



CARVER COUNTY

minnesota

Carver County Board of Commissioners November 28, 2023 Special Session/Work Session

The County Board Room is open to the public

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

Individuals unable to attend in person can provide public comments by email at admin-contact@co.carver.mn.us.

- 2. Agenda review and adoption
- 3. Approve minutes of November 21, 2023 Regular Session 1-3
- 4. Community Announcements

- 9:20 a.m. 5. **CONSENT AGENDA**
- Communities: Create and maintain safe, healthy, and livable communities*
- 5.1 Resolutions of Support to Sponsor Local Road Improvement Program Grant Applications for Laketown Township 4-6
- 5.2 Review Health & Human Services and Commissioner Warrants..... NO ATT

- 9:20 a.m. 6. **CUSTOMER SERVICE: Continue the County’s delivery of high value, timely service and support**
- 6.1 Authorization to Preorder a Wheel Loader for 2024 7

9:40 a.m. **ADJOURN SPECIAL SESSION**

9:40 a.m. **COUNTY ADMINISTRATOR REPORT**

WORK SESSION

- 9:40 a.m. A. **CULTURE: Provide organizational culture fostering accountability to achieve goals and sustain trust/confidence in County government**
- 1. Check Up From the Neck Up Program Update 8

- 10:15 a.m. **B. COMMUNITIES: Create and maintain safe, healthy, and livable communities**
 - 1. Historical Society Request - Andrew Peterson Farm 9
 - 2. Solid Waste Management Plan update..... 10

- 10:50 a.m. **C. CONNECTIONS: Develop strong public partnerships and connect people to services**
 - 1. Update on CarverLink Broadband Activities Including Progress of Connect Up Carver Initiative..... 11-12

- 11:30 a.m. **D. FINANCES: Improve the County’s financial health and economic profile**
 - 1. 3Q Finance Update 13-19

David Hemze
County Administrator

UPCOMING MEETINGS

- | | |
|-------------------|--|
| November 28, 2023 | 6:00 p.m. 2024 Budget Public Hearing |
| November 30, 2023 | 6:00 p.m. Carver County Mental Wellness Roundtable
Ridgeview Medical Center Auditorium, Waconia |
| December 5, 2023 | AMC Conference, No Meeting |
| December 12, 2023 | 9:00 a.m. Board Meeting |
| December 19, 2023 | 9:00 a.m. Board Meeting |
| December 26, 2023 | No Meeting |
| January 2, 2024 | 9:00 a.m. 2024 Organizational Session |

A Regular Session of the Carver County Board of Commissioners was held in the County Government Center, Chaska, on November 21, 2024. Chair John P. Fahey convened the session at 9:00 a.m.

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

Under public comments, Al Sherwood, Chanhassen, Jennifer Ray, Chanhassen, and Kevin Bogenreif, Chanhassen, reviewed their concerns related to election integrity, absentee voting, the need for transparency and asked the Board to consider the issues raised.

Lynch moved, Degler moved, to approve the agenda. Motion carried unanimously.

Workman moved, Degler seconded, to approve the minutes of the November 14, 2023 Regular Session. Motion carried unanimously.

Degler moved, Lynch seconded, to approve the consent agenda items. Udermann moved, Workman seconded, to amend the motion by removing 5.2 Authorization to Preorder a Wheel Loader for 2024, from the consent agenda and to consider next week. Motion carried unanimously.

Degler moved, Lynch seconded, to approve the following consent agenda items with the removal of 5.2:

Ratified the 2024-2026 Maintenance and Support Agreement for the Public Health Documentation System between Avenue Insights & Analytics, LLC and the Minnesota Counties Computer Cooperative.

Resolution #86-23, Approving the Designation of a Parcel as an Agricultural Preserve.

Accepted reimbursement funds from Xcel Energy for costs to collect and recycle used fluorescent lamps.

Authorized the Sheriff's Office acceptance of monetary donation to the K9 program.

Reviewed November 21, 2023, Community Social Services' actions/Commissioners' warrants in the amount of \$372,075.03.

Motion carried unanimously.

Mary Kaye Wahl, Finance, requested the Board approve changes to the 2024 fee for service schedule. She explained the fees were State driven or costs associated to deliver services. She noted the fees had been reviewed as part of the budget process.

Degler moved, Workman seconded, to open the public hearing. Motion carried unanimously.

Wahl pointed out license center fee increases, the decrease in revenues from probation services that were offset by an increase in state grants and the increase in fees from the new Paradise Commons facility.

No public testimony was received.

Udermann moved, Degler seconded, to close the public hearing. Motion carried unanimously.

