Initiative. The \$10.5 million project leverages \$6.5 million in County funding to expand our existing, publicly owned, middle-mile fiber network, CarverLink. The project includes a partnership with private service provider Metronet, which provides the remaining \$4 million, requiring Metronet to make available fiber internet to more than 2,200 identified under/unserved locations within the project's service area.

With more than 2,700 RDOF-identified locations, in parallel with the County's Connect Up Carver Initiative and other efforts and collaborations, the County's stated goal was to become the first Minnesota county with nearly 100% high-speed internet availability. The RDOF funding loss impacts those RDOF locations.

Our County's commitment to our current project means we need additional Federal or State funds to serve those 2,700 RDOF locations. With Carver County's existing CarverLink middle-mile network, we sit uniquely positioned to bring this necessary access to the unserved/underserved RDOF areas in the next 3-5 years.

Requested Position

1. Support future Carver County State and Federal funding applications to fill the gap for the 2,700 under/unserved locations.
2. Eliminate "duplication of effort language" in any future Federal funding that includes broadband.
3. Waive the Davis Bacon (prevailing wage) requirements for these broadband projects.
4. Includes a time limit in responding to power pole lease agreements for telecommunication providers.
5. Prioritize applications that serve Rural Digital Opportunity Fund (RDOF) areas previously claimed by a company named LTD.



Issue #17: Unfunded State and Federal Mandates

Background

Carver County opposes State or Federal mandates and costs without full and stable funding. These unfunded mandates unfairly shift financial responsibility to counties.

Examples of more than \$1.7 million in annual, unfunded mandates/funding shifts with the estimated cost to Carver County residents include:

- Unfunded children’s mental-health case management services (non-medical assistance) = \$400,000
- Unfunded adult mental-health case management services (non-medical assistance) = \$115,000
- “Does Not Meet Criteria” notification from State operated facilities = \$324,000
- After-hours coverage as the State “Safety Net” for adult and child protection/mental health crisis = \$350,000
- Civil commitment pre-petition screening process = \$200,000
- Publication of financial statements, County Board meeting minutes, and budget hearing notices = \$15,600
- Providing Federally mandated health benefits to pre-trial inmates = \$100,000
- Various public safety mandates, including emergency management planning and training; 911 dispatch training and equipment requirements; and detention-related costs (underfunded transportation costs, inmate custody boarding costs, inmate programming and mental-health commitment costs) = \$150,000-\$200,000

Requested Position

State or Federal legislation not accompanied with commensurate funding be revised or removed. Further, the State Legislature should pass legislation to sunset all county-level mandates, reviewing each legislative item to determine if it should continue or be eliminated. Finally, all legislation impacting local government needs to include a “local impact note” to determine if it increases local government costs.



Issue #18: Metropolitan Council Governance Reform

Background

A coalition of local governments throughout the metropolitan area developed a position statement and a set of principles for improving metropolitan governance in the Twin Cities.

The coalition supports the need for regional planning, collaboration, and coordination, but seeks to expand local government representation on the Metropolitan Council.

Cities in Carver County that have formally adopted this position include Chanhassen, Chaska, Cologne, Hamburg, Mayer, New Germany, Norwood Young America, Watertown, and Victoria. Other metropolitan local governments formally supporting this position include Andover, Anoka County, Bethel, Blaine, Coates, Columbus, Centerville, Crystal, Dakota County, Elko New Market, Farmington, Forest Lake, Greenwood, Ham Lake, Hampton, Jordan, Lino Lakes, Loretto, Mendota Heights, Mound, New Prague, Nowthen, Oak Grove, Plymouth, Prior Lake, St. Francis, Scott County, and Shakopee. This list is growing as we continue to discuss this critical issue with others.

The coalition's objectives for its collective effort to improved governance are:

1. To articulate a vision of responsive and effective metropolitan governance — as represented by a Statement of Belief and Principles for Reform of the Metropolitan Council.
2. To align local government interests behind a reform effort — through formation of a broad coalition of metropolitan cities and counties — and a common position.
3. To be prepared for any efforts — legislative and otherwise — to reform the governance structure and functioning of the Metropolitan Council.

The Metropolitan Council, due to its taxing and policy authority, needs accountability to a regional constituency of those impacted by its decisions. It should not operate as a State agency — as it does in its current form — answerable to only one person, the Governor.

