



## BOARD WORKSHOP MINUTES

### BOARD OF WRIGHT COUNTY COMMISSIONERS

MARCH 14, 2023

DATE APPROVED: MARCH 21, 2023

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

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<b>Members Present:</b>	Tina Diedrick, Darek Vetsch, Jeanne Holland, Nadine Schoen, Michael Kaczmarek
<b>Others Present:</b>	Lee Kelly, Clay Wilfahrt, Greg Kryzer, John Holler, Matthew Fomby, Ryan Kotila, Heather Lemieux, Lindsey Meyer, Don Baron, Elizabeth Karels, Marc Mattice, John Bowen, Kate Dahl, Jami Goodrum, Kim Johnson, Sarah Dearhamer, Steve Jobe (Remote): Shawna Athman, Barry Rhineberger, Tony Rasmuson, Alan Wilczek, Mike MacMillan, Chad Hausmann, Tanya West, Patsy Waytashek, Pete Kile

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Commissioner Darek Vetsch opened the meeting at 9:00 a.m.

#### I. Schedule Meetings As Needed

Administrator Lee Kelly said he was working on setting up board items for the commissioners retreat and it was suggested that the meeting be Tuesday, April 25. This would be a good opportunity to recap with the board, going over the mission statement to reaffirm previous strategic planning. There was discussion about dates that would work, the retreat would be scheduled between Monday, May 1 and Thursday, May 4.

**RECOMMENDATION:** *Schedule the Commissioners Retreat between May 1 and May 4.*

#### II. Legislative Update

Commissioner Darek Vetsch said that the Senate met this past Thursday, and he was optimistic that language revisions for the dental clinic bonding would go through this session. He said there was pushback on proposed revisions to market value homestead exclusion, but he was hoping to still have tax savings this year. Vetsch said that the Department of Motor Vehicle (DMV) was still planning to open in Buffalo in late summer but as far as a date there was nothing definitive. He also said energy storage locations were to be determined and he was meeting with Assistant Sherburne County Administrator Dan Weber to go over taxation details.

Commissioner Jeanne Holland brought forward discussion about spring road weight restriction exemptions for septic pumping vehicles in emergency situations. Governor Walz just signed a document allowing exceptions for other vehicle types, and Kelly said it would be nice if the Legislature took it on because it had been an executive order from the governor for years, however septic pumping vehicles have been excluded. Commissioner Michael Kaczmarek said he would be in favor of a letter of support from the county for this bill (Senate File 843). Kelly distributed a letter of support for the I-94 expansion. The board agreed that this was important, and authorized signatures.

**RECOMMENDATION:** *Authorize signatures on the I-94 Coalition letter of support for the I-94 expansion. Draft a letter of support from the county for Senate File 843 regarding septic pumping vehicles.*

#### III. American Rescue Plan (ARP) Update

Project Administrator Elizabeth Karels said all funds must be obligated by the end of 2024. Karels noted that the funds must be expended by December 31, 2026. On April 30, 2027, the final quarterly report is due to the U.S. Treasury Department. Some of the eligible expenses for ARP were replacing lost public sector revenue, supporting COVID-19 public health and economic response, or investing in water, sewer, and broadband infrastructure. There were some ineligible expenses, a few being bolstering rainy day reserves or debt service payments. Karels talked about the multistep process, which was program requests, detailed applications, grant agreements, and payment was the final step. The county

received \$26,878,110 through ARP and all of the funds except \$28,000 has been allocated. Vetsch said that this time next year the board would have a more robust conversation to make sure the funds were obligated by December 2024.