Degler offered the following Resolution, seconded by Lynch:

Resolution #87-23
Adopting Ordinance 87-2024
the 2024 Carver County Fee Schedule

On vote taken, all voted aye.

The following is a summary of the essential elements of Ordinance 87-2024 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 87-2024 provides for the 2024 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.

Degler moved, Lynch seconded, to adjourn the Regular Session and convene as the Carver County Health Board. Motion carried unanimously.

Richard Scott, Health & Human Services Deputy Director, appeared before the Board to give an update on the status of health in Carver County. He noted the County was still considered the healthiest County in Minnesota but has many challenges coming up with the changing demographics and emerging health threats. He pointed out projected population growth, increased diversity and percentages of poverty by family status.

Scott stated emerging health concerns included increased deaths due to cancer, heart disease, substance abuse, mental health and suicide. He noted the mental health wellness roundtable to be held next week. He identified the number of Covid 19 hospitalizations and related deaths over the last three years. He added that other causes of death may be increasing due to Covid exposure, as well as drug and alcohol treatment admissions increasing. Mental health service calls declined during the pandemic but were now increasing as well.

He stated their vision was healthy people and communities across an entire lifespan. Scott reviewed the role and responsibilities of Public Health and what they are mandated to do by state or federal

laws. He identified the program areas they focus on and major accomplishments in 2023. Scott explained their next steps included the upcoming mental wellness round table, completing the Community Health Assessment and launching the opioid settlement advisory committee.

Chair Fahey thanked Dr. Scott adding the Board appreciated the update.

Lynch moved, Degler seconded, to adjourn as the Carver County Health Board and go into a work session with the County Attorney to provide input related to regulating cannabis use in public spaces. Motion carried unanimously.

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:

Resolutions of Support to Sponsor Local Road Improvement Program Grant Applications for Laketown Township

Primary Originating Division/Dept: <u>Public Works - Program Delivery</u>	Meeting Date: <u>11/28/2023</u>
Contact: <u>Darin Mielke</u> Title: <u>Deputy County Engineer</u>	Item Type: <u>Consent</u>
Amount of Time Requested: <input type="text"/> minutes	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No
Presenter: <input type="text"/> Title: <input type="text"/>	

Strategic Initiative:

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

BACKGROUND/JUSTIFICATION:

The Local Road Improvement Program (LRIP) was established by the Minnesota legislature in 2002 and is defined in Minnesota Statute 174.52. The purpose of the funding program is to assist local agencies including counties, cities, and townships with construction costs for local road projects. The legislature appropriated \$84,954,000 in general obligation (GO) bonds (of which \$6,000,000 is designated for grants to townships) in Laws of Minnesota 2023, Chapter 72, Article 1, Section 16, Subdivision 2 and \$18,013,000 in general funds for LRIP in Laws of Minnesota 2023, Chapter 68, Article 1, Section 2, Subdivision 4(c)(2). This round of funding is for projects anticipated for construction in 2024-2026

The LRIP establishes three project categories for eligibility: Trunk Highway Corridor for local road improvements included in State Highway projects, Rural Road Safety for County Highways, and Routes of Regional Significance for county, city, and township road projects. Non-State Aid cities and townships must have a County sponsor to apply for LRIP funding, and the County would act as their fiscal agent if their project is awarded funding. The following is a list of agencies, with project descriptions, requesting County sponsorship or support of their application:

Township and Non-State Aid City Requests for County Sponsorship Resolutions

- Laketown Township - Roadway improvements to Augusta Road from the intersection with County State Aid Highway 43 on the east, to approximately 3,200 feet to the west

Townships and Non-State Aid Cities will be responsible for all costs above the awarded LRIP funding, including but not limited to engineering costs, right of way costs and construction costs and, if awarded funding, will need to maintain the roadways for the lifetime of the improvements. The resolutions state the County will sponsor the Township and Non-State Aid City applications listed above for LRIP funding requests.

ACTION REQUESTED:

Motion to adopt Resolution of Support to sponsor the Laketown Township project application to the Local Road Improvement Program.

FISCAL IMPACT: None

If "Other", specify:

FUNDING

County Dollars =	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

FTE IMPACT: None

Total	<input style="width: 95%;" type="text"/> \$0.00
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Related Financial/FTE Comments:

County would need to act as Township or Non-State Aid City fiscal agent if their project is awarded funding.

