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EXECUTIVE SUMMARY
by Ken McFarland edits by Dale Froehlich

On December 18, 2001, the Minnehaha County Commission appointed the Minnehaha County Government Review Task Force. The fifteen member task force represented a broad cross-section of citizens in Minnehaha County. Farmers, homemakers, elected officials, business persons, and retired people were represented on the task force appointed by the Minnehaha County Commission.

To support the work of the Task Force, the County Commission hired the firm of the Aesoph Group to facilitate the meetings and to prepare minutes of the proceedings. The contract for this work was not to exceed \$12,600. The Commission Office budget provided the funding for the contract. Commission Office staff provided support for mailings and other needs of the task force.

The Minnehaha County Government Review Task Force held its first meeting on February 19, 2002. The Task Force first defined its objective:

“This Task Force will review the duties and structure, of Minnehaha County Government. This Task Force will research and recommend options to increase the efficiencies and effectiveness of county government.”

The Task Force agreed that its objective could evolve as they become more educated about the workings of county government and also decided to consider every creative option that could prove helpful to finding efficiencies for Minnehaha County, including, but not limited to, the question of home rule.

The committee decided that, in order to make recommendations about county efficiencies, they needed to be fully informed about county issues and resources. Pursuant to this, the Task Force invited representatives from every county department to bring information to the Task Force and spend time to explain the responsibilities of their department to the committee.

The Task Force received formal presentations from these departments: The Minnehaha County State’s Attorney, Treasurer, Auditor, Register of Deeds, Sheriff, Welfare, Public Defender, Planning & Zoning, Human Resources, and the County Commission Office. Those departments that did not make formal presentations provided written information to the Task Force.

Information provided by the County Departments revealed the following relevant statistics that help quantify the challenges faced by Minnehaha County Government:

- The population of Minnehaha County is estimated to be about 155,000 people.
- The major city in Minnehaha County, Sioux Falls, has a population that is estimated to be about 131,000 people.

- About 121,000 Minnehaha County residents live in Sioux Falls and about 31,000 Minnehaha County residents live in rural areas and small cities in the county.
- The City of Sioux Falls lies within two counties, Minnehaha and Lincoln. Of the 131,000 Sioux Falls' residents, about 10,000 live in Lincoln County.
- Between 1990 and 2000, Minnehaha County grew by 24,500 people, an increase of 20%. Over 15,000 of those new residents live in rural areas of the county.
- The FY 2003 Budget for Minnehaha County is \$41,571,483. Those departments under the category of "law enforcement", including debt service on law enforcement facilities, represent 51% of the county budget.

After the presentations by department heads, the Task Force concluded that Minnehaha County government, as currently structured, is led by talented and competent commissioners, elected officials, and appointed department heads. County government is administered effectively and efficiently and services, which are provided are essential services that are mandated by state law.

The available revenue sources for Minnehaha County are only marginally adequate at best to meet the responsibilities which the county is mandated by state law to perform. The primary stress on the county budget is criminal justice, which is not an area primarily within the county's ability to control.

The Task Force continued to meet, while two subcommittees, populated by Task Force members and County staff, worked on specific projects:

- a) Home Rule Subcommittee
- b) County Enhancements Subcommittee

Home Rule Subcommittee:

In mid year, the Task Force began exploring the concept of home rule for county government. The Task Force was interested in researching whether or not Minnehaha County could gain efficiencies or benefit from enacting a Home Rule Charter. The Task Force received presentations from a number of individuals on this issue including Dr. William Farber; Janet Brekke, Sioux Falls City Attorney; Bob Jamison, former Sioux Falls City Councilperson, Representative Bill Peterson; and Representative Dick Brown.

The Task Force appointed a sub-committee to draft a proposed Home Rule Charter, for discussion purposes. The Task Force spent a large portion of its sessions reviewing and modifying a proposed charter document. The proposed charter would keep the current form and structure of county government intact with all ten of the elected officials remaining in place. However, the proposed charter would put the present form of Minnehaha County government under the home rule umbrella of the South Dakota Constitution. Thus, all actions of Minnehaha County would be authorized by the words of the Home Rule Charter:

The final draft of the proposed charter is included as Appendix A.

This Final Report contains two segments regarding the issue of adopting a home rule charter:

- a) A “Pro” Statement for Home Rule written by task force member Dale Froehlich
- b) A “Con” Statement against Home Rule written by task force member Doug Hoffman

Since the Task Force is appointed by the County Commission, it now makes its report and recommendations to the County Commission.

By a vote of 9-3, taken on Thursday, October 16, 2003, the Task Force gave a positive recommendation on the adoption of a Home Rule Charter to the Minnehaha County Commission and to the people of Minnehaha County. The adoption of a Home Rule Charter must be put to an election by the voters of the county.

County Enhancement Recommendations:

In November 2002, the Task Force appointed a sub-committee to develop recommendations that would enhance Minnehaha County operations. Since the resources of the County are limited, everyone wants to see the County obtain the best value possible from these limited resources. The sub-committee was given a precise scope. The focus of its recommendations was not to be related to the issue of whether or not a home rule charter should be adopted.

The sub-committee presented its thoughts and recommendations to the Task Force, as a whole. After further consideration, the following recommendations were unanimously adopted by the Minnehaha County Government Review Task Force for presentation to the County Commission (*Note: Please refer to Page 27 of this report for the action steps to be taken in conjunction with each recommendation.*)

1. Organize a County “visioning” committee consisting of citizens, county department heads, and commissioners to develop strategies for the future (committee could meet quarterly): The task force recommends the creation of a visioning committee to continue the work of the task force. County government is under constant pressure to respond to increased demand for services with limited resources. The work and issues tackled by the committee will help the elected officials and appointed officers of the county chart the direction and strategies of county government. The work of the committee is beyond the strategic planning presently conducted by the county. The work of the visioning committee will allow county leaders to respond more quickly to the needs of the community.