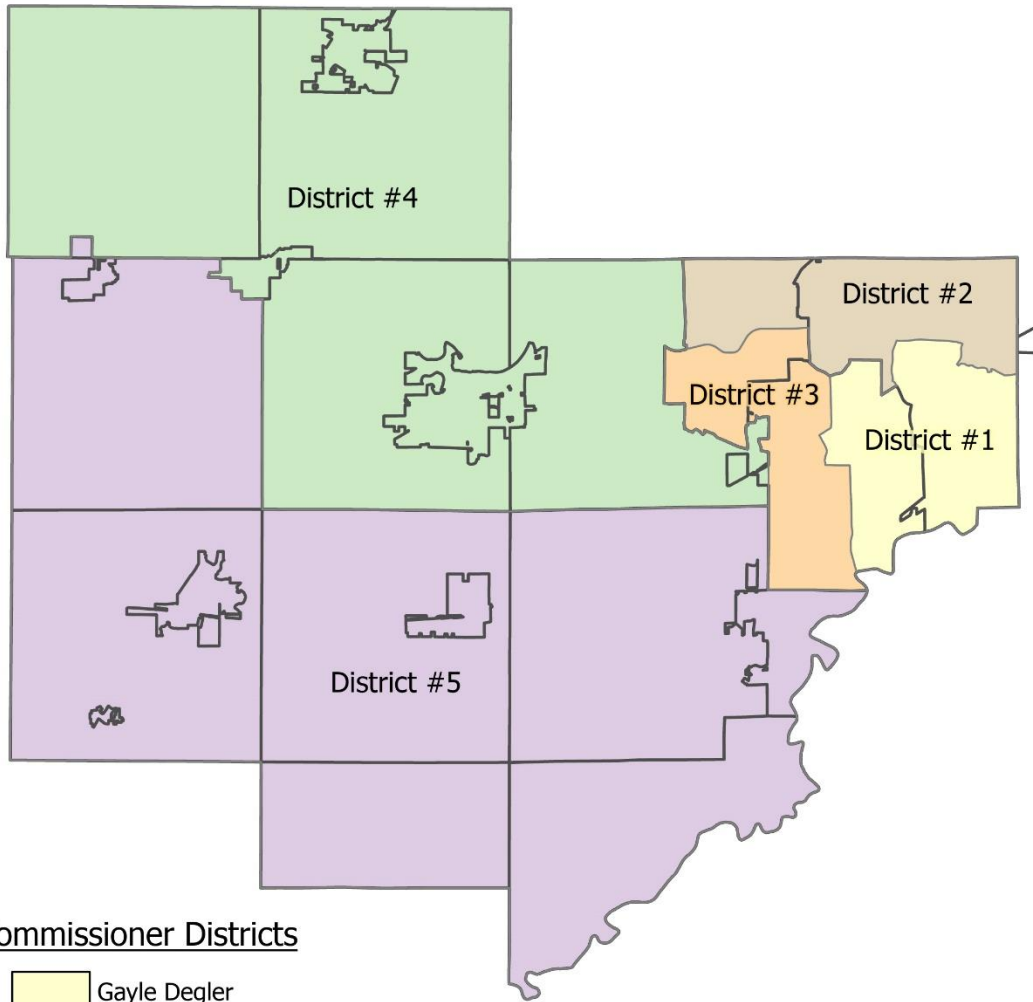
Requested Position

Carver County supports changes to legislation which follow the below principles for Metropolitan Council Reform. Specific legislation has been proposed by the local government coalition on this topic.




1. A majority of the members of the Metropolitan Council shall be elected officials, appointed from cities and counties within the region.

2. Metropolitan cities shall directly control the appointment process for city representatives to the Metropolitan Council.
3. Metropolitan counties shall directly appoint its own representatives to the Metropolitan Council.
4. The terms of office for any Metropolitan Council members appointed by the Governor shall be staggered and not coinciding with the Governor's term.
5. Membership on the Metropolitan Council shall include representation from every metropolitan county government.
6. The Metropolitan Council shall represent the entire region, therefore voting shall be structured based on population and incorporate a system of checks and balances.