Office use only:

RBA 2023 - 9476

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

Date: November 28, 2023

Resolution No: _____

Motion by Commissioner: _____

Seconded by Commissioner: _____

**Resolution of Support to Sponsor the Laketown Township’s Local Road Improvement
Program Project Application for Augusta Road**

WHEREAS, the Local Road Improvement Program (LRIP) was established by the Minnesota legislature in 2002 and is defined in Minnesota Statute 174.52 to assist local agencies in constructing, reconstructing, or reconditioning local roads; and

WHEREAS, the legislature appropriated \$84,954,000 in general obligation in Laws of Minnesota 2023, Chapter 72, Article 1, Section 16, Subdivision 2 and \$18,013,000 in general funds for LRIP in Laws of Minnesota 2023, Chapter 68, Article 1, Section 2, Subdivision 4(c)(2).

WHEREAS, the Minnesota Department of Transportation (MnDOT) State Aid for Local Transportation Office administers the LRIP per the process, eligibility, and prioritization criteria established in the statute, and MnDOT has solicited for eligible LRIP project applications, due December 8, 2023; and

WHEREAS, the LRIP provides funding for capital construction costs and the statute describes three types of accounts with a specific intent for the types of local road projects that can be considered for the program, including the Routes of Regional Significance Account to provide for the costs of constructing, reconstructing, or reconditioning city streets, county highways, or town roads with statewide or regional significance; and

WHEREAS, Non-State Aid cities and townships are required to have the County sponsor their LRIP grant applications, which includes acting as the fiscal agent if the project is awarded funding; and

WHEREAS, the Laketown Township has requested that Carver County sponsor its eligible LRIP application for the roadway improvements on Augusta Road from the intersection with County State Aid Highway 43 on the east, to approximately 3,200 feet to the west; and

WHEREAS, the Laketown Township will be responsible for all costs above and beyond the awarded LRIP funding, including but not limited to engineering costs, right of way costs and construction costs and, if awarded funding, will need to maintain the roadway for the lifetime of the improvements; and

NOW THEREFORE, BE IT RESOLVED that the County of Carver hereby supports and sponsors the Laketown Township LRIP grant application submittal for the improvements to Augusta Road from County State Aid Highway 43 on the west to approximately 3,200 feet to the west.

YES

ABSENT

NO

STATE OF MINNESOTA
 COUNTY OF CARVER

I, Dave 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 _____ day of _____, 2023, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this _____ day of _____, 2023.

Dave Hemze

County Administrator

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Authorization to Preorder a Wheel Loader for 2024

Primary Originating Division/Dept:

Meeting Date:

Contact: Title:

Item Type:
Regular Session

Amount of Time Requested: minutes

Attachments: Yes No

Presenter: Title:

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

Carver County has a large fleet of vehicles and equipment that are used in various departments. The County annual budget and Long-Term Financial Plan includes recommendations from the Public Works fleet replacement program. The Public Works equipment budget request for 2024 is \$755,000 for fleet replacement.

The 2024 budget request includes the replacement of a wheel loader. Public Works is requesting to pre-order the wheel loader to lock in the current state contract pricing which expires November 30th, 2023, and the pricing is expected to increase in 2024.

The cost of the wheel loader from Nuss Truck & Equipment is \$318,318.25 less an option to trade value of \$50,000 for a total cost of \$268,318.25. The wheel loader and its accessories are priced in accordance with the State Contract. If the County orders the wheel loader via a purchase order before November 30th, the pricing will be locked in, but payment would not be made until delivery in 2024.

ACTION REQUESTED:

Motion to authorize the preorder of a wheel loader to hold 2023 state contract pricing with Nuss Truck & Equipment of Burnsville, MN.

FISCAL IMPACT:
If "Other", specify:

FUNDING	
County Dollars =	\$268,318.25
Total	\$268,318.25

FTE IMPACT:

Insert additional funding source

Related Financial/FTE Comments:

This request for a one-time capital purchase using accumulated levy dollars is funded via the County's 5 year Furniture, Vehicles and Equipment Replacement Schedule - Budget Attachment D. If this one-time capital purchase request is delayed and not approved as part of the 2024 Budget, then \$268k in levy funds would be freed up for another one-time purchase and would have **no** impact on the 2024 County levy which is used to finance the ongoing 2024 operating budget.

Office use only:

RBA 2023 - 9467

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Check Up From the Neck Up Program Update

Primary Originating Division/Dept: Sheriff

Meeting Date: 11/28/2023

Contact: Jason Kamerud Title: Sheriff

Item Type:
Work Session

Amount of Time Requested: 30 minutes

Attachments: Yes No

Presenter: Kamerud and Anderka Title:

Strategic Initiative:

Culture: Provide organizational culture fostering accountability to achieve goals & sustain public trust/confidence in County government

BACKGROUND/JUSTIFICATION:

Sheriff Kamerud will present an update on the Sheriff's Office "Check Up From the Neck Up" program. Employee Relations Director Kerie Anderka will present related information on other County employee mental health initiatives.

