

# **Collaborative Governance Council**

League of Minnesota Cities Building  
145 University Avenue West, St. Paul

Wednesday, June 20

1 p.m. – 3 p.m.

## **Members Present**

Lena Gould, League of Minnesota Cities (for Mayor Mary Hamann-Roland)  
Kyle Harnett, Minnesota Association of Townships  
Tom Hesse, Minnesota Chamber of Commerce  
Grace Keliher, Minnesota School Board Association  
Ken Loeffler-Kemp, AFSCME  
Valerie Rolstad, SEIU  
Commissioner Jack Swanson, Association of Minnesota Counties (AMC)  
Rebecca Otto, State Auditor, Chair

## **Members Absent**

Gary Westorff, Education Minnesota

## **Others Present**

Beau Berentson, Association of Minnesota Counties  
Scott Croonquist, Association of Metropolitan School Districts  
Michelle Ashe, Minnesota County Records Association  
Larry Jacobs, Minnesota Association of County Officers  
Patrick Hynes, League of Minnesota Cities

## **I. Call to Order**

- a. Chair Auditor Rebecca Otto called the meeting to order.

## **II. Review and Approval of Meeting Minutes**

- a. Kyle Harnett moved to approve the previous meeting's minutes. Ken Loeffler-Kemp seconded; motion carried.

## **III. Recap of Discussion on Statewide Health Insurance For Public Employees**

- a. Chair Otto reviewed the DOER report that Phil Griffin had discussed in his presentation. The Chair suggested that the Council revisit the topic after the Supreme Court rules on the Affordable Care Act. The Council will also review information from the Self-Insurance Association. Grace Keliher added that worker's compensation is a good model to use.

## **IV. Discussion on Consolidation**

- a. Commissioner Swanson began the discussion on consolidation of local governments, and he wanted to hear the Council's thoughts on the issue. He mentioned the Legislative Auditor's recent report on the topic.

- b. Beau Berentson stated that the AMC is opposed to the state consolidating counties in a top-down manner.
- c. Kyle Hartnett from MAT said that towns fear annexation under the banner of consolidation. He said that the Legislative Auditor's report seemed to use different definitions of consolidation interchangeably. Grace Keliher pointed out that school districts in Minnesota have been consolidating for some time, and there is a good process in the place. The number of school districts has shrunk from 9000 to 343 because of consolidation.
- d. Commissioner Swanson said the counties are interested in how much they would actually save if they consolidated, and the answer seems to be minimal. Chair Otto pointed out that state law allows for joint powers arrangements which allows for some sharing and efficiency. Local governments are already doing some administrative consolidation like sharing finance staff.
- e. Tom Hesse stated that the Chamber of Commerce would like to see quality services delivered at a low price.
- f. There was discussion regarding work that foundations are doing to assist in helping local governments to collaborate when delivering services. Ms. Keliher wondered if the Bush Foundation might be able to present to the Council on their work in government reform. Tom Hesse suggested Peter Hutchinson be asked to present. It was noted the Peter Hutchinson is the former Executive Director of the Bush Foundation, but it might be helpful to get his perspective.

## **V. Discussion of Appointed vs. Elected Offices**

- a. Commissioner Swanson began discussion on appointed vs. elected local officials (sheriff, Auditor/Treasurer). Some counties currently have appointed auditors, treasurers and recorders. Some pursued special legislation to achieve this, and some have used the current law on the books through a vote. Beau Berentson pointed out that 6 or 7 counties requested special legislation last session, but none were successful.
- b. Larry Jacobs, the Auditor/Treasurer of Renville County, spoke as a representative of MACO. He said that MACO believes that the current system, which requires a vote by the electors works. Michelle Ashe, Sherburne County Recorder, added that MACO wants Minn. Stat. 375A left as it is. They're not in favor of statewide legislation, but if a county is interested, the mechanism is already there. She pointed out that Sherburne County had a study commission say that positions should be appointed, but it was rejected twice by the voters.
- c. Commissioner Swanson said that there had been advocacy for legislation to make it a local option for county boards. He said the concern is that in an elected process, it can't be assured that there's continuity from treasurer to treasurer, for instance.
- d. Commissioner Swanson said most changes to make positions appointed are retirement-driven. Commissioner Swanson asked if the officials talk about succession planning. Larry Jacobs said yes, they do, but not all deputies will run after their bosses retire.
- e. Beau Berentson said that it's easier for counties to collaborate and redesign if those positions are appointed. If they're elected, the officials don't need to collaborate with the County Board.
- f. Larry Jacobs urged that the Council not advocate changing the current statute.
- g. Chair Otto summed up the discussion. She asked if the Council was interested in making any recommendations to the legislature around this issue.

- h.** There was no interest in a motion. Commissioner Swanson added that there wasn't a consensus right now. Chair Otto thanked the participants.

## **VI. Other Business**

- a.** September 19th is proposed for the next meeting.
- b.** Suggestions were made to address the question of annexation, and the Council would see what was in the Legislative Reference Library on the topic.
- c.** Commissioner Swanson suggested the Council look into public/private impediments.
- d.** Grace Keliher suggested to get someone from the Governor's staff to attend the next meeting, possibly Tina Smith, the Governor's Chief of Staff, to talk about the Governor's local government agenda.

## **VII. Adjournment**

- a.** The Chair adjourned the meeting.