



BOARD MINUTES

BOARD OF WRIGHT COUNTY COMMISSIONERS

DECEMBER 9, 2021 (PM)

DATE APPROVED: DECEMBER 21, 2021

Christine Husom	District 1
Darek Vetsch	District 2
Mark Daleiden	District 3
Mary Wetter	District 4
Michael Kaczmarek	District 5

The Wright County Board met in special session at 6:00 P.M. with Husom, Vetsch, Daleiden, Wetter and Kaczmarek present.

ANNUAL BUDGET/CERTIFIED LEVY PUBLIC HEARING

Commissioner Mark Daleiden welcomed those in attendance to the meeting, which was formerly referred to as the annual Truth in Taxation hearing. The County Commissioners introduced themselves and stated which areas of the county are represented by their districts. Staff in attendance introduced themselves – County Administrator Lee Kelly, Auditor/Treasurer Bob Hiivala, Finance Director Lindsey Meyer, Assistant Finance Director Heather Lemieux, Fiscal Officer Ryan Kotila, Health & Human Services Business Manager Christine Partlow, IT Audio Visual Technician Frank Petitta III, and Administration Office Manager Elizabeth Clow. Daleiden stated questions relating to property valuations or classifications should be referred to the Assessor's Office. A sign-up sheet and contact information were available for residents to schedule an appointment with the Assessor's Office.

Kelly narrated a PowerPoint presentation prepared by the Finance Department. Kelly explained the budget process timeline and how tax dollars are spent at the county level. Kelly stated the per capita cost for various services: highway maintenance (\$3.62 per month), parks and trails maintenance (\$1.57 per month), public health (\$3.03 per month), Sheriff/911 dispatch (\$15.64 per month) and libraries (\$1.25 per month). Kelly highlighted projects that are ongoing and completed. Current projects include the redevelopment of the Government Center Property, Enterprise Resource Planning (ERP) software, and Computer Assisted Mass Appraisal (CAMA) software. The county is currently offering broadband grants and assistance with sewer and water projects funded through the American Rescue Plan Act. Projects completed in 2021 include the Trailblazer Transit building construction, the administration and distribution of \$2.7 million dollars in COVID-19 Relief Grants from the State of Minnesota, and an inventory of State and Federal mandates. Approximately \$125.2 million is budgeted for mandated services in 2022; nearly 76 percent of the county's budget.

The proposed 2022 budget is \$164,809,743 with a 2022 levy of \$87,257,925 which represents a 5.75 percent increase from 2021. The tax capacity growth in Wright County in 2021 was 5.59 percent. Kelly explained the levy percentage increase is not the same as the property tax percentage increase. Kelly presented a pie chart that displayed the breakdown of 2022 budget revenues, which includes 53 percent from property taxes, 19 percent from state categorical aid, 12 percent from charges for services, 8 percent from federal grants, 4 percent from state general purpose aid, and 4 percent from "other" funding sources. Kelly then presented a pie chart that displayed the breakdown of 2022 budget spending, which includes 24 percent for general government, 23 percent for public safety, 21 percent for highway operation, 16 percent for Human Services, 7 percent for debt service, 3 percent for Public Health, 2 percent for culture and recreation, 2 percent listed as "other/unallocated", and 1 percent for conservation of natural resources.

Kelly showed a graph of the county's tax capacity compared to the county's tax rate dating from 2017 – 2022. Kelly stated the goal is to maintain a stable, consistent tax rate. Maintaining a stable rate is beneficial to residents and could attract new businesses. Daleiden added the state is responsible for providing the valuation of the Monticello Nuclear Power Plant. The valuation, which dropped \$55 million this year, was provided after the county board approved the preliminary budget.

Daleiden opened the meeting for public comment.

Dan Henricks, 6648 75th Street NW, Maple Lake

Henricks stated the 2022 proposed taxes for the Somers Lake Improvement District are \$30,000 for all residents of the lake. Henricks questioned if the county board reviews the decisions of the Lake Improvement District (LID). Daleiden responded the county typically receives a report that explains what the money will be used for. Commissioner Darek Vetsch added the county does not have the authority to adjust the LID levy. Henricks questioned if a quorum was

necessary for the LID to vote. Daleiden responded yes; the information would be included in the bylaws. Vetsch offered to assist Henricks outside the meeting.

Leander Wetter, 180 Ibarra Avenue SE, Buffalo

Leander Wetter stated his dissatisfaction with the budget for many years. He stated his biggest disappointment in the money that was spent on the new facilities were the steps leading to the Justice Center entrance, with no easy handicap access. Commissioner Mary Wetter added the steps are outside and uncovered. Mary Wetter questioned who is responsible for shoveling snow off them in the winter months and why the steps aren't inside the building. Daleiden stated it is something that could be discussed.

Layne Roschen, St. Michael

Roschen questioned if the decreased valuation of the Monticello Nuclear Plant affected the tax capacity. Vetsch responded the capacity is different than the valuation, and yes it lowered the capacity. However, Xcel Energy only makes up approximately 7.5 percent of the total capacity. Daleiden added commercial properties pay more in property taxes than residential properties. Vetsch stated that State-assessed properties are an issue for approximately a third of Minnesota counties. Roschen stated he hopes legislators are working on a solution.

Roschen thanked the commissioners for the higher level of transparency than was released in the past. Roschen stated many of the department's expenses increased by 6 percent. Daleiden stated employee wages and health insurance are the county's largest expense. There was a 7 percent increase in health insurance. Additionally, the county has a total of seven unions and contracts are negotiated for a three-year period. Roschen stated government should not grow faster than the rate of inflation plus growth in the county. Commissioner Christine Husom stated the growth in Wright County was 6.6 percent.

Roschen questioned which mandates the commissioners are working to overcome. Daleiden stated the biggest problem he sees with the mandates is the way the state requires them to be utilized and reported. The technology being used is outdated and inefficient. Vetsch stated currently it is difficult to find good comparables for commercial properties. The county must maintain a ratio of between 90-100 percent valuation of properties. The commercial properties will receive a reduction in value if the ratio drops below 90 percent. Vetsch stated the commercial values are becoming more complex to manage. Vetsch is working on preventing State-assessed property from qualifying. Additionally, Vetsch stated he is working on changes to make the homestead exclusion more closely aligned with the Consumer Price Index.

Roschen questioned the purpose and intent of the Central Mississippi River Regional Planning Partnership (CMRP). Vetsch responded the group has zero taxing authority and zero planning or zoning authority. Vetsch stated the group is working on developing big picture plan for transportation in the region and lobby to solidify funding. Vetsch added the group consists of multiple jurisdictions and each has an equal vote. Vetsch stated it may be 15–20 years before a bridge crossing is constructed.

Roschen expressed concern with how programs funded by the American Rescue Plan (ARP) will be budgeted long-term. Vetsch stated the county did not create positions or programs. ARP funds were used for approved infrastructure, reimbursements, and distributions to school districts and businesses. Roschen questioned if another crisis occurred, how the county would fund operations. Vetsch stated the county has a healthy fund balance.

Roschen asked for further detail of innovations at the county. Vetsch stated the Sheriff's Office has a new Records Management System (RMS) and the county is working on providing online services and touchless payments. Roschen stated the goals should be better shared with the public. Daleiden added the county is working on a new website that will be more user-friendly.

Daleiden closed the public hearing.

The meeting adjourned at 7:09 p.m.

County Board Minutes submitted by Elizabeth Clow, Office Manager.