



ANNUAL MEETING
Tuesday, March 14, 2023 - 7:00PM

The Orrock Township Electorate met for their Annual Meeting, on Tuesday March 14, 2023. The meeting took place at the Orrock Town Hall, 26401 – 180th St. NW, Big Lake, Minnesota.

The meeting was called to order by Clerk Chris Weber at 7:00PM and the Pledge of Allegiance was recited by the Electorate. 28 residents were in attendance. Also, in attendance was the Patriot News.

Call for a Moderator

Clerk Weber called for nominations to elect the Annual Meeting Moderator. Anne Felber nominated Boaz Erickson to moderate the annual meeting. Gregg Felber seconded the nomination. Boaz Erickson accepted the nomination. Chris asked if there was any opposition, none was made by the Electorate and a vote was taken.

Electorate vote: Voice vote approval to install Boaz Erickson as Moderator. Motion Prevailed.

Call for Motion to Approve 2023 Annual Meeting Agenda

Motion/Second to Approve 2023 Annual Meeting Agenda by Gregg Felber/Anne Felber.

Electorate vote: Voice vote approval of the 2023 Annual Meeting Agenda. Motion Prevailed.

Call for Motion to Dispense With Reading of 2022 Annual Meeting Minutes

Motion/Second to dispense with the reading of the 2022 Annual Meeting Minutes by Gregg Felber /Anne Felber.

Electorate vote: Voice vote approval to dispense with the reading of the 2022 Annual Meeting Minutes. Motion Prevailed.

Call for Motion to Approve 2022 Annual Meeting Minutes

Motion/Second to Approve 2022 Annual Meeting Minutes by Gary Goldsmith/Anne Felber.

Electorate vote: Voice vote approval of the 2022 Annual Meeting Minutes. Motion Prevailed.

Town Financial Report – Receipts Procedure

Treasurer Arnold stated that the full financial report is available at town hall for review and asked for a motion to waive the reading of all receipts and disbursements from 2022.

Motion/Second to waive reading all receipts and disbursements from 2022 by Anne Felber/Gregg Felber.

Electorate vote: Voice vote approval to waive the reading of all receipts and disbursements from 2022. Motion Prevailed.

The 2022 financial report was provided for electorate review and was reviewed by Treasurer Arnold. A general overview of receipts and disbursements for each fund was presented to the electorate. The majority of the revenue received is from property taxes.

The financial report is retained as part of the official minutes.

The town's financial transactions and bank statements were made available for review an hour prior to the commencement of the Annual Town Meeting and during the meeting. The Statement of Receipts, Disbursements and Balances (schedule 1 report) will remain posted on the bulletin board in the entry.

Treasurer Arnold explained the receipts procedure to the audience. She stated that all Sherburne County and state payments are directly deposited into the township's account. Arnold reported that cash receipts are first received and recorded by the clerk and then she makes the deposits and records them in the accounting system. The treasurer and clerk then reconcile the clerk's records with the treasurer's accounting records. The treasurer also receives a report from the county and those items are then reconciled with the township's records. She also explained the disbursements and cash balancing procedure. Most disbursements arise as the result of a claim in the accounting system. A claims package and back-up information is presented to the board for approval at each monthly board meeting. All ACH claims are also presented in the claims package. The only disbursements that do not get processed through claims but are presented to the board are a couple of minor recurring debits. Claims are validated by the supervisor or board member that approved the service or purchase. Any change orders require board approval.

Board of Audit

Treasurer Janine Arnold informed the electorate that the Board of Audit was held in February. The Township Supervisors, sitting as the Board of Audit, verified that the Town's records of receipts and disbursements were complete and accurate and balanced with the records of the Town's financial depository.

Township Supervisors verify claims and receipts at every meeting and review reconciled bank statements at every meeting, so only a sampling of those documents was examined by the Board of Audit. Each receipt and disbursement were checked and verified by the entire Board of Audit. The Board of Audit report shows the following:

- Receipts Verified:
 - #362263 paid to the town by – Connexus Energy - \$200.00
 - #362234 paid to the town by – Chad Craven - \$102.00
 - #362255 paid to the town by – State of Minnesota - \$699.88

All three were verified to be accurate.

- Disbursements verified:
 - #11525 paid to Erickson Asphalt – \$16,050.00
 - #11574 paid to Newman Signs – \$1,876.92
 - #11590 paid to Randy Hanson – \$156.00

All three were verified to be accurate.