2. Develop clear and attainable budget goals: The task force is extremely impressed with the quality and dedication of elected county officials, appointed department heads and staff. It is clear that one of Minnehaha County’s greatest challenges is the lack of sustainable resources to meet statutory and mandated responsibilities. Historically, March is the annual low point for the county’s General Fund, which funds most of the county’s operational budget. On March 31,

2002, the balance in the General Fund was at its lowest point in 20 years. The portion of the General Fund budget funded by property taxes has also increased dramatically in recent years. In 1995, property taxes were 52% of budgeted General Fund revenues. By 2003, that amount had increased to 65%. Minnehaha County was fortunate to receive an unexpected inheritance tax payment in early 2003, and the 2003 Legislature created a new revenue source for counties with passage of a telecommunications tax. This has allowed the county to recover somewhat from the desperate situation it faced throughout 2002. However, with the state's property tax limitation and the increasing reliance on property taxes to fund the budget, Minnehaha County will continue to have a reduced ability to rebuild cash reserves if they are depleted again due to unexpected increases for mandated services. It is vital that Minnehaha County utilize the strengths and abilities of its department heads and employees to maximize efficiencies within present operations and to implement strategies to contain the cost in its most expensive area of operations - law enforcement.

3. Develop a "state of the county" annual report: Each year, the Governor of the State of South Dakota and the Mayor of the City of Sioux Falls issue an annual report on the "state" of their respective government organizations. These reports detail the accomplishments of the organization during the past year as well as outlining the challenges and priorities for the upcoming year. The task force recommends that Minnehaha County prepare and issue a "state of the county" annual report. The report would be presented by the Chairman of the County Commission to Minnehaha County citizens. The report should include statistical indicators and the supporting analysis that measure and highlight county areas of responsibility such as: number of building permits issued; growth in assessed valuation; jail statistics to include average daily population, length of stay, and categorize offenses; number and type of criminal prosecutions and legal defense; welfare statistics. The annual report would also serve as a tool to encourage team building and working towards a common goal and objective among all departments and employees of the county.

4. Foster and encourage development of concept of regional responsibility amongst government entities. The task force recognizes to best serve citizens, governments at all levels need to establish and maintain effective networks of communication in order to maximize efficiencies in government, build a thorough understanding of the responsibilities and challenges of each entity of government, avoid duplication of services, and foster the development of intergovernmental cooperation and possible consolidation of services. Minnehaha County works closely with and best serves the citizens with the support and cooperation these distinct units of government: the State of South Dakota, the City of Sioux Falls, Lincoln County, and the other municipalities, townships, and school districts within the borders of Minnehaha County. Separate strategies for effective relationships with each entity are necessary to maximize potential efficiencies.

5. The task force offers the following additional recommendations to enhance county government efficiencies and effectiveness:

- Encourage the development and use of compatible or identical hardware/software, technology, and equipment between government entities to help facilitate transfer of

information and to foster closer collaboration and coordination.

- Encourage organizations such as South Dakota Association of County Commissioners, SD Highway Superintendents, SD Association of County Officials to facilitate the development of uniform contracts, increased purchasing power, and regional projects (such as the fourteen county Minnehaha County Juvenile Detention Center) to deliver essential and mandated services.
- Examine funding formulas contained in all the joint powers agreements between the City and County. Are the formulas equitable in the present situations?
- The City of Sioux Falls derives much of its economic, employment, and sales tax base from outside the city limits of Sioux Falls. Can the City share some of its sales tax revenue with these other entities much like the City of Watertown currently does?
- Conduct an annual review of Minnehaha County's investment policy to maximize revenues.

6. Develop Action Plans for Task Force Recommendations: The task force urges the County Commission to accept the recommendations that have been included in this report and to establish a deadline for the development of a time-line for implementation of the recommendations. The task force recognizes that implementation of these recommendations will require careful planning by the commission, elected officials and department heads. The task force also recognizes that the county will need flexibility in the implementation of the recommendations contained in this report.

**MINNEHAHA COUNTY GOVERNMENT REVIEW
TASK FORCE MEMBERS**

On December 18, 2001, the Minnehaha County Commission appointed the Minnehaha County Government Review Task Force. Task force members represent a broad cross-section of citizens in Minnehaha County. Farmers, homemakers, elected officials, business persons, and retired people are represented on the task force appointed by the Minnehaha County Commission. The orientation letter to each of the task force members stated the following objective: “To review the duties, responsibilities, structure, and organization of county government. This task force will research opportunities to increase the efficiencies of county government.” The following people were appointed as members of the task force:

Duane Bly	Valley Springs, SD	Jim Zweep	Sioux Falls, SD
Dale Froehlich	Sioux Falls, SD	Roger Mack	Sioux Falls, SD
Carol Muller	Sioux Falls, SD	Keith Paisley	Sioux Falls, SD
Chad Hansen	Dell Rapids, SD	Wade Paulson	Sioux Falls, SD
Robert Sivertson	Sioux Falls, SD	Phil Hanson	Sioux Falls, SD
Cindy Heiberger	Hartford, SD	Doug Hoffman	Sioux Falls, SD
Sue Roust	Sioux Falls, SD	Carol Twedt	Sioux Falls, SD
Joe Kirby	Sioux Falls, SD		<i>(Resigned July 22, 2002)</i>

SUMMARY OF TASK FORCE MEETINGS
by Jim Keller, Facilitator

Note: The minutes from each of the Task Force meetings is included as Appendix B to the final report.

The “Minnehaha County Government Review Task Force” held its first meeting on February 19, 2002. During the first two sessions in February, 2002, the Task Force organized itself, establish a direction, and explored the parameters of the challenge. They first defined their objective:

“This Task Force will review the duties and structure, of Minnehaha County Government. This Task Force will research and recommend options to increase the efficiencies and effectiveness of county government.”

The Task Force agreed that its objective could evolve as they become more educated about the workings of county government and also decided to consider every creative option that could prove helpful to finding efficiencies for Minnehaha county, including (but not limited to) the question of home rule.

The Minnehaha County Citizen Task Force adopted the following Code of Ethics:

Task Force Code of Ethics:

1. We realize that the Task Force has no policy-making authority, and no decision-making authority, and that the task force exists in order to make recommendations to the County Commission, and to the citizens of Minnehaha County.
2. As a task force member, I will concentrate on what is best for the future of Minnehaha County, and not on my personal, business, or political agenda.
3. I commit myself to staying within the bounds of the task force objective.
4. I will abide by task force agreements.
5. I respect the need for everyone on the task force to be heard.
6. I respect the need for everyone on the task force to be educated on the workings of county government.
7. I will cooperate with operating guidelines set by the task force, and with the meeting structure agreed upon by the task force.
8. I will make every effort to attend all meetings. If I must miss a session, I will review the tape of the session.