Carver County Commissioner Districts



Commissioner Districts

-  Gayle Degler
-  Tom Workman
-  Matt Udermann
-  Tim Lynch
-  John P. Fahey



Document Path: \\ch_gis\gis\GISData\Projects\GIS\Redistricting\2022\County App\Map Requests\FairMap_20221115.aprx

Carver County Administration & Commissioners

<p>Gayle Degler – District 1 Phone: (763) 381-1879 gdegler@co.carver.mn.us</p>	<p>Tom Workman – District 2 Phone: (952) 250-4924 tworkman@co.carver.mn.us</p>
<p>Matt Udermann – District 3 Phone: (612) 888-4733 matt.undermann@co.carver.mn.us</p>	<p>Tim Lynch – District 4 Phone: (952) 303-9458 tlynch@co.carver.mn.us</p>
<p>John P. Fahey – District 5 Phone: (612) 849-6298 jfahey@co.carver.mn.us</p>	<p>David Hemze County Administrator Phone: (952) 361-1526 dhemze@co.carver.mn.us</p>
<p>Jason Kamerud County Sheriff Phone: (952) 361-1784 jkamerud@co.carver.mn.us</p>	<p>Mark Metz County Attorney Phone: (952) 361-1490 mmetz@co.carver.mn.us</p>
<p>Nick Koktavy Assistant County Administrator Phone: (952) 361-1797 nkoktavy@co.carver.mn.us</p>	<p>Heather Goodwin Health & Human Services Phone: (952) 361-1605 hgoodwin@co.carver.mn.us</p>
<p>David Frischmon Property & Financial Services Phone: (952) 361-1506 dfrischmon@co.carver.mn.us</p>	<p>Lyndon Robjent Public Works Phone: (952) 466-5206 lrobjent@co.carver.mn.us</p>
<p>Kerie Anderka Employee Relations Phone: (952) 361-1570 kanderka@co.carver.mn.us</p>	

Carver County Board of Commissioners Request for Board Action



Agenda Item:
State Legislative Lobbyist Agreement

Primary Originating Division/Dept: Administration (County) <input type="text"/>	Meeting Date: 11/22/2022 <input type="text"/>
Contact: David Hemze <input type="text"/> Title: County Administrator <input type="text"/>	Item Type: Select... <input type="text"/>
Amount of Time Requested: 15 <input type="text"/> minutes	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No
Presenter: David Hemze <input type="text"/> Title: County Administrator <input type="text"/>	
Strategic Initiative: Connections: Develop strong public partnerships and connect people to services and information <input type="text"/>	

BACKGROUND/JUSTIFICATION:

A Request for Proposals (RFP) was issued for State legislative lobbying services. Key services include promoting and defending the County’s legislative priorities at the Minnesota Legislature by drafting bills, scheduling meetings, working with legislative authors and staffers to secure hearings, arranging testimony by County leaders, and lobbying committee members. The priority focus of lobbying efforts will relate to obtaining funds for roads, bridges, and parks.

Seven proposals were received for these services. The County Legislative Committee, which includes Commissioners Fahey and Workman, recommends entering into a contract with Poul Haas PA. Tony Albright will be their assigned Carver County lobbyist. Mr. Albright's profile is attached.

ACTION REQUESTED:

Motion to approve contract with Poul Haas PA for a two-year term effective January 1, 2023 with an annual fee of \$38,000 with a contract pending final review by the County Attorney and Risk Management Offices.

FISCAL IMPACT: Included in current budget <input type="text"/>	FUNDING
<i>If "Other", specify:</i> <input type="text"/>	County Dollars = <input type="text"/> \$38,000.00
FTE IMPACT: None <input type="text"/>	Total <input type="text"/> \$38,000.00
<input checked="" type="checkbox"/> Insert additional funding source	

Related Financial/FTE Comments:
Annual contractual fee of \$38,000 with a two-year term.

Office use only:

RBA 2022 - 8685

TONY ALBRIGHT PROFILE

Tony Albright is a highly regarded policy leader and former member of the Minnesota House of Representatives. His unique knowledge derived from ten years in the legislature as a health care and government operations policymaker enables him to assist clients as an effective lobbyist on a variety of issues including healthcare, transportation, local government, bonding, insurance, and tax and economic development. Tony has a deep understanding of the state's political dynamics, the policy issues facing the legislature, the key players, and the efforts required to successfully enact meaningful legislation.

While serving in the House, Tony was the Lead Republican on the House Human Services Finance and Policy Committee and Vice Chair of the Ways and Means Committee. He also served on the State Government Finance, State Government Operations, Health Care Reform, Capital Investment (bonding), and Rules Committees. He is especially proud of his service and appointments to the Legislative Commission on Pensions and Retirement, Workers Compensation Advisory Council, and Healthcare Workforce Development Commission. He was also appointed Speaker Pro Tempore during the 2017-2018 biennium Legislative Session.