The Board of Audit found all documentation concerning these transactions to be in order. Cash Basis accounting reports were also verified.

2021 External Audit

In 2019, Orrock Township reached the threshold that required the township to have an external audit. Schlenner Wenner & Co. performed the audit of Orrock Townships 2021 financial statements. The auditing firm had reported to the board that the audit went smoothly, they had a positive working relationship with management and nothing unusual was noted in terms of recorded transactions or accounting policies and treatments. Schlenner Wenner & Co. prepared the 2021 financial statements on behalf of the township. The firm also did a Minnesota legal compliance review of contracting and bidding, depositories of public funds, conflicts of interest, claims and disbursements and miscellaneous provisions.

2022 Township Overview

Clerk Chris Weber presented the audience with an overview of the past year's activities and information about the Town.

- i. 2022 Estimated Population – 4,044
- ii. 2022: 27 new homes permits were issued – Total value \$6,457,000
- iii. 28 homes were issued Certificates of Occupancy in 2022
- iv. 2023 Valuation - Net Tax Capacity \$5.856M (2022 \$4.545M)
- v. 2023 Valuation - Taxable Market Value: \$574,823,957 (2022 \$448,010,818)
- vi. Shores of Eagle Lake
 - Nineteen building permits were issued in 2022
- vii. Pine Crest Estates West
 - Plat recorded 8/26/2022
 - 23-lot development south of County Road 4
 - Three building permits were issued in 2022
- viii. Recycle Day 2022
 - 38 Orrock Township residents participated (18% of the 207 total participants)
- ix. Midco Expansion
 - In 2022, Midco expanded services on County Road 4
- x. Annual Meeting Electorate (town residents) approved and certified the 2023 levy \$ 1,080,000
 - The Road and Bridge fund is 74% of the levy (\$800,000)
 - Fire Protection is 15% of the levy (\$160,000)
 - General fund (day to day operations of the Town) is 11% of the levy (\$120,000)
- xi. Elections
 - Outgoing Supervisor – Bob Hassett
 - Outgoing Treasurer – Gary Goldsmith
 - Re-Elected Supervisors – Bryan Adams and Paul Ellinger
 - Newly Elected Supervisors – Anne Felber and Gary Goldsmith
 - Newly Elected Treasurer – Janine Arnold
 - 1,544 ballots were cast in person at the November General Election, 245 absentee ballots were cast for a total of 1,789 ballots cast. 2,590 voters were registered at 7am and 64 voters registered on site. Total Orrock Township registered voters 2,654. 67% of registered voters voted.
 - Thank you to all election judges!

Board & Committee Reports

Big Lake Fire Department and Zimmerman Livonia Fire Report:

- i. 2022 Calls for Service – 40 total
- ii. Big Lake Fire Department – 20 calls
- iii. Zimmerman Livonia Fire District – 20 calls
- iv. Both Fire services are investing in new equipment to improve response
- v. The Big Lake Fire Department has a part-time Chief Seth Hanson
- vi. The Zimmerman Livonia Fire District has a full-time Chief Ryan Maloney
- vii. The Big Lake Fire Department is recruiting members
- viii. The Zimmerman Livonia Fire District is recruiting members
- ix. Increasing population, equipment costs and personnel costs will result in increased operating budgets for both departments
- x. In 2022, the Big Lake Fire department contract was re-negotiated, lowering the current costs for fire coverage in Orrock Township

- xi. Both of Orrock Township fire service contracts are based on a percentage of the Orrock Township tax base so individual taxpayers should not see an increase in tax directly related to fire service as our population increases. Both contract rates are based on the percentage of each governmental entity's share of net tax capacity and fire calls and is then applied to the previously approved fire budget. The entities are charged their percentage of the total budget. (In 2023, Orrock's share is 11.83% of the ZLFD fire budget and 10.64% of BLFD fire budget and depreciation).

Town Hall Building Update

- i. Lowest bid for town hall addition: \$678,000 - received in June 2022
 - o Estimated cost to build a new "stick build building" - \$546,000
 - o Estimated cost to build a new "pole building" - \$616,000(Both include costs for demo, site grading, asphalt and lighting)

- ii. Options for town hall building site:
 - o Addition (board does not recommend building an addition)
 - o Build a town hall on the current site
 - o Seek land from a donor
 - o Purchase land
 - o Do nothing

- iii. Electorate approval needed:
 - o Minnesota law requires that the Township receive elector authorization to buy or build a town hall or other building for the use of the Township.
 - o Minn. Stat. 365.10, subd. 6 states:
Subd. 6. Build town building.
The electors may let the town board buy or build a town hall or other building for the use of the town. The electors must decide the amount of money to be raised for that purpose. Once the town gets a site for a town hall the site must not be changed for another site, except by a vote choosing a new site. To get a new site two-thirds of those voting on the question must vote for it.