Even a cursory examination of recent trends demonstrates that this Task Force is not alone in seeking efficiencies. The Task Force heard of other local and regional efforts to enhance the ability of governments to become more responsive to needs and more effective by becoming more efficient.

The U.S. Council on Competitiveness has stated the following: (See U.S. Council on Competitiveness: <http://www.compete.org/>)

“Innovation fosters the new ideas, technologies, and processes that lead to better jobs and higher wages, and as a result, a higher standard of living. For advanced industrial nations no longer able to compete on cost, the capacity to innovate may be the most critical element in sustaining competitiveness.”

Since finding efficiencies in Minnehaha County was the objective of the Task Force, obtaining a common understanding of the county and its government was a pre-requisite.

Some of the relevant statistics that help quantify the challenges faced by Minnehaha County Government are these:

- The population of Minnehaha County is estimated to be about 155,000 people.
- The major city in Minnehaha County, Sioux Falls, has a population that is estimated to be about 131,000 people.
- About 121,000 Minnehaha County residents live in Sioux Falls and about 31,000 Minnehaha County residents live in rural areas and small cities in the county.
- The City of Sioux Falls lies within two counties, Minnehaha and Lincoln. Of the 131,000 Sioux Falls’ residents, about 10,000 live in Lincoln County.
- Between 1990 and 2000, Minnehaha County grew by 24,500 people, an increase of 20%. Over 15,000 of those new residents live in rural areas of the county.
- The FY 2003 Budget for Minnehaha County is \$41,571,483. Those departments under the category of “law enforcement”, including debt service on law enforcement facilities, represent 51% of the county budget.

The first person the Task Force heard from was Gary Colwill, from the State’s Attorney’s office. He provided a list of the duties of county government that are mandated by state law.

“The review of the duties and structure of Minnehaha County Government” portion of the work was intended to provide a comprehensive understanding of county government to the Task Force. The committee decided that, in order to advise about county efficiencies, they needed to be fully informed about county issues and resources. Pursuant to this, the Task Force invited representatives from every county department to bring information to the Task Force and spend time explaining the responsibilities of their department to the committee.

The next seven sessions, three through nine, were educational/investigatory meetings. The Task Force heard from these departments: The Minnehaha County State’s Attorney, Treasurer, Auditor, Register of Deeds, Sheriff, Welfare, Public Defender, Planning & Zoning, Human Resources Department, and County Commission Office. Those departments that did not make formal presentations, provided written information to the Task Force.

Each department representative explained the specific duties and responsibilities of his or her department. Each was asked to explore opportunities to improve efficiencies and discuss them with the Task Force. On June 18, this portion of the Task Force's work was completed.

In meetings ten and eleven, the Task Force heard from Dr. James Saterlee who presented an overview of demographic trends that will impact Minnehaha County and the surrounding area in the near future. They also heard from Minnehaha County Commissioner, Robert Kolbe, representing the County Commission's view of ways to find efficiency in county government.

Saterlee presented a long list of facts about the demographic trends of South Dakota, some of the facts that will have the most bearing on the Task Force's work are these:

- During the past ten years, between the 1990 census and the 2000 census, South Dakota gained over 58 thousand people, enough to populate a town about the size of Rapid City.
- The Southeastern corner of South Dakota is the area where most of the population growth is occurring. 40% of the population growth in South Dakota between 1990 and 2000 was in Minnehaha County. Significant growth in counties south of Minnehaha is also seen.
- South Dakota's rural population has been in decline since 1930. Some rural communities have grown, primarily those communities near larger population centers, but the majority of rural communities, those with a population below 2,500 people, have declined.
- The population has shifted to urban areas, those communities with 2,500+ people.
- The primary areas where the population has shifted to are communities bordering the Interstate highways, where transportation makes it easy to get in and out. Several communities that don't border Interstate highways are currently declining: Aberdeen, Huron, Vermillion, Hot Springs, Milbank, Mobridge, Winner, and Lead.
- Various population pyramids show that the declining numbers in many rural communities are occurring in key age categories, 20-40 years of age, which directly impacts the future of these areas because fewer and fewer children are being born there. This means fewer schools will be needed, more elder services will be needed, and eventually, the decline will force some sorts of consolidation in these areas.
- South Dakota isn't unique in our population shifts. Other area states are experiencing the same patterns of migration to urban centers and away from rural communities and farms.

Commissioner Robert Kolbe offered the Task Force these ideas:

- Drug and alcohol-related problems are straining the law enforcement system and taking a large share of available revenue. Federal, State, and local governments all share the tax revenue on liquor. The County helps enforce the law, prosecutes and incarcerates offenders, and helps families whose parents are in prison we need additional revenue to do this.
- Reducing the number of County Commissioners would not, in Kolbe's opinion, reduce the cost of County Government. He described five part-time commissioners as a hard-working board who spend lots of time in public service for \$16,000 each, per year. If we down-sized to three commissioners, we'd pay full-time salaries, of about \$50,000 to \$65,000 each. Commissioner Kolbe questioned whether we could become more efficient this way.
- Kolbe said county commissioners bringing county issues to the SD legislature have not traditionally received much sympathy. Minnehaha County, is SD's largest county with the most unique needs, yet we're neither understood nor favored by the state legislature.
- The tax structure doesn't provide much recourse for struggling counties. Efforts to share or combine services with other entities haven't been well-received.
- Law enforcement was once more informal. Today, we build more jails and persons want harsher criminal sentences yet we don't do much to prevent criminal behavior, nor do we do much to rehabilitate people. By incarcerating people, our efforts are visible and easier for taxpayers to quantify.
- In summary, Kolbe stated that county commissioners, elected to do a job, are given a tighter box each year, in which to do the work. He says the commission is confined and even strained, but they do a good job or they wouldn't be re-elected so often. Our commission reflects five distinct perspectives that are almost non-partisan because they know they have a job to do together. They can't be partisan and get the job done. He is proud of the expertise and accomplishments of the Commission.

