



ANNUAL MEETING
Tuesday, March 8, 2022 - 7:00PM

The Orrock Township Electorate met for their Annual Meeting, on Tuesday March 8, 2022. 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. 15 residents were in attendance. Also, in attendance were Kevin Kruger, Township Engineer and the Patriot News.

Call for a Moderator

Clerk Weber called for nominations to elect the Annual Meeting Moderator. Gary Goldsmith nominated Bryan Adams to moderate the annual meeting. Don Stauffer seconded the nomination. Bryan 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 Bryan Adams as Moderator. Motion Prevailed.

Call for Motion to Approve 2022 Annual Meeting Agenda

Motion/Second to Approve 2022 Annual Meeting Agenda by Gregg Felber/Janine Arnold.

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

Call for Motion to Dispense With Reading of 2021 Annual Meeting Minutes

Motion/Second to dispense with the reading of the 2021 Annual Meeting Minutes by Paul Ellinger /Gregg Felber.

Electorate vote: Voice vote approval to dispense with the reading of the 2021 Annual Meeting Minutes. Motion Prevailed.

Call for Motion to Approve 2021 Annual Meeting Minutes

Motion/Second to Approve 2021 Annual Meeting Minutes by Gregg Felber/Janine Arnold.

Electorate vote: Voice vote approval of the 2021 Annual Meeting Minutes. Motion Prevailed.

Town Financial Report – Receipts Procedure

Treasurer Goldsmith 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 2021.

Motion/Second to waive reading all receipts and disbursements from 2021 by Bryan Adams/Janine Arnold.

Electorate vote: Voice vote approval to waive the reading of all receipts and disbursements from 2021. Motion Prevailed.

Treasurer Goldsmith explained the receipts procedure to the audience. He stated that all Sherburne county and state payments are directly deposited into the township's account. Gary reported that cash receipts are first received and recorded by the clerk and then he 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. He 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. 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 Gary Goldsmith 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:
 - #527452 paid to the town by State of Minnesota - \$623.21
 - #07032022 paid to the town by State of Minnesota - \$199,094.73
 - #07032021-2 paid to the town by Sherburne State Bank - \$0.33

All three were verified to be accurate.

- Disbursements verified:
 - #ACH609202 paid to Amazon - \$27.51
 - #11248 paid to WSB – \$2,114.00
 - #11350 paid to Darryl Waletzko - \$4,800.00

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.

2019 and 2020 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 2019 and 2020 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 2019 and 2020 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. Gary Goldsmith explained the township financial controls policy to the electorate.

2021 Town Hall Review

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

- i. **2020 Census Population – 3,544**
 - 2021: 32 new homes permits were issued– 19 of which were issued Certificates of Occupancy
 - 2022 Valuation - Net Tax Capacity \$4.543M (2021 \$4.055M)

- 2022 Valuation - Taxable Market Value: \$448,010.39 (2021 \$398,983,116)
- ii. **Shores of Eagle Lake**
 - JP Brooks has moved forward with building within the Shores of Eagle Lake Development. A total of 32 new building permits in this development have been issued since November 2020.
 - At their December meeting, the Orrock Town Board accepted the roads in the Shores of Eagle Lake Development
- iii. **Recycle Day 2021**
 - 67 Orrock Township residents participated (25% of the 263 total participants)
- iv. **Road Expenses 2021 R&B Levy was \$745,000 (44.84 maintained mileage)**
 - 2021 Road Improvements consisted of overlays in Heritage Trails Subdivision
 - Snow and Ice control for the 2021 (Jan – Dec 2021): \$45,489
- v. **Annual Meeting Electorate (town residents) approved and certified the 2022 levy \$ 1,008,000**
 - The Road and Bridge fund is 76% of the levy
 - Fire Protection is 15%
 - General fund (day to day operations of the Town) is 9% of the levy
- vi. **American Rescue Plan Act (ARPA) Funds**
 - Orrock Township received \$205,614.53 in first half payment of ARPA Funds. The total amount the township will receive is approximately \$411,000. The board is planning to move forward with plans to add onto the town hall building to expand the meeting and election space, bring the bathrooms and ramp up to ADA compliance and create office and storage space.