Bryan Adams presented the proposed building plan and presented his estimate of added costs in the amount of \$279,000 for building a town hall building on an alternate site. The electorate would need to approve the building of a new building or the purchase of land on which to build a new building. There is approximately \$575,795 in funds available between the existing ARPA funds and the capital fund. Funding for the project is approximately \$80,000 short.

Anne Felber reported that donating land to a township is considered a charitable contribution and that the tax benefit to the person is two-fold. There is a federal tax credit of 30% of AGI for up to 5 years and the added savings of not paying capital gains tax on the donated portion of the land. Obtaining land usually requires a solicitation of interest by various forms – print media, social media or direct mailings to landowners in Orrock Township. She was told that exploring the land donation option would potentially provide an overall cost saving for the township. Since the township owns their current property which has the storage building, if the township kept the property, you could eliminate the \$200,000 line item on the build budget for a new storage building as well as costs associated with demolition of the current building (cost not disclosed). Option 2 after having land donated, would be to explore selling the property to USFW or any other interested buyer and use the money from the sale to build a pole storage building on the new property, still saving the money for the cost of demolition.

Boaz Erickson requested that the board confirm if prevailing wage would be applicable in this situation. Gregg Felber believes that building on the current site is not a good decision. There would be no room for

future expansion on the current site. He recommends spending the ARPA funds on roads now to avoid the ARPA “cliff” and recommended delaying on the building until 2025 or 2026. He also recommended attaching an assessment over the next two years to provide funds to build a building. His plan would increase taxes to the taxpayers. Brenda Kimberly-Maas stated that ARPA funds need to be under contract by 2024 and spent by 2026. There was discussion over whether to lease buildings for meetings, elections and continue to use the existing building for offices. Karel Lind asked if there is land available within the township to purchase.

Mark Markhausen questioned the need and cost-effectiveness to build a building that would be used for elections every other year. Brenda Kimberly-Maas stated that is not just that the area needs to be bigger, it is for the integrity of the vote and to allow voter privacy. She also stated that most of the files at town hall are not in a fire safe. Gregg Felber stated that if the township builds a new building, it could be a building that could be utilized by community groups. It is not a lot of money when you stretch that cost out over the lifespan of a new building. Paul Ellinger stated that that this is an opportune time to build a building that will be practical and large enough for use over the next 50 years. His belief is that the time to move forward on this is now and that the goal when building is to live within the current budget by shifting funds, on a one-year basis, from the road and bridge fund to the capital fund that would allow the project to be completed without increasing the levy. Dena McElhanev asked if there was an alternate building, such as their church, that could be used for elections. Chris Weber stated that their church would not be big enough and would not meet the accessibility requirements. KJ’s Refuge cannot be used as a polling place because they serve alcohol. Boaz Erickson stated that he believes the best decision would be to use current location. The key issue that Boaz sees with the current site is parking. The advantage of staying on the current property is that the land is owned and the existing shed would remain. The clerk will research facilities to use for the 2024 elections. If the building is torn down, the existing septic could be used. With the one-year shift of levy funds in the amount of \$200,000, it would provide approximately \$823,000 in funds to complete the project. Zach Kurth believes that building bids should come in lower this year.

Motion/Second to authorize the town board to construct a new town hall on the existing site with the demolition of the building to be slab on grade at a maximum budget of \$823,000 by Gary Goldsmith/Brenda Kimberly-Maas.

Electorate Vote: Voice approval to authorize the town board to build a new town hall on the existing site with the demolition of the building to be slab on grade at a maximum cost of \$823,000. Motion Prevailed.