ACTION REQUESTED:

None. Informational only.

FISCAL IMPACT: None

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT: None

Total \$0.00

Insert additional funding source

Related Financial/FTE Comments:

Office use only:

RBA 2023 - 9366

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Historical Society Request - Andrew Peterson Farm

Primary Originating Division/Dept:

Meeting Date:

Contact: Title:

Item Type:
Work Session

Amount of Time Requested: minutes

Presenter: Title:

Attachments: Yes No

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

At the March 15, 2022 County Board Meeting, the Board allocated \$500,000 of BSA Funding towards the Andrew Peterson Farmstead rehabilitation. Funds broken down as: \$144,757 towards the Jeffris Family Foundation Challenge Grant and up to \$355,243 to be reserved from BSA allocation towards improvements at the Farmstead. As part of the motion, the projects funded with the \$355,243 in funds need to be reviewed by the County Board at a Work Session.

The Historical Society presented at the July 12, 2022 and February 28, 2023 work sessions and requested \$233,450 in funds for projects. The remaining balance is \$121,793.

At this work session, the Historical Society will provide an update on the funded projects and request that \$69,400 be released for an assessment and construction drawings for the middle barn.

ACTION REQUESTED:

Provide input and guidance on the Andrew Peterson Farmstead projects.

FISCAL IMPACT:

If "Other", specify:

FUNDING

County Dollars =	\$500,000.00
Challenge Grant	(\$144,757.00)
Approved Projects	(\$233,450.00)
Requested Projects	(\$69,400.00)
Total	\$52,393.00

FTE IMPACT:

Insert additional funding source

Related Financial/FTE Comments:

BSA funds allocated towards Andrew Peterson Farmstead rehabilitation: \$500,000. The unspent funds amount to \$121,793. The Historical Society is requesting \$69,400 be released for additional projects.

Office use only:

RBA 2023 - 9426

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Solid Waste Management Plan update

Primary Originating Division/Dept:

Meeting Date:

Contact: Title:

Item Type:
Work Session

Amount of Time Requested: minutes

Attachments: Yes No

Presenter: Title:

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

Every six years the State of Minnesota issues a new Metropolitan Solid Waste Policy Plan, thereby requiring each metro county to update their Solid Waste Management Plan (SWMP) which will guide waste management efforts in the metro area over the next 20 years.

The Carver County SWMP was last updated in 2018, and will need to be updated to follow the metro SWMP in 2024. Key themes in the new metro SWMP include supporting the waste hierarchy and sustainable materials management, improving data reliability and regional consistency, identifying environmental justice areas, and planning for new technology and system resiliency.

In early 2024, Environmental Services staff will solicit input from residents on waste management and reduction, assemble a Stakeholder Group to discuss waste reduction and seek opportunities for partnerships and collaboration. Staff will discuss the SWMP process with the Board, including anticipated steps and timelines.

ACTION REQUESTED:

Input and discussion on the proposed process.

FISCAL IMPACT:

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT:

Total

Insert additional funding source

Related Financial/FTE Comments:

None

Office use only:

RBA 2023 - 9443

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Update on CarverLink Broadband Activities Including Progress of Connect Up Carver Initiative

Primary Originating Division/Dept:

Meeting Date:

Contact: Title:

Item Type:
Work Session

Amount of Time Requested: minutes

Attachments: Yes No

Presenter: Title:

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

CarverLink staff will provide an update on the status of the CarverLink network, connections for our public entity and community support partners, and an update on our broadband activities over the past year in our efforts to make available high speed broadband connectivity countywide. Topics of discussion include:

- Public and Community Support Entity Activities
 - Southwest Metro Schools (Jordan, St. Bonifacius, Waverly), working on Shakopee (final location)
 - Southwest Transit Eden Prairie Garage and Southwest Station (final two Southwest Transit locations)
 - Ridgeview Medical Delano Clinic (final location) 4 Hospitals, 10 Clinics
 - City of Carver and City of Waconia Dark Fiber Rings
 - Carver County Public Works ATMS (Signal Cabinet Management) Ring
 - Carver County Sheriff/Ridgeview Medical 911 Backup Connectivity Ring
- Public Entity Collaborations
 - Hennepin County
 - Metro Transit
 - City of Eden Prairie and Eden Prairie School District
 - McLeod County
 - State of MN MN.IT and University of Minnesota Landscape Arboretum
- Connect Up Carver Broadband Efforts
 - Project Progress
 - Fiber Line Feeder Routes and Across the Road Addresses
 - Fill the Gaps and Five City Limit Local Convergence Point (LCP) Areas
 - Exhibit C Fiber Builds - Diversity and Redundancy
 - Elimination of 200 ft Driveway Limit - Direct Mailing
 - City Fiber Agreements
 - State of MN Line Extension Program - Direct Mailings and Response
- Funding Challenges
 - Congressionally Directed Spending (CDS), Senators Amy Klobuchar and Tina Smith (March 2023/May 2023)
 - State of Minnesota Border to Border Broadband Grant Funding Opportunity
 - Broadband Equity, Access & Deployment Grant Program (BEAD) - \$42 Billion Federal Program
 - Broadband Funding Request in 2024 Carver County Administrator's Recommend Budget (\$2.5 million)

