

**Ramsey County Charter Commission
Monday, May 3, 2010**

The Ramsey County Charter Commission met in their regular meeting, called to order at approximately 7:00 p.m. by Chair Peter Hendricks, with the following members present:

MEMBERS PRESENT:

District 1: Jim Schottmuller
District 2: Bob Benke
District 3: Bryan Olson
District 4: Peter Hendricks
Chris Leifeld
District 5: Rod Halvorson
Lyle Nelson
District 6: A.L. Brown
District 7: Bud Berry
At-Large: Mike Fratto
Minoka Kitto

MEMBERS ABSENT:

District 1: Bob Weisenburger (excused)
District 2: Richard Moses (excused)
District 3: Frank Gurney

District 6: Russ Miller (excused)
District 7: Marv Koppen (excused)
At-Large: Beth Miller

Also present: Julie Kleinschmidt, Ramsey County Manager; Mark Oswald, Director, Ramsey County Property Records and Revenue Department; Darwin Lookingbill, County Attorney's Office; and Bonnie Jackelen, County Manager's Office.

APPROVAL OF THE MAY 3, 2010 AGENDA

Mr. Berry moved, seconded by Mr. Benke, to approve the agenda of the May 3, 2010 meeting. The agenda was declared approved.

APPROVAL OF THE JANUARY 11, 2010 PUBLIC HEARING MINUTES

Mr. Fratto moved, seconded by Mr. Benke, to approve the minutes of the January 11, 2010 public hearing. The minutes were declared approved.

APPROVAL OF THE FEBRUARY 1, 2010 PUBLIC HEARING AND REGULAR MEETING MINUTES

Mr. Fratto moved, seconded by Mr. Benke, to approve the minutes of the February 1, 2010 public hearing and regular meeting. The minutes were declared approved.

CITIZEN COMMENTS/INPUT

None.

OLD BUSINESS

None.

NEW BUSINESS

Ramsey County Manager Report on new County property tax computer system

Julie Kleinschmidt, County Manager, introduced Mark Oswald, Director, Property Records and Revenue (PRR) Department. Ms. Kleinschmidt said the PRR Department had been planning for and working on a new computer system for quite some time. This was a joint effort among many counties. The purpose was to lower the cost for all the counties.

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Mr. Oswald explained that Minnesota law recommends sending property tax statements out on March 31 of each year. There is also a penalty date; this year it was April 27th. If notices were not postmarked by that date, tax payment due dates would have to have been adjusted. The tax statements were mailed out between April 23-26. Statutorily there were no consequences for Ramsey County mailing the tax statements on those dates. However, mailing the statements out after April 15th inconvenienced a group of property owners – senior citizens who routinely file their federal and state returns with the property tax refund application. They do it at one time with the assistance of a volunteer from AARP. In an effort to provide service recovery, the Department is working with AARP to have two sessions whereby people who need help completing the form to do so on June 7 and 9th in the County's building at 90 West Plato. Property tax owners in Ramsey County challenge the valuations of their property in tax court or through the Board of Appeals and Equalization, or through the open book process. Open book is the fastest and easiest way to air issues concerning property values. Open book sessions were held April 5-8. The value notices were sent out on March 16 to provide adequate time for homeowners to decide and prepare to attend the open book session. Last year the value notices were delayed and sent out with the tax notices to save postage. They were not sent out until March 31, and open book was scheduled from April 1-8. Last year homeowners were very upset because the value notices did not arrive in time for them to take advantage of the open book process. They were forced to go to the Board of Appeal and Equalization, or in a number of cases to go to tax court, which is costly and time consuming. This year the valuation notices were sent out as soon as they were ready to avoid disadvantaging residents. Last year the total cost for mailing value notices and tax statements was \$117,285. This year with the separate mailings the cost was \$163,556 for a difference of \$46,271. This year's printing and mailing was provided by Masters Touch, a vendor that was chosen in an open, competitive process. Masters Touch performance has been excellent.

The reason for the delay in sending out property tax statements this year was due to the implementation of the new tax system. The old system was inefficient and becoming unreliable. Property tax systems calculate and file the details of each property. Minnesota tax law is one of the most complicated in the nation. Therefore, it is imperative to have a reliable system that can deal with the complexity of the situation. The new system is a Windows based system that will allow us to grow with future complexity. The specific reason for the delay is that it took an extraordinary amount of time to convert, test and analyze all the data associated with 160,000 tax parcels, 380,000 special assessments and various other issues associated with calculating property taxes. GRM is a tax system that was purchased through the Minnesota Counties Computer Cooperative (MCCC) and was purchased from Manitron through an open, competitive process. In doing so, Ramsey County saved a great deal of money on the purchase, but it had to give up control of the implementation process and share it with the other counties. Ramsey County's cost for the system was \$838,885, with support costs of \$17,000 annually, which is lower than the amount previously paid. Some time ago, Washington County estimated that it would take over \$3 million to develop a comparable system. Hennepin County estimates its conversion to Manitron would be \$7.5 million because they are going alone rather than through a cooperative.

Ramsey County's project was funded out of the Recorder's technology fund so no levy dollars were involved in the purchase. All costs and responsibilities were covered in the contract. There is no provision for any reimbursement of multiple mailings, even if Manitron had been responsible for it. In fact, we would not have made the penalty deadline without their assistance and support. We were not going to send out the statements just to be on time; they had to be accurate as well.