Gary Goldsmith commented that with the levy that the board is proposing, there will not be a significant increase on Orrock Township property taxes. With doing a one-year shift in levy from the road and bridge fund to the capital fund, the project can be completed without a significant increase in property taxes. Heather Lorch stated that she appreciated the conversation but wonders if the township should stay small and off the radar or provide something in the township hall that provides an opportunity for community. Boaz Erickson stated that the biggest issue when you go to a new property is that there are a lot of unknowns. His opinion is that the township owns this property and that logically and financially building on the current property makes more sense. Gregg Felber believes that it would be better to purchase new property on which to build a town hall. Laurie Lang stated that, if the electors really want to do this project, then they should do it and build it on this land. Chris Weber stated that this project has been talked about for approximately ten years and when the need for a new town hall was mentioned, the electorate did not want to move forward. She also stated the township is now at the point that the township needs the facility and the project needs to move forward in some form. The issue will not go away. Boaz Erickson believes that presented budget numbers are reasonable. Ross Dunlap believes that a budget of \$823,000 may be excessive. Boaz Erickson replied that leaving the budget at \$823,000 leaves room for any unforeseen items that may come up. Zach Kurth recommended to leave the budget at \$823,000 and hopefully the project would come in under budget.

Road Report – Bryan Adams

Bryan Adams reported that the 2022 Road and Bridge budgeted levy revenue amount was \$770,000.00 and the actual amount received, including prior year ad volarem taxes, was \$763,578.14. The total 2022 road and bridge fund revenue amount was \$845,687.53 and total expenditures were \$1,016,944.89 . He told the electorate that there will be an increased balance in the road and bridge fund to prepare for road reconstruction projects that will need to be completed in the next 10-15 years. Most of the township roads are in the middle of their life cycle. The roads around Ann Lake and Eagle Lake will be moving to the more expensive reconstruction phase. Eagle Lake roads have drainage issues the need to be corrected.

2022 Total Road Expenditures \$1,016,944.89 (2022 Levy \$770,000.00)

- Overlay Projects (including engineering) - \$286,347
- Seal Coat Projects (including engineering) - \$419,331
- 180th Street Rebuild (including engineering)- \$96,983 (received \$10,000 in cost-share contribution from the developer of Pine Crest Estates West)
- Ice and Snow Removal - \$72,500
- Tree Trimming - \$58,530 (2 years)
- Ditch Mowing - \$8,000
- Culvert and Basin Cleaning – \$19,678
- Signs - \$5,516
- Street Cleaning - \$5,000
- Pothole, Rut Filling and Patching - \$26,340
- Purchase of Foreclosed Property (for culvert drainage) - \$3,116

Pavement Management Plan Update

- In 2014, the Township initiated a Pavement Management Plan. The plan was updated in 2018. All roads in the township were inventoried, inspected and evaluated. The report gives an overview of road conditions and aids in the road and bridge levy planning.
- A pavement management program is a systematic method of inspecting and rating the pavement condition for a network of roads. The system performs cost effective analysis of various maintenance and rehabilitation strategies, which assists decision makers in making the best decision on the use of available resources.
- Preventative maintenance includes maintaining the roads with little to no severe distresses to prolong the service life of existing pavements. Overlays, and mill and overlays involve enhancing the structural capacity of the roads with moderate distresses that do not extend through the full depth of the bituminous pavement. Reconstruction is rebuilding failing roads with high severity distresses.
- The Pavement Management Plan will be updated in 2023 to accurately reflect the ratings of the roads to aid in planning the Road and Bridge levy and budget.

2022 Report of Overlay Projects – Total Cost \$250,762.76 (excluding engineering fees):

- Hidden Ponds Subdivision – Overlay Project
- Pine Ridge Acres - Overlay
- Woodlands of Livonia – 5th Addition – Overlay
- Horseshoe Estates 262nd Ave NW (North of County Road 4) - Overlay

2022 Report of Sealcoat Projects – Total Cost \$405,648.48 (excluding engineering fees)

Various roads throughout the township were seal coated in 2022.

2022 Report of 180th Street NW Rebuild – Total Cost \$86,225.55 (excluding engineering fees)

2023 Overlay and Paving Projects – Estimated Cost \$350,000.00 (excluding engineering fees)

The following roads are scheduled for overlays:

- 174th ST NW from 229th Ave NW to 232nd Ave NW
- 232nd Ave NW from 174th St. NW to 169th St. NW
- 235th Ave NW from CR 15 to 162nd St. NW
- 163rd St NW from Cul-de-sac to 235th Ave NW
- 162nd St. from 235th Ave NW to DNR Road
- 238th Ave NW from Cul-de-sac to 162nd St. NW

Presentation of the Proposed 2023 Tax Levy

Treasurer Janine Arnold presented the 2022, 2023 and 2024 levy and expenditures by fund to the electorate. Arnold also presented the levy history and recommendations for the years 2015-2024.