Session twelve, on August 13, continued the previously established pattern. The Task Force heard from Dr. William Farber, an expert on home rule. Farber explained home rule in depth and answered questions. He praised the results of home rule in other locales and told us that finding efficiencies is mandatory, and crucial to effective county government operation.

- Home rule provides a strong impetus to make things happen.
- No county in SD has home rule. We can't assume that it will automatically make things more efficient, but the freedom to determine our own destiny makes efficiency likely.

- The cost of not going to home rule may be higher than we can pay in these days of rising costs and lowering taxes. Efficiencies are not obvious, but they need to be a goal and we need maximum freedom to pursue that which is good for our county.
- We don't need to change the government or the form of government in Minnehaha County to implement home rule.

In *Session thirteen*, the Task Force heard from Janet Brekke, Sioux Falls City Attorney, and from Bob Jamison, former City Commissioner of Sioux Falls. Both speakers have been officials in a home rule system.

Janet Brekke described home rule as a powerful and flexible tool, regardless of the form of government. It gives local government control over local matters. The local government can operate as it wishes, as long as its actions aren't specifically prohibited by state law, federal law, or the charter that the local government has adopted.

Bob Jamison was a commissioner under home rule in the city of Sioux Falls. He feels our decision to become a home ruled city was a wise choice because it allows us to control local issues instead of seeking permission from other governmental entities to do what we want. Like Ms. Brekke, Mr. Jamison emphasized that the charter which is written establishing home rule is key to setting the parameters the local citizens want in terms of what the government can and can't do without citizen permission.

Session fourteen allowed the Task Force to hear from Dick Brown, a SD Legislator and former mayoral candidate, and Jim Schmidt, a Lincoln County Commissioner.

Dick Brown is a strong proponent of home rule and shared his logic and insights with the Task Force as well as some of the results of public opinion polling he had done.

- Most residents feel Sioux Falls is going in the right direction.
- Most residents feel generally positive about Sioux Falls' home rule charter.
- The people of the area express a general readiness to try something new in terms of local government in order to attain greater efficiencies or effectiveness.
- There is strong, consistent support for local governments to cooperate and save money.
- People want bold leadership they like leadership that works hard to deliver visible results, and they want cooperation between the various levels of government.
- Generally speaking, people are satisfied with the services they're getting they tend to love living here and want to make sure we remain progressive and a good place to live.

- Sioux Falls voters tend to be moderate to conservative, depending on the issues.

Jim Schmidt said Lincoln County is one of the fastest growing counties in America, due to its proximity to Sioux Falls. Significant percentages of Lincoln County residents also reside in Sioux Falls and continuing growth is expected on that side of our city, which will only exacerbate problems with city/county boundaries.

As a result of study and planning, Lincoln County has identified three priorities for the future, which will guide their decision-making—and will sharpen the impact on relationships between Lincoln and Minnehaha Counties.

- Joint planning and Zoning with Sioux Falls. Lincoln County Commissioners are putting together the necessary plans to make this effort successful.
- Land usage. Where do we put light industry? heavy industry? Commerce? Where will we have housing? Animal confinement? (Lots of controversy over this one).
- Law enforcement and Lincoln County's role in economic development are third.

In Session fifteen, the Task Force discussed the issues and processes they need to complete their mission. An ad hoc group, subcommittee, was formed to write and deliver a sample home rule charter to help the task force see just what something like that would entail.

In Session sixteen, the task force heard from Representative Bill Peterson, House Majority Leader for the SD State Legislature. He gave his candid assessments of home rule, the white paper on consolidation, and the relationship between county and state.

Peterson believes that we are changing in the way we need to be governed and that our thinking needs to evolve accordingly. This fiscal year, there will be a \$35 million deficit and there will be little chances of increasing aid from the state to the counties.

Representative Peterson told the panel that the counties have not made a good case in the legislature for some of the things they want. He said legislative support has been particularly hard hit by:

- Public comments of County Commissioners that have been ill-timed or simply silly, and this has had the effect of turning legislators against some SD County-promoted legislative efforts.
- Reserves, which make counties seem like wealthy government entities asking the legislature to raise taxes so they can build more reserves.
- Poor lobbying from county organizations.

Representative Peterson recommended home rule as a tool to help Minnehaha County do what

makes the most sense for Minnehaha County. Representative Peterson supports home rule for Minnehaha County.

Sessions seventeen, eighteen, and nineteen were devoted to two things:

- The Task Force's exploration of a draft home rule charter; what it would include and how it could define the parameters Minnehaha County would need. The draft was written by a sub-committee of the panel.
- A subcommittee began working on a list of recommendations for enhanced operations to be presented to the County Commission. This list comes from the information gleaned through the hours of testimony and information given the panel.

In session 18, the Task Force considered and in session 19, decided to incorporate Task Force member, Bob Sivertson's ideas about visionary thinking into the list of recommendations being prepared for the commission.

Session twenty was devoted to final discussions about how to complete the work of the Task Force in a timely manner. It was decided to do these things:

- The Task Force unanimously selected Dale Froehlich to be their Chair for the final meeting to facilitate voting and decision making.
- The Task Force decided to hold their final meeting in a long session on January 15, to begin at 1 PM and continue until completion.
- The Task Force decided to finalize work on the recommendation list and complete their examination of home rule at that meeting.

Session Twenty-one was a marathon session in which the Task Force reviewed the final draft and approved the recommendations concerning the County Enhancement to the County Commission. In that session, it was decided that their final decision on a home rule charter recommendation would wait until after the legislative session. Gary Colwill, the Deputy State's Attorney, who was a primary drafter of the sample charter the Task Force felt the entire document needed a strong re-write in order for the Task Force to understand what they were voting for or against. The fact that the 2003 Legislative Session will take so much attention was another factor that caused the Task Force to postpone voting on Home Rule Charter document until later in 2003, when the Task Force will reconvene.

It was further decided at that meeting that there could be several authors of a final report. If the Task Force does not find unanimity in recommending or not recommending a study of home rule, then both the "pro" and "con" points of view for Home Rule will be included in the final report.