***RECOMMENDATION: Informational Only.***

#### **IV. Fiscal Policies Overview of the County Board**

Assistant Finance Director Heather Lemieux said Wright County's Financial Policy Manual was originally adopted in 2019 and it was reviewed annually to make changes to rules and/or procedures. Lemieux explained how approvals work, micro-purchases are \$10,000 or less. Approval limits for \$10,000 to \$25,000 were department head and decisions, \$25,000 to \$100,000 would need approval from the department head and county administrator. Approval for the highest level \$100,000 to \$170,000 would be from the department head, county administrator and county board. When discussions about ERP were done, the consensus was that department heads would like higher approval limits. When ERP Procurement Specialist Donald Baron and Lemieux met there was a discussion about raising and increasing the approval limits. Assistant County Administrator Marc Mattice said there were highway partial payments that did not need to go through the board for approval. New limits, and recommendations, were based on document feedback.

Kaczmarek said he did not like redundancy, so cutting down on that would be good. Vetsch said that waiting for board approval sometimes slowed and tampered with business operations. Lemieux spoke about clarifications on future discussions about ERP demonstration and commissioner mileage which showed the purchase order (PO) process to see how it worked in ERP. There was a discussion about procurement (P) card limits. There was a question about whether it was more efficient to use a P card with higher spending limits. Lemieux said it was not more efficient, there was still paperwork to be done. A PO would be easier for finance to take the load off the AP team.

The commissioners said during conferences and dealing with visitor parking it would be nice have their own P cards. Vetsch said he would prefer not to use one himself, but Commissioner Tina Diedrick said that she would prefer to have her own P card. Vetsch said he did not think there would be an issue with individual commissioners getting their own P card. Finance Director Lindsey Meyer said that would be fine, just understanding that any payments that were not eligible would then have to be paid back by commissioners.

***RECOMMENDATION: Bring forward fiscal policy recommendations to a future board meeting for changes.***

#### **V. ERP Analysis Approach**

Vetsch said the board was working with staff in identifying deficiencies and implementing change. Kaczmarek asked if the county was going to grant more access with this approval and Assistant County Administrator Clay Wilfahrt said there would be less access granted. The board was looking to utilize Karels' team to assist with analysis. Wilfahrt said he reviewed the Enterprise Resource Planning (ERP) analysis approach and noted the Finance team has worked very hard on implementation. Finance was very dedicated to getting this done. He said there were a few issues we are working to improve. One example was the gaps in understanding of the system and its accesses. When a department wanted access to something, but not knowing why it could not be granted was frustrating and needed to be laid out so it was easier to understand why certain departments are getting access that others are not. Wilfahrt said he wanted to lay out issues from the perspective of pros and cons. He said it would be best to have one person giving information instead of multiple people. Wilfahrt thought that by having one document stating underlying issues and drawbacks would be helpful to communicate issues that came up. He said he would like to interview those who were having issues so that stakeholders could be informed of issues and communicate that it came up. He said he would like to interview those who were primarily users of ARP and send surveys to get input. Wilfahrt said the intent was not to seek to place blame for things in the past, but rather to find ways to move forward. He said identifying who was pushing the ticket to Sierra Cedar and Oracle, and who was the follow-up person when the problem had not been resolved would be very helpful. Wilfahrt said the idea is to identify communications paths, and Vetsch wanted to be able to track these issues. Wilfahrt said if identified

as an issue, it would be addressed and sent from the Finance inbox to Information Technology (IT) to prioritize. Vetsch said if it wasn't a process issue, then it may be an IT issue.

Health and Human Services Director Jami Goodrum asked what the result was expected to be because she wanted to be able to set expectations while still being able to do work the way the department was doing it before. County Attorney Brian Lutes said it was helpful when Meyer met with the office manager in his department to help them better understand the ERP process and she was great to work with. Lemieux said there will need to be a review of licensing and associated access granted to departments. Karels said there were operational issues and technical issues, and operational issues did not require Oracle. They could be solved in-house.