In addition to legislative service, Tony spent 25 years in the investment advisory field as a partner and CCO concentrating on employer-sponsored retirement plans, fiduciary compliance, and ownership succession planning.

Tony is a graduate of Minnesota State University Moorhead with a B.S. in Business Administration, Marketing, and Finance. Tony lives in Prior Lake with his wife and has three adult children.

Professional and Community

Membership associations

- Jordan Commercial Club
- SCALE (Scott County Association for Leadership and Efficiency)
- Minnesota Government Relations Council

Legislative Service Accolades and Awards

MN Association Community Health Centers, 2018 "Legislator of the Year"

Minnesota Retailers Association, 2022 "Friend of Retail" Award

League of Minnesota Cities, 2022 "Legislator of Distinction"

Minnesota Council on Disabilities, 2022 "Exceptional Advocate Award"

Minnesota Consortium for Citizens with Disabilities, 2018 "All Star Legislator"

Manufactured & Modular Home Association of Minnesota, 2017 “Friend of Affordable Housing”

Suburban Transit Association, 2019 “Friend of Southwest Transit”

Suburban Transit Association, 2017 "Legislative Champion"

US 169 Corridor Coalition, 2021 "Coalition Catalyst" Award

Norway House, 2017 "Distinguished Service Award"

Minnesota Medical Group Management Association (MMGMA), 2022 Special Recognition Award

St. Paul Teachers Retirement Fund, 2017 "Legislator of Distinction"

Carver County Board of Commissioners Request for Board Action



Agenda Item:
2023 Ditch Assessments

Primary Originating Division/Dept: ▼

Meeting Date:

Contact: Title:

Item Type:
 ▼

Amount of Time Requested: minutes

Attachments: Yes No

Presenter: Title:

Strategic Initiative:
 ▼

BACKGROUND/JUSTIFICATION:

County and Joint Ditches are periodically cleaned out and services performed. 100% of the out of pocket/direct cost for the work is assessed to the individual ditches by the Ditch Authority. Mike Wanous, Executive Director of the Carver County Soil and Water Conservation District along with Carver County Land Records and Finance staff developed the Ditch Special Assessment recommendations in the table below.

ACTION REQUESTED:

Motion to approve the recommended payable 2023 one-year assessemnts with 0% interest below: (2022 and 2021 Assessments are for informational puoses only)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Joint Ditch 2	\$1,500	\$1,000	\$0
Joint Ditch 3A	\$30,000	\$10,000	\$25,000
Joint Ditch 4	\$0	\$0	\$0
Joint Ditch 5	\$0	\$0	\$0
Joint Ditch 21	\$8,000	\$10,000	\$10,000
Joint Ditch 22	\$8,000	\$0	\$0
Joint Ditch 24	\$8,000	\$4,000	\$3,000
Joint Ditch 28	\$1,500	\$0	\$0
Joint Ditch 33	<u>\$0</u>	<u>\$0</u>	<u>\$12,166.57</u>
TOTAL	\$57,000	\$25,000	\$50,166.27

FISCAL IMPACT: ▼

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT: ▼

Total

Insert additional funding source

Related Financial/FTE Comments:

Ditches are responsible for their individual expenses. No County levy dollars are used to maintain and repair ditches.

Office use only:

RBA 2022 - 8746

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Parks & Trails Asset Management 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:

June of this year, Carver County contracted with HKGI, a planning and consulting firm, to help the County develop stronger planning using asset management principles to help prioritize replacement of existing parks and trail assets as well as document future needs for the parks and trail system and the related costs.

Staff and the consultant will share information generated on the current condition of existing assets, near term projects and related costs.

ACTION REQUESTED:

N/A

FISCAL IMPACT:

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT:

Total

Insert additional funding source

Related Financial/FTE Comments:

Office use only:

RBA 2022 - 8742

Carver County Board of Commissioners Request for Board Action



Agenda Item:
Finance 3Q Update

Primary Originating Division/Dept: <input type="text" value="Property & Financial Services"/>	Meeting Date: <input type="text" value="11/22/2022"/>
Contact: <input type="text" value="David Frischmon"/> Title: <input type="text"/>	Item Type: <input type="text" value="Work Session"/>
Amount of Time Requested: <input type="text" value="30"/> minutes Presenter: <input type="text" value="David Frischmon"/> Title: <input type="text"/>	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No
Strategic Initiative: <input type="text" value="Finances: Improve the County's financial health and economic profile"/>	

BACKGROUND/JUSTIFICATION:

2022 Q3 Budget to Actual Review:

County staff will present a high-level overview on the Finance staff's 3Q Review with all Divisions.