Session Twenty-Two. This session concentrated on a review of the draft of the final report and proposed charter document. The evening was spent on ratifying a number of amendments and

changes to the documents. Refer to the minutes of the September 18, 2003, meeting for a complete list of the changes made. The task force agreed that Version A of the charter document, containing specific references to the wheel tax, would be the document the task force focused their efforts.

Session Twenty-Three: This was the last meeting of the task force held on October 16, 2003. The task force made a number of further amendments to the final report and charter document. The main focus of the meeting was formulating recommendations to the County Commission. On a vote of 9-3, the task force made a positive recommendation on the adoption of a home rule charter to the County Commission. By a unanimous vote, the task force further made a positive recommendation on the acceptance of the final report and Appendix B to the County Commission.

Background Information Considered by Task Force:

HISTORY OF HOME RULE & LIMITATIONS:

After the presentations by a number of the Minnehaha County department heads, the Task Force began looking at whether a home rule charter designed for the county would benefit county operations. The task force received an extensive briefing on the concept of home rule by Dr. William Farber, a former professor at the University of South Dakota.

Home rule has been authorized in South Dakota since the 1960's. In 1982 the South Dakota Constitution was amended. Home rule, as an optional form of government, was made available to counties. Under a home rule charter, a local unit of government, such as a county, reserves the right to perform any and all government functions, except those specifically denied by its charter, the South Dakota Constitution, or the general laws of the state. Presently, under its current government structure, Minnehaha County can only do those things which it is actually "authorized" by state statute. If a County wishes to try something new or make an exception to the statutes, which govern all 62 counties, then that County must first secure statutory authority from the state legislature.

Specifically, SDCL Chapter 6-12 outlines the procedures for adopting a governmental structure based on a home rule charter. Neither the charter or ordinances adopted thereunder may set standards and requirements which are lower or less stringent than those imposed by state law, but they may set standards and requirements which are higher or more stringent than those imposed by state law, unless a state law provides otherwise.

SDCL 6-12-6 provides for the restrictions on the power of home rule units of government. The power of a home rule unit does not include the power to:

- 1) Enact private or civil law governing civil relationships except as incident to the exercise of an independent county or municipal power;
- 2) Define and provide for the punishment of a crime, but this limitation shall not abridge the power of a home rule unit to provide punishment for the violation of ordinances or charter provisions by a fine not exceeding five hundred dollars or by imprisonment not exceeding six months or by both such fine and imprisonment;
- 3) Abridge laws relating to elementary and secondary education;
- 4) Change assessment practices and procedures relating to ad valorem taxation of property.
- 5) Exempt itself from providing the necessary personnel and facilities to perform services required by general law to be performed by a like unit or units of local government;

- 6) Deny referendum on ordinances or bylaws provided by chapter 9-19;
- 7) Regulate rates or conditions of service of any public utility regulated by the South Dakota public.

In addition to the foregoing restrictions the state Legislature has enacted more limits in the code, which governs both city and county Home Rule Charters.

Specifically, SDCL 6-12-14 states no county, city or other governmental unit, including governmental units chartered under S.D. Constitution, Art. IX, Section 2, unless otherwise specifically provided by statute, may, enact or increase, in any form a tax, fee, or charge that is: related to the state lottery; similar to a tax, which provides revenue to the state; or similar to state licensing or regulatory fees enacted by statute or adopted by rule. The provisions of the statute do not prohibit any tax or fee enacted and imposed on or before March 1, 1996.

Also, SDCL 6-12-15 declares that nothing in the above statute is intended to authorize any county, city, or other governmental unit chartered under the South Dakota Constitution, to enact or increase a tax, fee, or other charge that is denied by its charter, the Constitution, or the general laws of the state.

The task force also looked closely at existing state law to see how it correlates with many areas where it is believed that home rule would be of advantage and why it should be adopted. The most common reasons given in support of adopting a home rule charter are as follows:

To assure local control and decision making

To increase County flexibility, removing the requirement for each County to first obtain statutory authorization from the South Dakota Legislature

To enhance County efficiencies, allowing the consolidation or combination of offices, departments, tasks and functions within County government.

To accommodate a modern, professional administration of local government; to allow a county manager/administrator form of government - either appointed or elected.

To establish the future possibility of an urban government, which is premised on greater cooperation between Minnehaha and Lincoln Counties and the cities located therein.

Background Information Considered by Task Force:

COUNTY OPTIONS UNDER EXISTING STATE STATUTES:

While a home rule charter may indeed address those items stated above, county government may also utilize existing South Dakota state statutes to implement these changes. The following statutory references address many of the issues stated above:

1. Rural Representation: SDCL 7-8-3 provides that the number of county commissioners of any county may be increased to five or seven or reduced to five or three. If 15% of the registered voters of the county, based upon the total number of registered voters at the last preceding general election, petition the board of county commissioners for an increase or decrease in the number of county commissioners, the board shall submit the question to a vote of the voters of the county at the next primary election.

SDCL 7-8-10 provides for the county commission , at its regular meeting in February of each year ending in the numeral 2, after giving notice by publication in the official newspapers of the county, shall change the boundaries of commission districts, if such change is necessary; or the board at its discretion, choose to have all its commissioners run at large.

Presently, the Minnehaha County Commission is elected on an at large basis. Based on the legal opinion of staff in the States Attorney's Office, the commission may choose to establish commission districts at any time with such districts being established according to the last census.

2. Optional Form of County Government: SDCL Chapter 7-8A establishes the procedures by which a County Board of Commissioners may adopt a county commissioners-appointed manager form of county government. This form of government may be brought to a vote of the citizens either by ordinance or upon receiving a petition signed by not less than 15% of the registered voters in the county, based upon the total number of registered voters at the last preceding general election.

3. Consolidation of Counties or Boundary Change: SDCL Chapter 7-2 establishes the procedures by which two or more adjoining counties may consolidate or to change the boundary line between two adjoining counties. If fifteen percent of the registered voters, based upon the total number of registered voters at the last preceding general election, of each of two or more adjoining counties of this state, petition the board of county commissioners of their respective counties for an election to determine the question of changing the boundary lines or for a consolidation of two or more counties, stating in such petition the names of the counties to be consolidated or boundary lines to be changed, such boards of county commissioners shall at their regular July meeting succeeding the presentation of such petitions provide that the question of consolidation of the counties or the changing of the boundary lines of such counties shall be submitted to a vote a the next general election succeeding the presentation of such petitions.