***RECOMMENDATION: Complete ERP analysis as proposed.***

## **VI. Commissioner Mileage Reimbursement Discussion**

Wilfahrt said on Wednesday, February 8 the board retreat put together mileage reimbursement options. Currently, the county is utilizing an IRS reimbursement option. If commissioners traveled in the course of their duties, their mileage was tracked in Oracle, and that report was then reviewed by the Administration Office Manager, County Administrator, and Accounts Payable staff for approval. Each trip was reviewed by staff to make sure it complied with county policies. This process was time consuming for staff involved. The accuracy of the reports was high since it was a first-hand, written account of miles driven. Because of this, the IRS considered the expenses to be a true reimbursement, and therefore the reimbursements received by the commissioners were not taxable income. Staff reviewed the operations of six counties, including Wright County. Of the six, four exclusively used this method for commissioner mileage reimbursement, and one other offered it as an option.

One other option would be for stipends, which was used by Washington County to offer a stipend for trips within a certain geography, and then offer reimbursement for trips outside of that area. Washington County employed a policy that provides a stipend for trips within the seven-county Twin Cities metropolitan area, and anything outside of that area was reimbursed per the IRS mileage rate. This geography-based approach could also require the use of a county vehicle for longer trips. In general, the stipend approach would be less demanding of staff time, but there will be inaccuracies. Estimates of mileage driven would be impacted by canceled meetings, meetings missed due to illness or other circumstances, added meetings, etc. An element of inaccuracy was inevitable. Additionally, because there was an expectation of some inaccuracy, these stipends were not considered reimbursements under IRS rules and would be paid as taxable income through payroll.

The second method of offering reimbursement for mileage was offering a stipend. Under this method, commissioners would estimate a dollar amount commensurate to compensate for annual miles driven. Commissioners would then receive a stipend payment based on the estimates. Several options existed for calculating mileage. Commissioners could estimate the amount the commissioners drive on average or the maximum amount of mileage driven by any commissioner and set a flat rate for all commissioners. This would be the simplest method of implementation as Finance staff would only need to make one payment of one amount. The obvious drawback was that the geography of each district was different as are the traveling demands of each commissioner's schedule. Because of that, there will be some commissioners who get paid more than others relative to their mileage driven. Another option would be for commissioners to individually estimate their mileage at the beginning of the year, and then set stipends based on that estimate. This would be a bit more time consuming of a process, but it would likely increase the accuracy of the stipends and would remove some of the inequity created by district geography.

Commissioners have traditionally received reimbursement for mileage driven to the committee meetings to which they are appointed by the county board. Travel related to attending those meetings as well as any travel related to the work or sub-groups of those committees is reimbursable. Reimbursement is based off of the understanding that a commissioner's primary place of business is their home, so travel to and from the County Government Center is considered reimbursable. Some commissioners have pointed out that there is more travel commissioners do than just to committee-related work.

For instance, attending Chambers of Commerce meetings, City Council and Township Board meetings, etc. are not considered reimbursable at this time.

Vetsch said that any change made would not be valid until January 1, 2024. Commissioner Nadine Schoen said there are still ten months ahead of them. This item could be pushed out until later in the year since nothing could be done at this point. It was decided to table this until a more appropriate time.

***RECOMMENDATION: Table discussion until Commissioner's budget discussion. Address changes during annual elected officials' salary process.***

## **VII. Expectations For Determining Fees**

There were 13 departments that have fee schedules, and one of those is set by the state so there are actually 12 that could be modified. Mattice said he would like to determine how often to review the fee schedule and what that expectation of that would be.

Kaczmarek used an example of a fee he would like addressed. He said for example if a developer wanted a plat review the fee was only \$250. He thought that this should be a billable amount, not a base rate. He said the cost would depend on who did the work and how long it took to review the plat. The amount average was \$45,000, if the job cost \$3,000 the taxpayers were paying the other \$42,000. Kaczmarek would like to see more of a practical billable amount of time. He said Finance employees said this would add an extra hour to the time it took to bill. He said this would then add about 15 extra hours a year and he thought he would like to see more of these done on billable time. He said the \$250 did not do it justice. He did not want a free service done, but he wanted to pay for the work being done.