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Ms. Kleinschmidt said the separate mailing of the value notices and tax statements was a conscious decision made in terms of customer service. Years ago, there were two separate mailings. As we constantly look for the most efficient and cost effective ways of doing business, it was decided a few years ago to combine those mailings. The unintended consequence of that was that people were also confused by getting two statements in one envelope, one of which was a value notice for the subsequent year. This year the decision was made administratively to send the notices in two separate mailings.

Through a cost benefit analysis it has been determined that Ramsey County is getting a huge return on our investment. We are the biggest county in the consortium. There are 28 counties in this consortium; eleven have opted out for various reasons and 17 remain. It is extremely difficult to change tax systems.

Mr. Nelson asked for the average percent of tax based on the valuation. Ms. Kleinschmidt responded that each tax classification has a different rate.

Mr. Halvorson said that levies assessed by cities are included in the taxes.

Ms. Kleinschmidt emphasized the importance of sending the tax statements absolutely accurate and compromise on the timing, rather than the other way around.

Mr. Halvorson suggested that staff look into adding the actual date that the valuation was based on, to the tax statement.

Miscellaneous

Mr. Halvorson suggested that County Manager Kleinschmidt review the Ramsey County Home Rule Charter and make recommendations on how the Charter could be revised to make the County more progressive, effective and improve the County.

Ms. Kleinschmidt said she meets with administrators from the other metro counties; they try to figure out the kind of things that we can work together on to leverage the investment across the metro area. The Association of Minnesota Counties, in an effort they call *Redesign*, tossed out an option that perhaps counties should look into home rule charters. She received many inquiries about the difference of operating under a charter versus state legislation. One classic example of what Ramsey County can do under the Home Rule Charter is *Design/Build*. This saves time and money. Governments will have to adapt to the new realities and will need some tools in order to do so.

Ramsey County Attorney report on Charter Amendment process and approved ballot questions
Darwin Lookingbill, Ramsey County Attorney's Office, reviewed the two ballot questions approved at the February meeting. A sample ballot was distributed. The amendments will be on the ballot for the general election in November and shall be adopted if passed by fifty one percent of those voting on the issue. He said that a ten-word title is needed, which he has added. This title summarizes the nature of the question.

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The titles are:

Question 1 CHARTER AMENDMENT REGARDING MINIMUM SIGNATURES FOR REFERENDUM OR INITIATIVE

“Should the Ramsey County Home Rule Charter be amended to decrease the minimum number of signatures required for a referendum or initiative petition from ten percent (10%) to seven percent (7%) of those who voted in the county for the office of President of the United States in the last general election?”

Question 2 CHARTER AMENDMENT REGARDING TIME PERIOD FOR OBTAINING SIGNATURES FOR REFERENDUM

“Should the Ramsey County Home Rule Charter be amended to increase the time period to obtain signatures for a referendum petition from thirty (30) days to forty-five (45) days after an ordinance is published?”

A question was asked about recall. Mr. Lookingbill said recall is covered under state law and is a different procedure, not by charter.

Regarding approval of the amendments, Mr. Lookingbill explained that approval requires 51% of those voting on the issue. If someone does not vote on the issue, it means nothing.

Mr. Lookingbill had been previously asked to research whether or not the County Board could approve the amendments through an ordinance process rather than placing them on the next ballot. This question has come up a handful of times. The advice he has consistently given is that based on the Position Paper written by the original Charter Commission members, he advised that the County Board could approve only non-substantive changes to the Charter; these amendments do not fall into the non-substantive category. His advice is to send substantive changes to the voters and only non-substantive issues to the County Board.

Mr. Fratto moved to approve the language in Question 1 and Question 2, including the titles, and place them on the November general election ballot. Mr. Schottmuller seconded the motion. Approved unanimously.

Mr. Lookingbill said the Commission should decide what kind of public education should be done around these questions. Discussion then took place about how to proceed at this point.

Mr. Fratto asked when something should be put out. Mr. Lookingbill said that is has generally been done after the primary, but close enough to the election that people will remember it.

Discussion continued on how to proceed with public education.

Mr. Fratto suggested that the Commission members put together a statement that would be sent to local newspapers and newsletters, etc. describing the issues. This should be done after the primary election. Other things that could be done is to enter information on the web site; notify the DFL and Republican parties; provide name of Chair and Vice-Chair to the two large newspapers, etc. There is not much else the Commission needs to do, and probably not until after Labor Day.

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Mr. Lookingbill said that normally, the newspapers will write something on the issues as part of their reporting on the election.

Mr. Hendricks said that Commission does not have to have a consistent policy; each member could speak for or against it they are welcome to do so at any time.

NEXT MEETING DATE

The next regular meeting date is August 2, 2010. After discussion about items to discuss at the next two meetings, it was suggested that any items for discussion at the August meeting be submitted to Chair Hendricks and Ms. Jackelen by July 10th. If no business has been identified, the meeting could be cancelled by the Chair.

NOVEMBER MEETING DATE

The November 2010 meeting is scheduled for November 1, which is the evening prior to the next general election. Mr. Benke moved, seconded by Mr. Schottmuller, to change the date of the November regular meeting to November 8, 2010. Motion was approved.

It was suggested that for this meeting also, if no agenda items come forth by approximately October 22nd, the Chair could cancel the meeting.

NOMINATING COMMITTEE

Chris Leifeld offered to serve on the Nominating Committee. A slate of officers will be brought to the November meeting.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:04 p.m.

Bonnie C. Jackelen, Chief Clerk – County Board