Board & Committee Reports

Big Lake Fire Department and Zimmerman Livonia Fire Report: Gregg Felber reported the following:

- i. 2021 Calls for Service 53 Total
- ii. Big Lake Fire Department 24
- iii. Zimmerman Livonia Fire District 29
- iv. Both Fire services are investing in new equipment to improve response
- v. Both Fire services have invested in improvements to their buildings
- vi. The Big Lake Fire Department has a part-time Chief Seth Hanson
- vii. The Zimmerman Livonia Fire District has a full-time Chief Ryan Maloney
- viii. The Big Lake Fire Department is still recruiting members
- ix. The Zimmerman Livonia Fire District is currently at full staff
- x. Increasing population, equipment costs and personnel costs will result in increased operating budgets for both departments
- 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. BLFD is .035% of taxable market value. ZLFD's rate is 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. (This year Orrock's share is 11.65% of the ZLFD fire budget).

Town Hall Building Update

Bryan Adams told the electorate that the current town hall was a school building, and the township purchased the building in the 1950's. The board is planning to add onto the building with ARPA funds to increase meeting and election capacity, create an office and storage area and bring the bathrooms and ramp into ADA compliance. The board is hoping to begin construction this year, depending on what the construction bids received. The project is in the development stage and has not yet been put out for bids. There will be no impact on property taxes as the building committee has determined that the total budget, including furnishings, should not exceed the total of ARPA fund plus any capital funds that the

board has. The town hall building was inspected about a year ago and the building is structurally sound. Bryan Adams asked for any additional questions from the floor and there were none.

Midco Broadband Expansion Update

Clerk Weber told the electorate that Supervisors Ellinger and Arnold, and Clerk Weber met with Dan Weber, Assistant Sherburne County Administrator and Melissa Wolf, from Midco to discuss the gaps in broadband coverage in Orrock Township. They had identified gaps in coverage and the intent was that Midco would apply for a broadband grant through Sherburne County. At that time, Midco had proposed that ARPA funding (split between the county and Orrock Township) fund 43% of the proposed broadband project. Dan Weber called Clerk Weber on December 14th and informed her that Midco will be financing the entire project in Orrock Township, and no funds will need to be contributed to the project by Orrock Township. This should bring high-speed internet into almost all Orrock Township.

Road Report – Bryan Adams

Kevin Kreuger reported that the 2021 Road and Bridge budgeted levy receipt amount was \$745,000 and the actual amount received, including prior year ad valorem taxes, was \$746,267.17. The total 2021 road and bridge fund revenue amount was \$805,135.00. 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 reaching the end of their life cycles and will be moving to the more expensive reconstruction phase.

Denna McElhany asked about the roads in the Ann Lake neighborhood. Kevin Kruger explained that those roads will need a full reconstruction in the next five years and that an overlay would not fix the condition of the roads as there are a lot of drainage issues in that area. A new road would then be good for 40 years. Bryan Adams explained that the board is planning for the next 20 years for funding future road projects. Kevin Kruger stated that the estimated cost to reconstruct a road is \$660,000 per mile and the estimated cost per mile for an overlay is \$220,000.