4. Combine Offices: SDCL 7-7-1.2 states that the board of county commissioners may, by ordinance, combine two or more county offices and that one person shall be elected to, and perform the duties of, the combined offices. SDCL 7-7-1.5 provides for the combination of one or more county offices through the petition process. The board of county commissioners shall upon receiving a petition signed by not less than 15% of the registered voters, based upon the total number of registered voters at the last preceding general election, submit to the voters of the county whether two or more county offices shall be combined and that one person shall be elected to perform the duties of, the combined offices.

SDCL 7-7-1.9 provides that the board of county commissioners may by ordinance combine with one or more counties a county office. That person shall be elected and perform the duties of the combined offices.

SDCL Chapter 6-17 provides for a resolution of governmental cooperation to be initiated by voters. SDCL 6-17-2 through 6-17-4 states the right to propose a resolution of cooperation or consolidation to the government of a local government entity rests with the registered voters of the local government entity. Any resolution proposed under this chapter shall be referred to a vote of the registered voters of the local government entity by the filing, with the entity's person in charge of an election, of a petition signed by a number of voters equivalent to 15% of those voting in the last preceding gubernatorial election in the local government entity. No initiated resolution of cooperation may become operative unless approved by a majority of the votes cast in each of the affected local government entities. An initiated resolution may propose combining or consolidating any local government functions including those that may be necessary for the immediate preservation of the public peace, health, safety, or for the support of any government or existing public institutions.

**PRO POINT OF VIEW FOR ENACTING
HOME RULE CHARTER FOR MINNEHAHA COUNTY:
By Dale Froehlich**

Minnehaha County is unique. Far and away it is the most urban of all South Dakota counties. Nearly one in four of all South Dakotans live in Minnehaha County. Due to its size and urban character, Minnehaha County must deal with issues and perform functions that many South Dakota counties avoid. Frequently Minnehaha County must provide leadership either as a role model or in terms of exploration and experimentation for the latest governmental techniques and services.

Beyond its urban character, the size of Minnehaha County is also significant. Apart from the South Dakota State Penitentiary, Minnehaha County has the largest jail facility in the State. Minnehaha County has the largest Juvenile Detention Center in the state, serving 14 counties in this region. Because of its proximity to the best health care facilities in the region, this County frequently must deal with significant human welfare issues that other Counties seldom see. Because of its citizen population, Minnehaha County has the largest organizational structure of any other South Dakota county (nearly half its budget goes to personnel costs); and yet continues to be the most efficient profile, in the state for number of citizens served by each County employee (each county employee serves some 330 county citizens).

In 2001, approximately \$172 million passed through the County Treasurer's Office in annual revenue collections. The County is the collector of all taxes for all local governments and many state functions. Minnehaha County has assets worth more than \$100 million and a budget of over \$40 million. The County hires more lawyers (prosecutors, defenders, and other agents) than occupy many law firms and most courthouses in this state. In 2001, the Minnehaha County States Attorneys Office handled nearly 15, 000 cases. The County has a large property records requirement, maintains a huge governmental database, and must perform a significant equalization function. Its Planning and Zoning Department and County Road systems are among the leaders in the State.

South Dakota statutes establish one very specific model for all county governments. The statutes lay out the types of public offices, which will exist, the duties they will perform and even how they will do it. They offer a "one size fits all" way of operating a county.

But counties have a powerful alternative available; they can design their own form of government. Counties can and should consider creating their own form of local self-government. This power of local self-government is provided in most, if not all, state constitutions and is called "home rule". Using home rule powers provided in the South Dakota constitution, Minnehaha County could create its own local charter. This charter would enable the County to perform its required governmental and community functions, but would free County leadership from many arcane statutory restrictions and limitations.

Home rule powers have been successfully used in South Dakota. The City of Sioux Falls used them in 1994 when voters approved a home rule charter to change the form of city government. The city has found it much easier to operate efficiently under a home rule government. Under

Mayors Hansen and Munson, surveys of Sioux Falls citizens in recent year's report that 80% of respondents feel that the City is going in the right direction. Home Rule charters now govern nine municipalities in South Dakota:

Beresford	September 8, 1998
Brookings	June 1, 1999
Elk Point	September 14, 1999
Faith	November 6, 2001
Fort Pierre	July 20, 1999
Pierre	June 5, 2001
Sioux Falls	September 13, 1994
Springfield	July 26, 1984
Watertown	November 27, 2001

As part of his mayoral campaign, Dick Brown conducted a survey of potential Sioux Falls voters and posed the following question "Should we create a Home Rule for Minnehaha County and combine the county government with the Sioux Falls City Government?" Thirty-two percent strongly supported this concept and twenty-six and a half percent somewhat supported this concept. Citizens want their governments to work cooperatively with one another in the best use of their hard-earned tax dollars. A couple sparsely populated counties in the state have also used home rule powers to provide greater flexibility to consolidate services. Todd and Shannon Counties in 1982 adopted Home Rule to combine essential services with neighboring counties.

Back in 1992, the Minnehaha County Commission hired Russell Olson as its Intern Assistant. In August of that same year, after studying the issue, he wrote a position paper on "Home Rule" in which he concluded that adoption of a Home Rule Charter "would be a blueprint for the future of Minnehaha County Government. Home Rule would allow the Commission to be more responsive to the citizens needs. Under Home Rule, Minnehaha County residents would no longer have to wait for legislative sessions to enact needed changes."