In 2023, the electorate levied \$120,000 in the General Fund and the proposed 2024 levy amount is \$130,000.

The board proposed a 12.5% decrease for the Fire Fund levy for a total levy of \$140,000. The levy was \$160,000 in 2023. The proposed levy is based on the estimate for what the 2024 fire costs will be.

The 2024 proposed Road and Bridge Levy amount is \$650,000, which is a 18.8% decrease from the 2023 levy amount of \$800,000. The board recommended a one-year shift in levy funds from the Road and Bridge fund to the Capital fund.

The 2024 proposed Capital Fund levy amount is \$200,000.

The net levy total of all funds will be increased \$40,000 (3.7%) from the 2023 levy.

Janine Arnold presented the Board’s recommendation, for the Levy 2024 as follows:

General Fund	\$ 130,000
Road and Bridge	\$ 650,000
Fire	\$ 140,000
Capital	\$200,000
TOTAL	\$1,120,000

Discussion and questions for the Treasurer

Boaz Erickson stated that he feels that a 3.7% increase is a fair increase. Gary Goldsmith stated that to the extent that the tax base increased due to new homes, the levy increase should be absorbed by the new construction.

Business From the Floor

None

Approval of the 2024 proposed Tax Levy (MS 365.10)

Motion/Second to approve the 2024 Levy amounts presented and recommended by the Board of Supervisors by Gary Goldsmith/Gregg Felber.

Electorate vote: Voice vote approval to adopt the 2024 levy in the amount of \$1,120,000.00. Motion Prevalled.

General Fund	\$ 130,000
Road and Bridge	\$ 650,000
Fire	\$ 140,000
Capital	\$200,000
TOTAL	\$1,120,000

Set date, time and location for the 2024 Annual Meeting

Clerk Chris Weber told the electorate that state statutes dictate the date for Township Annual Meetings as the second Tuesday of March. For 2024 that date is March 12, 2024.

Motion/Second to set the 2024 Annual Meeting to be held Tuesday, March 12, 2024 at the Orrock Town Hall, beginning at 7:00PM by Brenda Kimberly-Maas/Gary Goldsmith.

Electorate vote: Voice vote approval to set the 2024 Annual Meeting to be held on Tuesday, March 12, 2024 at the Orrock Town Hall, beginning at 7:00PM. Motion Prevailed.

Announcements:

- Local Board of Appeal and Equalization – Wednesday, April 12th 4PM - Town Hall
- Annual Recycle Day - Saturday, May 20th 8am to 1pm – Town of Big Lake Maintenance Building - 20150 166th Street NW, Big Lake
- Regular Township Board Meetings – Fourth Wednesday of the Month 7PM - Town Hall

Motion to Adjourn or Recess the Annual Meeting

Motion/Second to adjourn the 2023 Annual meeting by Paul Ellinger/Gary Goldsmith.

Electorate vote: Voice vote approval to adjourn the 2023 Annual meeting. Motion Passed.

Clerk Weber asked that the motion be modified to include to “certify the 2024 levy to the Sherburne County Auditor’s Office by September 30, 2023”.

Motion/Second to adjourn the 2023 Annual Meeting and certify the 2024 levy to the Sherburne County Auditor’s Office by September 30, 2023 by Paul Ellinger/Gregg Felber.

Electorate vote: Voice vote approval to adjourn the 2023 Annual Meeting and certify the 2024 levy to the Sherburne County Auditor’s Office by September 30, 2023. Motion Passed, adjourning the 2023 Annual Meeting on Tuesday, March 14, 2023 at 8:45PM.

Respectfully Submitted,
Chris Weber
Town of Orrock, Clerk

Accepted this 12th Day of March, 2024 by the Town of Orrock Electorate

Meeting Moderator

Attest: _____
Chris Weber, Town Clerk

Dated: _____

Attendees: Gregg Felber, Anne Felber, Boaz Erickson, Chris Harry, Bryan Adams, Chris Weber, Brian Stang, Karel Lind, Janine Arnold, Bob Hassett, Nancy Hassett, Sam France, Mark Marxhausen, Candy Berg, John Berg, Laurie Lang, Wayne Milinkovich, Alex Stratzen, Gary Goldsmith, Deana McElheny, Ken Geroux, Heather Lorch, Ross Dunlap, Joe Hansen, Tony Hoffman, Brenda Kimberly-Maas, Zach Kurth and Paul Ellinger.