The review process was very lengthy and involved multiple departments said County Surveyor Steve Jobe. He said different departments do different jobs. He said a surveyor would review all plats, the Recorder's Office looked at plats but did not take a fee, Planning and Zoning look for the ordinance and planned development. So the rate for plat fees was sometimes overspent and sometimes underspent but it seemed to even out. Kaczmarek said he thought every year the fee schedule needed to be reviewed. He said the department head needed to approve the fee. Kaczmarek said the Auditor/Treasurer should review this. Kaczmarek said a claim he was reviewing drew attention to the plat review and permit process.

Wilfahrt said putting the fee schedule on a revolving review process every five years would be a frequent enough schedule to review. Department heads seemed to agree with that.

Jobe said as far as tracking hours, he could get an average but he could not tell how many hours would go into a project ahead of time. He said this could open up more scrutiny, with constituents questioning how many hours the job should take. Some plats were easier than others, and the ones that should be simple can often prove to be very time-consuming. He said he was hired to do the job no matter the service.

Goodrum said she had fees for childcare facilities and had in the past had waived a fee to encourage those to be a provider in Wright County, also because Wright County needed a certain amount of childcare facilities in the area. This was a cost that could be supported by constituents but there are a lot of things that would drive the cost for these fees. Cost recovery incentivized things. Finance thought that there would be a nuance in all fees.

***RECOMMENDATION: Administration to create a fee schedule review process including a timeline to review over upcoming budget years with analysis of justification, citizen impacts and cost recovery.***

**VIII. HHS PRESENTATION: 2023 WRIGHT COUNTY HOMELESSNESS REPORT**

Economic Engagement Coordination Operations Sarah Dearhamer said there were 616 individuals and families served in 2022, this was a 43 percent increase from the prior year. She said there were 32 kids currently homeless in the Monticello School District. Supplemental Nutrition Assistance Program (SNAP) reported 144 homeless households and in 2022 Wright County Community Action (WCCA) had nine individuals and families reach out about homelessness. She said there was funding but nowhere for people to go. She was putting in a lot of hours getting people a place for a night or two but needed help with the bigger issue, which was finding these people a more permanent place to live while finding a job.

Dearhamer said that the barriers for the homeless are affordable housing, eviction history, mental health, financial issues, criminal background, and poor credit. The current options for the homeless were St. Cloud Housing and Redevelopment Authority (HRA) waiting list, which was currently closed. 10 percent of the 966 vouchers were used in Wright County, and 536 households were on the waiting list. She said HRA did not track how many were from Wright County. There were 1,000 selected applications in May 2022 and it was anticipated that the lottery would reopen in two years. Dearhamer said what was needed was affordable housing, transitional housing and shelters, and landlords that were willing to work with high-risk renters. She said one option for Wright County that she would like to see would be turning one of the county's properties into a warming shelter or transitional housing.

Financial Services Manager Kim Johnson said on Friday, March 17 Senate File 2032 was being introduced by Senator Zaynab Mohamed which stated. "[256D.24] Counties providing shelter to families experiencing homelessness, which states a county must provide shelter to any family experiencing homelessness that does not have access another safe shelter. At a minimum the shelter must be provided by the county during any period when the protections of section 216B.096, 216B.097, or 216B.0975 are in effect. The shelter must be provided by the county within one business day of any oral or written request by a family." Johnson said this was an unfunded mandate and was looking for people to testify against this on Friday. It was discussed and agreed that the county wanted to be exempt from this bill. In Wright County, there was no infrastructure to house these people. Schoen said there were a few commissioners that would like to testify, and she would get in touch with Legislators right away. Vetsch said with no work plan he would not be in favor. He was not in favor of shelters but would partner with local nonprofit institutions. Goodrum said transitional housing did have requirements. Goodrum said there was a lot of time being taken up by staff, this is how it affected Wright County.

***RECOMMENDATION: To oppose the Senate bill and discuss a solution to get people sheltered in Wright County.***

*The meeting adjourned at 10:42 a.m.*

*County Board Workshop Minutes submitted by Delia Scepaniak, Administrative Specialist*