Finance Fund Balance and Federal Awards Procurement Policy Updates:

County staff will provide an overview of recommended changes to existing Financial/ Administrative policies that will be recommended for adoption at the December 13th Board meeting. Please see attached drafts for additional information.

2023 GIS Property Tax Impacts:

County staff will present a county-wide summary of the 2023 property tax impact from the 2023 preliminary property tax levy that was adopted by the County Board in September, 2022.

2024 Long Term Financial Plan:

The 2023 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. The attached draft is a high-level summary of the Plan which will be presented at the Board workshop.

ACTION REQUESTED:

None - Board review and direction only. Formal Board approval for the Finance Policy recommended changes and the 2024 Long Term Financial Plan will be requested at the December 13th Board meeting.

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

Related Financial/FTE Comments:



Carver County – Financial Policy Manual

Fund Balance

SECTION:	Accounting and Finance	EFFECTIVE:	12/13/11
AUTHORITY:	Motion 12/13/11	REVISED:	4/15/14
		REVISED:	12/13/22

Purpose

To ensure that the County maintains adequate fund balances and reserves in order to provide a stable financial environment for the County's operations.

Policy

Maintaining reserves is considered a prudent management practice and crucial to long-term financial planning. Adequate fund balances are maintained to allow the County to continue providing services to the community in case of unexpected emergencies or requirements and/or economic downturns.

Fund balance will be reported in governmental funds (i.e. general fund, special revenue funds, capital project funds, debt service funds, and permanent funds) under the following categories provided by GASB No. 54:

Non-spendable: Not available for spending, not in spendable form or legally/contractually required to be maintained intact such as inventory.

Restricted: Limitation on spending for a specific purpose from external parties (creditor, grantor, contributor, or laws/regulations of another government) or imposed by law through Constitutional provisions or enabling legislation such as 911 fees.

Committed: Limitation on spending imposed at the highest level of decision making (i.e. County Board) for the specific purposes that require formal action prior to the end of the year, the exact amount may be determined subsequently. It also requires a formal action by the Board to remove a commitment.

Assigned: Limitation on spending resulting from intended use established by the highest level of decision making where the Board delegates to the County Administrator or his designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

- Assigned fund balance may be used to supplement “pay as you go” capital outlay, one-time operating expenditures, tentative management plans, or prepay existing County debt. These funds may not be used to establish or support costs that are recurring in nature.
- At year-end, divisions can request uncompleted professional service obligations and/or capital appropriations and unexpended grants be rolled over to the subsequent year by submitting a listing to the County Administrator for approval.
- Up to 30% of the expenditures for the following year’s Operating Budget needs to be available for working capital/cashflow purposes until the first half of the year’s tax collections are received. GASB 54 allows these funds to be assigned in the Road & Bridge and Community Social Services Special Revenue Funds because they meet the definition for a “specific purpose.” (GASB54 does not allow these same funds to be assigned in the General Fund so working capital is classified as unassigned in the General Fund – See **Unassigned** paragraph below). Cash reserves in the Compensated Absences Fund can be transferred as a temporary interfund loan at a zero-interest rate to other funds to meet the need for working capital/cash flow. t year-end, the residual net resources from the operating budgets, excluding the annual Investment Mark to Market adjustment, makes up the Year-End Savings (“Y.E.S”) Account. The Y.E.S. account is transferred to the following Capital Improvement Project (CIP) Funds based on percentage: Road & Bridge CIP (50%), Buildings CIP (25%), and Parks & Trails CIP (25%). The Y.E.S Account is assigned fund balance in the respective CIP funds and is used to accumulate funds for future one-time capital purchases and/or significant budget variances.
- Capital Projects Fund balances are adopted by the life of the project and remaining balances are carried forward from the prior year. Remaining balances upon the completion of the capital project are returned to the General Fund or re-assigned at the County Board’s discretion.