ACTION REQUESTED:

No action required. This is an opportunity to keep the Board updated and answer any questions that they have. Informational only.

FISCAL IMPACT: None
If "Other", specify:

FUNDING
County Dollars =

Total \$0.00

FTE IMPACT: None

Insert additional funding source

Related Financial/FTE Comments:

Office use only:

RBA 2023 - 9383

Carver County Board of Commissioners Request for Board Action



Agenda Item:

3Q Finance Update

Primary Originating Division/Dept: <u>Property & Financial Services</u>	Meeting Date: <u>11/28/2023</u>
Contact: <u>David Frischmon</u> Title: <u>Property and Finance Director</u>	Item Type: <u>Work Session</u>
Amount of Time Requested: <u>20</u> minutes	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No
Presenter: <u>David Frischmon</u> Title: <u></u>	

Strategic Initiative:

Finances: Improve the County's financial health and economic profile

BACKGROUND/JUSTIFICATION:

2023 Q3 Budget to Actual Review:

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

2023 Federal ARPA Spending Recommendation:

County staff will present a recommendation for spending ARPA funds in 2023.

2024 GIS Property Tax Impacts:

County staff will utilize GIS to present a county-wide summary of the property tax impact from the 2024 preliminary property tax levy that was adopted by the County Board in September, 2023.

2025 Long Term Financial Plan:

The 2025 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.

FISCAL IMPACT: None

If "Other", specify:

FUNDING

County Dollars =

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Total

\$0.00

Related Financial/FTE Comments:

Formal Board approval for the 2023 Federal ARPA spending and the 2025 Long Term Financial Plan will be requested at the December 12th, 2023 Board meeting.

Office use only:

RBA 2023 - 9475



2025 Long Term Financial Plan

*Presented for Adoption
December 12, 2023*

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

Date: December 12, 2023
Motion by Commissioner: _____

Resolution: _____
Seconded by Commissioner: _____

**COUNTY BOARD ADOPTION OF THE
2025 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 2025 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 12th day of December, 2023, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 12th day of December, 2023.

David Hemze
County Administrator

EXECUTIVE SUMMARY

This 2025 Long Term Financial Plan, (the “Plan”) along with the 2024 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 2024 Legislature is a \$6.528M 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 by 2025. Accordingly, the 2024 Budget includes a \$2.59M tax levy for road and bridge maintenance which is an increase of \$100K compared to 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 2024 Budget has \$1.1 million in 2024 CPA that is not allocated to the operating budget. \$810,000 is being directed to fund one-time capital projects listed on 2024 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 \$550,000. 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 expects 100% reimbursement from the Metropolitan Council for parkland acquisitions that are included in the County’s Regional Park Master Plan. The reimbursement formula is currently on hold because the Met Council has determined that the current reimbursement process is not in compliance with IRS regulations. Met Council staff are researching alternative processes to reimburse counties for parkland acquisitions.

CIP Project Summary:

Buildings and Misc. CIP: This CIP includes one-time projects related to facilities maintenance, IT equipment, furnishing a new Chaska library in 2029 and expanding square footage from a Master Space Plan Study.

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 is in the process of being updated for 0.75% sales tax for metro

transportation as well as updated projections 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

This Plan includes a five-year replacement schedule for Facilities, Vehicles and Equipment based on division requests for 2025 thru 2029. 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 \$1.7 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

A county-wide Master Space Plan is currently analyzing future space needs for county staff and services. A future bond sale is expected to finance the recommendations from the Plan.

Pay-as-you-go financing is the Board's preference for financing Park & Trail projects.

The 2025-2029 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 increases to serve the growing tax base. 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 County Board carries the ultimate budget authority. The 2024 Annual Budget and the 2025 Long Term Financial Plan are expected to be approved at the December 12, 2023 County Board meeting.

DRAFT