



BOARD MINUTES BOARD OF WRIGHT COUNTY COMMISSIONERS

Thursday, December 7, 2023
DATE APPROVED: December 19, 2023

Tina Diedrick, District 1
Darek Vetsch, District 2
Jeanne Holland, District 3
Nadine Schoen, District 4
Michael Kaczmarek, District 5

The Wright County Board met in special session at 6:00 P.M. with Diedrick, Vetsch, Holland, Schoen, and Kaczmarek present.

Present and responding to roll call were the following:

Board of Commissioners:	Tina Diedrick
	Jeanne Holland
	Darek Vetsch
	Nadine Schoen
	Michael Kaczmarek

I. PLEDGE OF ALLEGIANCE

II. WELCOME & INTRODUCTIONS

Commissioner Darek Vetsch thanked everyone for their attendance and commissioners introduced themselves.

III. 2024 BUDGET OVERVIEW

County Administrator Lee Kelly gave an overview of the budget process and detailed the different programs property dollars support, the projects in process, and the projects that have recently been completed. Kelly stated that the preliminary 2024 budget is set at \$201,527,551 with a preliminary levy set at \$95,003,567, which is a 4.80 percent levy increase from 2023. Tax capacity growth is estimated at 17.31 percent and 2.63 percent county growth from new construction. Kelly clarified that the levy percentage increase is not the same as the property tax percentage increase. Kelly gave a visual breakdown of how every \$100 of county funds is spent that included categories for general government, public safety, highway operation, human services, and several others. The typical single-family home in Wright County saw a median increase in Estimated Market Value (EMV) of 15.01 percent for the 2023 assessment.

Vetsch said that the past capacity slide is the most telling of what has been happening the last couple of years in Wright County. Residential is growing and much of it is due to residential values exponentially increasing in comparison to commercial, industrial, or agricultural.

IV. PUBLIC COMMENT ON THE 2024 BUDGET/CERTIFIED LEVY

A. GUIDELINES FOR MEETING:

- 1. Audience Participants Are Requested to Limit Comments to Three Minutes. Please Go to the Podium and State Your Name and Address for the Record.**
- 2. Every Person Wishing to Comment on the 2024 Budget/Certified Levy Will Be Heard Initially Before Repeat Opportunities Are Extended.**
- 3. There Will Be A 15-Minute Break at the Top of Every Hour.**

Vetsch opened the meeting for public comment at 6:19 p.m.

Mary Wetter- Rockford Township

Wetter asked to summarize page 19 of the PowerPoint slide that included information on how every \$100 is spent.

Layne Roschen- Saint Michael

Roschen referenced the Wright County webpage and said that it frustrates him that on Facebook, the county continues to post things that don't have any relevance to county government and that this is not something that the county should be involved in. Recently, the county has commented on the state flag, the holiday train, a school referendum, a storm forecast, the northern lights, and lottery tickets. Nothing has to do with the county government in Roschen's opinion. Roschen said that Wright County has not posted a Truth in Taxation notice on Facebook or the website. Vetsch said notice was submitted to local papers per statute. Holland said meeting notice is also on the tax paperwork sent by the county. Wilfahrt confirmed that a Truth in Taxation notice was posted on Facebook on November 15. Vetsch said that he would be willing to discuss how the meeting is promoted in the future. Roschen said that people don't know what is going on and that his goal is to prod, to have people interested, and for transparency. Commissioner Tina Diedrick confirmed that there was a post on Facebook regarding the Truth in Taxation meeting 10 hours before the meeting was scheduled to start. Roschen said that most people have already planned their days by the morning. Vetsch said that Wright County is very careful on how much information is duplicated, so it stays interesting and relevant. Holland said that by engaging with items that are not relevant to the county, it gains followers, and they in turn see county-relevant information.

Pierre Raisanen- French Lake Township

Raisanen said that he is a small business owner and in the last year he has had to reduce his rates and his property taxes went up 100 percent. Raisanen asked if there has been any talk of reducing the budget or reducing expenses such as salting the roads less or reducing emergency response, as there seems to be waste in both. Raisanen said that he heard per capita that Wright County has the biggest sheriff's office. Holland said its deceiving because most counties have city police departments, but Wright County only has three cities in the county with police departments. Raisanen gave an example of an incident where there was emergency response when someone called 911. He was displeased with the volume of emergency responders including fire and

sheriff. Vetsch confirmed that the only county response is from the Sheriff's Office. Fire, police and ambulance are all funded through city or township taxes. Kaczmarek referred Raisanen to the Sheriff's Office and the local Fire Departments to discuss the use of resources at a particular incident. Raisanen also said that he homeschools his children and is still required to pay taxes to the school district. Vetsch confirmed that is a state issue that the county does not have any control over.

Ryan Dunlap- Otsego

Dunlap said that he is an Otsego City Council Member and referenced the Tuesday, September 26 county board meeting and Commissioner Michael Kaczmarek's comment about being able to save an additional \$787,000 in the budget. Dunlap said that this would have reduced the levy to 3.93 percent and made a difference in hundreds of dollars to individuals paying property taxes. Dunlap thanked Kaczmarek for his courage to vote no and requested Kaczmarek make a formal motion to reduce the levy. Vetsch confirmed that by reducing the budget by \$787,000 as Dunlap referenced, it would have made an average difference of less than \$20 per household for 2024 tax rates and stated that he did not want to give false narratives. Kaczmarek said that it was refreshing to hear Dunlap's comments and clarified that the \$787,000 mentioned was for additional staff that he did not believe were necessary.