Unassigned: Unassigned fund balance in the General Fund comprises up to 30% of next year’s operating budget for working capital which is needed for cashflow purposes until the first half of the year’s tax collections are received. Unlike the Special Revenue Funds, these funds are not considered to be for a “specific purpose” under GASB54, and have to be classified as unassigned. (In other funds, the unassigned fund balance should be used only to report a deficit balance from overspending for specific purposes for which amounts have been restricted, committed, or assigned.)

Prioritization of fund balance use: When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is County policy to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the

unrestricted fund balance classifications could be used, it is County policy to use committed amounts first, followed by assigned amounts, and then unassigned amounts.

Definitions:

Fund Balance - the difference between assets and liabilities in governmental funds.

General Fund - used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Fund - used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The specific restricted or committed revenue sources should be expected to continue to comprise a substantial portion of the fund. Other resources reported in a special revenue fund, may be reported if they are also restricted, committed or assigned for the specific purpose of the fund.

Debt Service Fund - used to account for all financial resources restricted, committed or assigned to expenditures for principal and interest.

Capital Project Fund - used to account for all financial resources restricted, committed or assigned to expenditures for the acquisition or construction of capital assets.



Carver County – Administrative Policy Manual

Federal Awards Procurement

SECTION:	Contracts	EFFECTIVE:	12/31/16
AUTHORITY:	Motion on 12/20/16	REVISED:	12/13/2022

Purpose

The purpose of this policy is to outline procurement standards if Federal awards of funding are involved.

Policy

Administration

This policy is only for procurements that involve Federal funds. County employees should also review the Contracts and Purchasing Policy (section D1 in the Administrative Policy Manual). If language conflicts between the two policies and Federal funding is involved in the procurement [of goods, services, and contracts](#), employees shall follow the language set forth in this policy [and comply with the procedures prescribed by the Code of Federal Regulations, 2 C.F.R. Part 200.318, and Appendix II-](#)

Conflicts of Interest

No employee, officer, or agent of Carver County will participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of Carver County must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the financial interest is not substantial or the gift is an unsolicited item of nominal value. Disciplinary actions will be applied for violations of such standards by officers, employees, or agents of Carver County.

If Carver County has an affiliated or subsidiary organization that is not a State, local governmental, or Indian tribe organization, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. “Organizational conflicts of interest” arise when a non-Federal entity has a relationship with an affiliated or subsidiary organization of the County and the non-Federal entity is unable, or appears to be unable, to be impartial in conducting a procurement action involving a related organization.

Procurement Under Federal Awards

Procurement of goods and services whose costs are charged to Federal awards received by Carver County are subject to all of the specific purchasing policies of the organization. In addition, procurements associated with Federal awards are subject to the following supplemental policies:

1. Carver County will avoid acquisition of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase.
2. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
3. Carver County will consider entering into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services, and using Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
4. Carver County will consider value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reduction.
5. Carver County will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
6. Carver County may use time and material type of contracts only after a determination that no other contract is suitable and the contract must have a "not to exceed price" where the contractor exceeds at its own risk. Such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
7. Carver County is responsible, in accordance with good administrative practice and sound business judgement, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes and claims. These standards do not relieve Carver County of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgement for that of Carver County unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.
8. Carver County will maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
9. All procurement transactions will be conducted in a manner providing full and open competition. All prequalified lists of persons, firms, or products used in acquiring goods and services will be current and include enough qualified sources to ensure maximum open and free competition. Potential bidders will not be precluded from qualifying during the solicitation period. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:
 - a. Placing unreasonable requirements on firms in order for them to qualify to do business;
 - b. Requiring unnecessary experience and excessive bonding;
 - c. Noncompetitive pricing practices between firms or between affiliated companies;
 - d. Noncompetitive contracts to consultants that are on retainer contracts;
 - e. Organizational conflicts of interest;
 - f. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurements; and
 - g. Any arbitrary action in the procurement process.

10. When federal funds are involved, Carver County prohibits the use of statutorily or administratively imposed State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
11. All solicitations will incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated. All solicitations will also identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
12. All necessary affirmative steps will be taken to assure that minority-owned businesses, women's business enterprises, and labor surplus area firms are used when possible.
13. A cost or price analysis will be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold (~~\$24~~50,000) including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, Carver County will make independent estimates before receiving bids or proposals.
14. All procurement files will be made available for inspection upon request by a Federal awarding agency.
15. All contracts will require the contractor to certify in writing that it has not been suspended or disbarred from doing business with any Federal agency.