2021 Projects Overlay and Reclamation

The following projects were completed at a total cost of \$416,209.60 (excluding engineering fees):

- 189th Street NW from 253rd Avenue NW to 259th Avenue NW - Overlay
- 190th Street NW from Cul-De-Sac to 191st Street NW (Hidden Ponds) - Overlay
- 191st Street NW from 190th Street NW to 261st Avenue NW (Hidden Ponds) - Overlay
- 261st Avenue NW from Cul-De-Sac to County Road 5 - Overlay

2022 Projects Overlay and Sealcoat

The following projects are being bid for an estimated total cost of \$648,251.00 (excluding engineering fees):

- Pine Ridge Acres- Overlay
- Woodlands of Livonia 5th Addition- Mill and Overlay
- Horseshoe Estates 262nd Avenue NW (North of CR4) - Overlay
- Several Township Roads – Seal Coat

Shores of Eagle Lake Roads

Kevin Kruger told the electorate that, at their December meeting, the Orrock Township Board passed a resolution to adopt the roads in the Shores of Eagle Lake Development. The developer brought the roads up to current township specifications prior to the acceptance of the roads by the township.

180th Street NW

Kevin Kruger reported that a new development is planned to be completed on the south side of County Road 4, east of 180th Street NW. At their February board meeting, the board voted to blacktop the section

of 180th Street NW from County Road 4 south to entrance of the development. The developer will contribute money towards the paving of 180th Street NW. The 180th Street NW road project will be done in conjunction with the Sherburne County Road 4 project. The section of 180th Street NW south of the development entrance will be a minimum maintenance road.

Presentation of the Proposed 2023 Tax Levy

Gary Goldsmith presented the property value and tax analysis report for the years 2011-2023. He noted that the township’s goal is to keep the levy stable and he told the electorate that the board is budgeting expenditures. He also presented the levy history and recommendations for the years 2015-2023. The township’s taxable market value increased 12.1% in 2022. He also noted that a levy increase of 7.1% would not mean that a property owner’s Orrock Township share of taxes will increase by 7.1%, because the net tax capacity of the township is increasing at a higher rate than the levy increase.

In 2022, the township levied \$88,000 in the General Fund, the proposed 2023 levy amount is \$120,000. He explained that the biggest reason for increase in the general fund budget and levy is the fact that the township now must have a formal audit. The audit will cost \$15,000 to \$17,000 each of the next three years.

The board proposed a 6.7% increase for the Fire Fund levy for a total levy of \$160,000. The levy was \$150,000 in 2022. This is based on the best estimate for what the 2023 fire costs will be.

The 2023 proposed Road and Bridge Levy amount is \$800,000, which is a 3.9% increase over the 2022 levy amount of \$770,000. The board increases the Road and Bridge levy amount each year allowing the township to build a reserve for future larger road projects.

The net levy total of all funds will be increased \$72,000 (7.0%) from the 2022 levy.

Gary presented the Board’s recommendation, for the Levy 2022 as follows:

General Fund	\$ 120,000
Road and Bridge	\$ 800,000
Fire	\$ 160,000
Capital	0
TOTAL	\$1,080,000

Discussion and questions for the Treasurer

Boaz Erickson questioned the amount of levy increase in the general fund. Don Stauffer asked what the board is spending money on that they were not spending four years ago. It was explained that there were increases in the general fund expenditures due to the required audit, extra staff time required to complete those audits and increased supervisor time. Anne Felber suggested that the board use ARPA funds to absorb extra costs that are being incurred in the general fund. Treasurer Goldsmith stated that if not all the ARPA funds are used for the building project, those funds could then be applied to other general fund items. He also told the electorate that the board and finance committee feel that it is more prudent to use that money for the building and then use any leftover funds for general board purposes. Treasurer Goldsmith told the electorate that he prepares a budget and levies accordingly. Don Stauffer asked what the final impact of the proposed levy is to the taxpayers. Treasurer Goldsmith replied that the bottom line for the taxpayer should be little to no increase to the current township portion of the county taxes. He also stated that the goal is to keep the taxes in the township stable for the taxpayers. Anne Felber has concerns about the economy and the possible effect on property taxes. Boaz Erickson suggested that the board put the building on hold for a year. Brenda Kimberly-Maas suggested that the expanded meeting area could possibly be used by residents for events and activities. The board hopes to receive bids for the project by May and if the bids come in high, the board can put the project on temporary hold. Gary suggested that the electorate hold a special electorate meeting to discuss the building project and the board can present more information on the project at that time. Don Stauffer had questioned why the electorate would want to levy less than planned expenditures within the