Kimberly Kragt- Otsego

Kragt said that she works for a neighboring county that is much larger than Wright County and stated that it does not have a building the size of Wright County's. She questioned how much of the building was vacant, and questioned how many employees work from home. Vetsch confirmed that almost all of the building is occupied as work-from-home opportunities are limited for most departments. Kragt challenged the county to look at different options to save on heating, lighting, staffing, etc.

Kragt said that her property tax value is increasing \$82,000 and she does not have the ability to sell her home for the appraised value listed on her property tax statement. Vetsch encouraged Kragt to contact the Assessor's Office to review her home value. Kragt said that she wanted accountability. If she feels deceived, she won't trust or support anything else. Because of her valuation, she does not trust the county and wants to question everything. Holland said that Otsego has had values go up and that the county is not seeing that type of growth anywhere else. The state dictates that your home is valued by the neighboring properties market values. Kragt said that the public will not trust the county if they don't hold its assessor accountable. Vetsch said that Wright County is holding its assessor accountable and encouraged Kragt to meet with the assessor to evaluate her situation.

Vetsch stated that as a commissioner, he needs to make thoughtful decisions. He can't cut expenses purely for the sake of cutting. Expenses revolve largely around employees and in the past, there were services that were not being met. With that comes the risk of fines,

paying overtime, etc. Kragt stated her displeasure with staffing and said there is no accountability in Health and Human Services (HHS) and there is significant fraud. Vetsch said that Wright County has approved a position for an internal fraud investigator to reduce HHS fraud as one example of how Wright County is proactively reducing spending. Kaczmarek commented on the topic of work from home and stated that he was against it, but maybe it could be looked into for a pay adjustment for those who work from home.

Erv Wachman- Montrose

Wachman said that he owns a mini-storage property in Montrose. Wachman commented on the tax rate on commercial property and stated that he has not been able to raise the rates of his service. The assessed value and taxes went up 32 percent on his property and his property taxes make up over half of his revenue. Vetsch said that part of this issue is at the state level. Property taxes are the only mechanism for local government to raise funds, yet so many government services are state-mandated. Vetsch said that state legislators need to take action with the state property system. It bases the commercial asset on itself, not the ability to cashflow.

Layne Roschen- Saint Michael

Roschen stated that he was confused by the fact that in most situations, with tax capacity growth, amortization grows so taxes should stay flat. Vetsch said that the increase is bigger for residential than commercial. Most of the growth is a shift in the value of residential property, where commercial and industrial don't have the same growth. Roschen referenced the county budget and stated that it was very hard to follow, which refers back to his transparency issue and questioned increases in specific departments. Vetsch attributed many increases to the shifting of staff and funds within different departments and gave an example of the centralizing of the county fleet vehicles. Roschen stated that it was very hard for someone who doesn't work at the county to follow and said that he would appreciate footnotes to help explain.

Roschen asked how much of the budget was used for mandated services and how much ability does the county have for flexibility of staffing, etc. for those mandated services. Vetsch said that some are very clear, and others are subjective. Wright County is mandated to plow the roads, but it is left up to the county to determine how. Specific roles in HHS are determined by the state as well as elections staff. Vetsch detailed instances that are very costly to the county including out-of-home placements and collections for the county jail.

James Vanderlinde- Monticello

Vanderlinde asked what are some of the big items that have been cut from the budget. The commissioners detailed several items that included fleet management, reduction in fuel costs, overtime costs, savings within HHS around MNCHOICES, and waived services. Kaczmarek said that the Sheriff's Office intends to make an extra \$1 million dollars in 2024 by

providing jail services to other counties. Wright County has the ability to offer this service since it has staffing levels that other counties are not able to achieve. Holland said that the initial budget proposals would have resulted in an 8 percent increase, but with the direction of commissioners, departments made reductions to get to 4.8 percent, which is a balance she was comfortable with to reduce the impact to taxpayers but not overburden staff. Vetsch said that the commissioners are looking for sustainability and to have small, incremental increases. Wright County is able to actualize an additional half million dollars in investment income by better managing funds. In comparison to other Minnesota counties, Wright County is very lean with staffing, in some instances a two-to-one ratio. Vanderlinde said that city taxes have gone up 15 percent, school taxes have gone up 13 percent and challenged the board to keep in mind that massive increases are happening everywhere. Vanderlinde questioned what would happen if the staffing number were cut in half. Vetsch said that the state would fulfill the services, charging two to three times the rate with much longer wait times and sacrificed service. Vanderlinde said that he would like to see another cut, 4.8 percent down to 4.2 percent, it all makes a difference.

Vetsch closed the public hearing at 7:39.

V. BUDGET PRESENTATION & LINKS TO ADDITIONAL INFORMATION

- A. 1. 2024 Budget Presentation**
- 2. 2024 Budget Webpage**
<https://www.co.wright.mn.us/1270/2024-Budget>
- 3. County Budget Webpage**
<https://www.co.wright.mn.us/1032/County-Budget>