Methods of Procurement

Carver County will use one of the following methods of procurement.

Carver County follows the dollar requirements as established under the Uniform Municipal Contracting Law (Minnesota State Statute 471.345) and the Code of Federal Regulations, 2 C.F.R. Part 200.318. Therefore, if the dollar amounts are different between this policy and the Municipal Contract Law or Federal Regulations, the amounts and requirements of the law should be followed.

1. Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the minimum threshold prescribed by the Code of Federal Regulations, 2 C.F.R. Part 200.318 (\$10,000 as of 09.20) ~~\$3,000~~ (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.
2. Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
3. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in the section apply.

All purchases in excess of \$~~105~~,000 shall be made by obtaining oral or written quotations from at least two responsible contractors. All purchases of at least \$25,000, but less than \$~~17500~~,000, shall be made by obtaining written quotations from at least three responsible vendors. All purchases of \$100,000 or more shall be made by obtaining competitive proposals from at least four responsible vendors. Sealed bids shall be utilized when required by the Federal awarding agency.

In order for sealed bidding to be feasible, the following conditions will be present:

- a. A complete, adequate, and realistic specification or purchase description is available;
- b. Two or more responsible bidders are willing and able to compete effectively for the business;
- c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- a. The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;
 - b. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
 - c. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
 - d. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
 - e. Any or all bids may be rejected if there is a sound documented reason.
4. Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
- a. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
 - b. Proposals must be solicited from an adequate number of qualified sources;
 - c. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
 - d. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
 - e. Competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services, whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can be used only in procurement of A/E professional services. It cannot be used to purchase other types of services, though A/E firms are a potential source to perform the proposed effort.
5. Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
- a. The item is available only from a single source;
 - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - c. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
 - d. After solicitation of a number of sources, competition is determined inadequate.

6. Procurement by cost plus percentage. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

Suspension and Debarment

Carver County will review all grant purchases to verify that purchases will not be made against contractors that are on the Debarment or Suspension list supplied by the Government. The County's Finance Department will review all requisition requests submitted for all grant accounts to make sure the contractor is not on the debarment list. This list is available at <https://www.sam.gov>. If a match is found, the departmental manager will be notified directly and Finance will not process the requisition. All results of searches will be attached to the filed paperwork for verification of search.

Provisions Included in all Contracts

It is the policy of Carver County to include all of the following provisions, as applicable, in all contracts (including small purchases) with contractors and sub-awards:

1. **Remedies:** All contracts in excess of the small purchase threshold fixed at 41 U.S.C. 403(11) (currently ~~\$150,000~~ 175,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council(s) as authorized by 41 U.S.C. 1908) shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such sanctions and penalties as appropriate.
2. **Termination:** All contracts in excess of \$10,000 shall contain suitable provisions for termination by Carver County, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe the conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated due to circumstances beyond the control of the contractor.
3. **Equal Employment Opportunity:** All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

4. **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148):** If included in the federal agency's grant program legislation, all construction contracts of more than \$2,000 awarded by CARVER COUNTY and its sub-recipients shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors are required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. It is the policy of Carver County to place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. Carver County shall also obtain reports from contractors on a weekly basis in order to monitor compliance with the Davis-Bacon Act. CARVER COUNTY shall report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or sub-recipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. Carver County Divisions must report all suspected or reported violations to the Federal awarding agency.
5. **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333):** [Where applicable] All contracts awarded by Carver County in excess of \$100,000 for contracts that involve the employment of mechanics or laborers shall include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one-and-a-half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market or to contracts for transportation or transmission of intelligence
6. **Rights to Inventions Made Under a Contract or Agreement:** Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and Carver County in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
7. **Clean Air Act (42 U.S.C. 7401-7671q and the Federal Water Pollution Control Act (33 U.S.C. 1251 -1387), as amended:** Contracts and sub-awards of amounts in excess of \$150,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

8. **Procurement of Recovered Materials:** Carver County and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items, designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000, or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
9. **Debarment and Suspension (E.O.s 12549 and 12689):** For all contracts, Carver County shall obtain from the contractor a certification that neither the contractor nor any of its principal employees are listed on the Excluded Parties List System in SAM.
10. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352):** For all contracts or Sub-grants of \$100,000 or more, Carver County shall obtain from the contractor or sub-grantee a certification that it will not and has not used Federal appropriated funds to pay any person or organization for influencing **or** attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Likewise, since each tier provides such certifications to the tier above it, Carver County shall provide such certifications in all situations in which it acts as a sub-recipient of a sub-grant of \$100,000 or more.