Those words still ring true today. A local Home Rule Charter promotes local responsibility, allows governmental flexibility, avoids expense, delay and uncertainty in the administration of essential services. Ultimately, it reduces the volume of special legislation requests at the state capitol, where legislators may lack the understanding and/or sympathy toward the unique needs of a specific locality. It allows the county government to adopt the most modern organizational structure and techniques possible to suit the unique character of the local community. It can all be summed up as follows:

TOP TEN" Reasons for Minnehaha County Home Rule:

If a Home Rule Charter were adopted within Minnehaha County, it would provide efficiency and additional flexibility for such matters as:

- 1) Simplified Budget Process.** The County Auditor would be allowed a unified budget process, due annually on or about 9/30 of each year (no need to adopt a provisional budget before hand, which is a wasteful duplication of effort).
- 2) Simplified Departmental Structure.** Without changing or losing any elected Officials, the County could streamline the functions and operations of its 20+ Department Heads

- 3) **Money Management.** This County could make unique money management decisions, perhaps unique from the requirements of all other South Dakota Counties. Minnehaha County could, upon the advice of its Investment Council, make more flexible decisions for the investment of its various funds. The County Commission would be authorized to establish its own parameters for provision of uncollectable taxes (Currently the State now requires a 5% margin, when in fact the historical amount is much less)
- 4) **Flexible Use of Funds.** The County Commission would be authorized to place and use the same County Wheel Taxes (no increase in taxes contemplated) in the County General Fund (the State now requires that such funds be in the County Highway Fund). These funds could then be used to pay for law enforcement officers in patrol of all roads within the County. In fact, under Home Rule and within the limits of the SD Constitution, the County can maintain necessary "funds", as it deems necessary and appropriate to each County function.
- 5) **Local Control over Local Issues.** Most significantly, the County reserves the right to perform any and all government functions, except those specifically denied by its charter, the SD Constitution, or the general laws of the state. (Note: Presently the County can only do those things which it is actually "authorized" by state statute.)
- 6) **County Authority.** The County would not have to go to the State Legislature for "authority" each and every time it wanted to make an internal adjustment of its organization and/or finances. Minimize delays; no longer "one size fits all".
- 7) **Retain Current Elected Officials.** Minnehaha County could retain all currently elected officials, and yet have a reorganized departmental organization. Departments could be more closely aligned and employees cross-trained for use in multiple Departments.
- 8) **Local Welfare Benefits.** The County, under Home Rule, can very clearly administer and determine its policies and procedures for administration of Welfare Benefits.
- 9) **User Fees for Services.** The County can, provided no overlap of state taxes or fees, impose reasonable user fees for various services related to the actual cost of providing those services - for example offering license plates distribution at remote sites.
- 10) **Intergovernmental Cooperation.** Under its Joint Powers and Intergovernmental Relationships, a Home Rule County could align more closely (as desired) with other Counties and/or other Home Rule organizations. Provide better use of personnel, better training opportunities; larger pools for Group Insurance. Try to harmonize common use of like resources (software, expertise, etc.).

**CON POINT OF VIEW FOR ENACTING
HOME RULE CHARTER FOR MINNEHAHA COUNTY**

By Doug Hoffman

This con point of view is focused upon the issue of home rule. Specifically, that adopting a home rule charter for Minnehaha County is unwarranted at this time.

The Task Force reviewed the organization of Minnehaha County government. At our October 8, 2002, meeting, Rep. Bill Peterson submitted to the Task Force a White Paper Report on County Consolidation in South Dakota presented by the Dept. of Political Science and Government Research Bureau of the University of South Dakota dated September 1, 1997. Therein, it is noted that the county system which covers most of the United States can be traced back over ten centuries to the shires of Anglo-Saxon England, and the commission form of county government found in South Dakota and most other Midwestern states can be traced back to the form of county government established in Pennsylvania in the 1700's. "With the advent of Jacksonian democracy in the 1800's, county officials were elected and were somewhat more independent of state control. This was a reflection of the popular desire to keep democracy close at home." (White Paper at 3). Deriving their existence from enactments of the state legislature, counties can only engage in those activities that the state explicitly allows. Id. The South Dakota Constitution at Article IX, §1, vests the state legislature with the power to organize and classify units of local government. Article IX, §2 allows any county to adopt a home rule charter and, thereunder, exercise any legislative power or perform any function not denied by its charter, the Constitution or the general laws of the state of South Dakota. The charter may provide for any form of executive, legislative and administrative structure, provided that the legislative body so established be chosen by popular election and the administrative proceedings be subject to judicial review.

County government under its statutory structure contained in South Dakota Codified Laws Title 7 includes the following elected officials – Register of Deeds, Auditor, Treasurer, Sheriff, and State's Attorney. In addition, appointed officials include Coroner, Director of Equalization, Highway Superintendent, Public Defender, Director of Emergency Management, Veterans Service Officer, and Extension Agent.

By law, home rule charters are prohibited from changing assessment procedures relating to *ad valorem* taxes, exempting a county from providing services required by state law, or enacting or increasing a tax, fee or other charge that is denied by its charter, the Constitution or the statutes of the state. Nor may a home rule county enact or increase in any manner a tax or fee similar to a tax or fee, which provides revenue for the state.

County government must maintain records of real estate transactions, issue marriage licenses and issue death certificates; equalize and assess real property for taxing purposes; collect real estate taxes for the county, its municipalities and school districts; issue motor vehicle licenses and collect licensing fees and sales tax for motor vehicles for remittance to the state; build and maintain highways and bridges for public use within the county; provide welfare assistance to indigent residents of the county; and maintain a criminal justice system within the county including a courthouse and jail. The county must provide prosecutors to handle all charges brought in the name of the state or county and defense counsel for those indigent persons charged with criminal offenses; law enforcement services in the county outside of municipalities; maintain a 911 dispatch; keep and maintain accurate records of receipts and disbursements and copies of all public documents ordered to be kept by statute; maintain a

legislative/executive body; provide services to veterans; provide library services; adopt and enforce a comprehensive zoning plan; provide emergency management services in preparation and relief of disasters; maintain a facility for housing juveniles who are delinquent or in need of supervision; and maintain a board of mental illness and provide for housing and treatment of alleged mentally ill people during the commitment process. The adoption of a home rule charter cannot alter the essential functions, which a county government must provide, or the methods of raising revenue to fund those services.

The Task Force received detailed testimony from many county department heads, including State's Attorney, Treasurer, Auditor, Register of Deeds, Public Defender, Sheriff and Welfare Director. All of these department heads acquitted themselves as highly skilled, dedicated professionals who were operating their respective departments effectively and efficiently. No evidence was presented suggesting that any of these departments would be improved in terms of the effective provision of services or made to operate more efficiently by adoption of a home rule charter.