general fund and noted that the planned levy in 2023 would fall within what the general fund expenditures were over the two previous years. Boaz Erickson also recommended approval of the proposed levy and that the board wait until they receive construction bids for the building project prior to moving forward with the building expansion. Mark Marxhausen stated that the levy recommendation is reasonable and questioned whether there would be a simpler way to add election space. Treasurer Goldsmith stated that the ARPA funding is a once in a lifetime opportunity to expand upon the town hall space and that the expansion is needed. Bryan Adams noted that, at some point, the township will probably be required to have two voting precincts. If the election/meeting area is doubled, that would accommodate two precincts. The board is planning on the expansion serving the township for many years down the road and not just as a temporary solution to the space needs of the township.

Business From the Floor

None

Approval of the 2023 proposed Tax Levy (MS 365.10)

Motion/Second to approve the 2023 Levy amounts presented and recommended by the Board of Supervisors by Don Stauffer/Marx Marxhausen.

Electorate vote: Voice vote approval to adopt the 2023 levy in the amount of \$1,080,000.00. Motion Prevalled.

General Fund	\$ 120,000
Road and Bridge	\$ 800,000
Fire	\$ 160,000
Capital	0
TOTAL	\$1,080,000

Set date, time and location for the 2023 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 2023 that date is March 14, 2023.

Motion/Second to set the 2023 Annual Meeting to be held Tuesday, March 14, 2023 at the Orrock Town Hall, beginning at 7:00PM by Brenda Kimberly-Mass/Paul Ellinger.

Electorate vote: Voice vote approval to set the 2023 Annual Meeting to be held on Tuesday, March 14, 2023 at the Orrock Town Hall, beginning at 7:00PM. Motion Prevalled.

Announcements:

- Local Board of Appeal and Equalization – Wednesday, April 6th 4PM - Town Hall
- Annual Recycle Day - Saturday, May 21st 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
- The Big Lake Community Food Shelf has a fresh product distribution beginning the third Monday April through October from 3:30 until 5:30 or until product is gone at the Big Lake Township Lions Park
- The Big Lake Community Food Shelf online ordering requests can be requested online at blcfs.org

Motion to Adjourn or Recess the Annual Meeting

Motion/Second to set a special town electorate meeting to discuss the town hall expansion project on June 15th at 7PM by Gary Goldsmith/Brenda Kimberly-Maas.

Electorate vote: Voice vote approval to set a special town electorate meeting to discuss the town hall expansion project on June 15th at 7PM. Motion Prevalled.

Motion/Second to adjourn 2022 Annual Meeting and certify the 2023 levy to the Sherburne County

Auditor's Office by September 30, 2022 by Gary Goldsmith/Janine Arnold.

Electorate vote: Voice vote approval to adjourn the 2022 Annual Meeting and certify the 2023 levy to the Sherburne County Auditor's Office by September 30, 2022. Motion Passed, adjourning the 2022 Annual Meeting on Tuesday, March 8, 2022 at 9:15PM.

Respectfully Submitted,
Chris Weber
Town of Orrock, Clerk

Bryan Adams, Meeting Moderator

Attest: _____
Chris Weber, Town Clerk

Dated: _____

Draft minutes presented to the Board on this **23rd** day of March 2022.

Bryan Adams, Chair

Attest: _____
Chris Weber, Town Clerk

Attendees: Chris Weber, Paul Ellinger, Candy Berg, Janine Arnold, Boaz Erickson, Susan Lambert, John Berg, Denna McElhany, Gary Goldsmith, Bryan Adams, Don Stauffer, Anne Felber, Gregg Felber, Marx Warxhausen and Brenda Kimberly-Maas.