2024 Long Term Financial Plan

*Presented for Adoption
December 13, 2022*

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

Date: December 13, 2022
Motion by Commissioner: _____

Resolution: _____
Seconded by Commissioner: _____

**COUNTY BOARD ADOPTION OF THE
2024 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 2024 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 13th day of December, 2022, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 13th day of December, 2022.

David Hemze
County Administrator

EXECUTIVE SUMMARY

This 2024 Long Term Financial Plan, (the “Plan”) along with the 2023 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 be systematically 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 generates \$9 - \$10 million annually for County road and bridge projects.

Wheelage Tax: In 2017, the County Board increased the wheelage tax to \$20 effective January 1st, 2018 which annually generates approximately \$1.9 million from auto and motorcycle license renewals for County road and bridge projects.

Request for State Bonding: The 2018 Legislature approved a \$1.5M grant from the State which was matched with \$1.5M in County funds for a \$3M Phase I Infrastructure project. The 2020 Legislature approved \$2.5M for a \$5M Phase II Waterfront Service Center with a 50/50 local match in County funds. A County priority for the 2023 Legislature is a \$2.25M grant for a \$4.5M Phase III Additional Amenities project with a 50/50 local match in County funds.

Road & Bridge Tax Levy: In 2016, the County Board directed that the tax levy for road and bridge annual maintenance be increased \$100K for the next 10 years to eventually provide an additional \$1M to finance the County’s Road Preservation Plan in 2025. Accordingly, the 2023 \$2.49M tax levy for road and bridge maintenance includes a planned increase of \$100K in 2023.

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 2023 Budget has approximately \$977,000 in 2023 CPA that is not allocated to the operating budget. \$682,000 is being directed to fund one-time capital projects listed on 2023 Budget Attachment E and the remaining \$295,000 will be directed to the CIPs according to the percentages below:

50%	Road & Bridge CIP	\$147K
25%	Park & Trail CIP	74K
<u>25%</u>	<u>Building CIP</u>	<u>74K</u>
100%	Total State CPA to CIPs	\$295K

State Sales Tax Parks and Trails “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 have been used as the local match to State & Federal grants for trail expansion projects and for the Lake Waconia Regional Park Phase I and II projects.

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 which is being reviewed by Met Council staff for compliance with IRS regulations, the County will be waiting until 2026 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 2040 Roadway System Plan identifies \$900 million of road and bridge projects to meet the needs of the projected growth in population and employment by 2040. This includes \$560 million for County road and bridges and \$340 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 either traditional or 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. A comprehensive list of parks and trails maintenance projects is being developed which may require additional funding resources above the current annual \$50K property tax levy in the 5 Year Replacement Schedule discussed below and \$74K CPA discussed above. Options to address a potential funding gap will be developed by the Park Board and County staff.

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

The Administrator Recommended 2023 Budget includes \$1.6 million in levy funding to replace facilities, vehicles and equipment which is the same amount included in the 2022 Budget. This Plan includes a five-year replacement schedule for Facilities, Vehicles and Equipment based on division requests for 2024 thru 2028. 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 \$1.6 million levy over the next five years. The County Board has been supportive of this \$100K a year increase in levy dollars past budget years 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. A county-wide Master Space Plan is currently analyzing future space needs for county staff and services. A future bond sale is likely to finance the recommendations from the Plan. No other bond sales are planned in either the Buildings & Misc. CIP or the Park & Trail CIP.

The 2024-2028 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. Most 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. As the County's tax base continues to expand, the County's workforce needs to increase in order to serve the growing tax base. For the last several budget cycles, the majority of requests for new levy funded positions have not been approved due to a lack of available funds. This trend, which increases the workload and responsibility for the existing staff as the County's tax base continues to grow, will be difficult to sustain over the long term. The Plan identifies strategies for addressing the two major drivers of personnel costs:

1. Requests for Additional Levy Funded Staffing
2. Employee Health Insurance

The Plan also identifies the ongoing funding needs to provide staffing for a Veterans Court and a Drug Court which were initially funded by multiple year State and Federal grants.

The County Board carries the ultimate budget authority. The 2023 Annual Budget and the 2024 Long Term Financial Plan are expected to be approved at the December 13, 2022 County Board meeting.