In fiscal year 2003 the Minnehaha County budget was \$41.5 million. Fifty-one percent of the county's annual expenditures were for law enforcement, including coroner, courts, emergency management, juvenile detention center, Metro Communications, public defender, sheriff, state's attorney, and debt service on law enforcement facilities. These expenditures are increasing due to the increasing crime rate within this county. Primarily due to the property tax freeze and elimination of inheritance tax, the revenues available to Minnehaha County are unable to grow at a rate which keeps up with the rising crime rate and concomitant increases in law enforcement expenses which the County is experiencing.

In 2001, the Minnehaha County State's Attorney's office handled 1,231 felony cases, 6,887 misdemeanor cases and approximately 3,200 Class 1 and 2 tickets. The State's Attorney's office also prosecuted 2,823 juvenile delinquencies. A large percentage of the misdemeanor offenses prosecuted include domestic assaults, which "now require more magistrate court time than any other type of offense," and driving while under the influence of alcohol cases (approximately 1,800 DUI prosecutions in 2001).

The elected county department heads, particularly the State's Attorney and the Sheriff, are very strongly of the view that their direct accountability to the citizens of the county and autonomy *vis a vis* the county commission is essential to their ability to provide the best and most effective services to the citizens.

County Auditor, Sue Roust, testified to her opinion that no form of government can supercede state mandates that dictate the financial condition of the county. Auditor Roust indicated financial challenges looming in the future are new jail operating and parking costs, increased health insurance costs for county employees, E-911 center funded by a loan from the city, fairground maintenance, Coliseum maintenance, and rapidly increasing law enforcement costs.

Sheriff Milstead testified that added responsibilities of homeland defense/anti-terrorism measures are adding increased responsibilities to his department with no additional revenue being provided for those services.

In November of 1997, the Sioux Falls City Council and Minnehaha County Commission jointly announced the formation of a law enforcement task force to research the opportunities for maximizing law enforcement efforts, including the feasibility of combining the efforts of

Minnehaha County and the City of Sioux Falls. Following an extensive study, this task force concluded that the consolidation of city and county law enforcement agencies would be a misuse of tax dollars, would not improve service delivery, and would cost the taxpayers money rather than save the taxpayers money. However, specific recommendations for joint cooperation between the two law enforcement agencies were outlined and implemented.

Generally, proponents of home rule across the nation urge adoption of home rule for county government for the alternative purposes of implementing a county manager/administrator form of government; to merge or consolidate counties or a municipality with a county; and/or to consolidate or combine the offices in the county. No evidence was presented to this Task Force that any of the above purposes would improve the provision of services to residents of Minnehaha County or increase the efficiencies of government. Lincoln County is opposed to merging with Minnehaha County being of the belief that its residents would be dominated by the more populous Minnehaha County. Sioux Falls has shown no interest in merging into the county government.

Dr. James Satterlee presented an overview of demographic trends that will affect our state, county and city. In Dr. Satterlee's opinion, what is happening in Minnehaha County and Sioux Falls bears no resemblance to what is happening in the rest of the state. Our local issues are different from the more rural counties because of the population and demographic trends that have been evolving since the 1930's. Accordingly, strategies for merger of rural counties are not relevant to planning for the future of Minnehaha County.

County Commissioner Robert Kolbe gave testimony regarding issues from his perspective as a county commissioner. Commissioner Kolbe testified that the loss of the inheritance tax is an issue to which the state legislature is not sympathetic. According to Commissioner Kolbe, the state legislature thinks of Minnehaha County as a "special interest group." Other counties are having revenue problems as well; however, Minnehaha County is different from most counties in that our budgetary problems are directly the result of increasing law enforcement expenses. Specifically, criminal costs outstrip the growth in property tax funding despite the fact of the expanding population and real property base in Minnehaha County. Commissioner Kolbe indicated the need to investigate the possibility of taking the expense for prosecuting criminal offenders out of the county budget and funding it from Pierre. According to Commissioner Kolbe, "Our state legislature must be reminded that counties are simply performing the duties that the state has mandated in these areas and, as partners of the state, counties must have the financial ability to meet these mandates." According to Commissioner Kolbe, the form of government is not the salient issue; rather, the need to obtain adequate funding to provide essential services is the problem and cannot be addressed by a restructuring of the county government; rather, it must be addressed *vis a vis* the relationship between county and state government.

Dr. William Farber from the University of South Dakota testified to his opinion that law enforcement services should be funded by the state, not by the county. While Dr. Farber is a supporter of the home rule form of government, he indicated that its purpose was to facilitate the unification and consolidation of governmental functions. Efficiency in this regard requires a strong executive manager who has nearly absolute powers. In other words, home rule allows a strong leader to be appointed who will make decisions regarding cooperation with other governments, but does not create new opportunities. Dr. Farber conceded that this form of government is less democratic and more subject to abuse of power than the current statutory form of county government. Dr. Bill Richardson echoed this, indicating that election of

autonomous department heads provides a balance of power and protects the democratic process. Citing the Federalist Papers, Dr. Richardson indicated that the founding fathers of the United States were skeptical of over-centralized power.

An August 5, 2002 editorial in the Argus Leader noted that the Minnehaha County Commission has been "doing the best they can in tough times" providing effective and efficient government subject to budgetary constraints and asserted that it is critical for the state legislature to assist counties in providing their state-mandated services.

The existing form of county government, as limited by the South Dakota Constitution and Codified Laws, is a limited government. The county has only those powers enumerated in the Codified Laws. A home rule charter does not expand revenue sources but does expand the availability for regulation and administration and, hence, is an expansion, rather than a contraction, of local government. A home rule government can exercise any power not specifically prohibited by law. Further, it is a centralization of power, rather than a devolution of power to the citizens. A home rule charter allows more power to be placed in fewer hands, and allows those hands to be un-elected hands. Deputy State's Attorney Gary Colwill testified that home rule charters don't typically streamline county government. They may change the structure of that government, but they do not streamline it. The current statutory government is limited; a home rule charter is unlimited government in this sense.

The proposed home rule charter reviewed by this Task Force superimposes an additional legal structure on top of the existing Constitutional/statutory county government which will complicate, rather than streamline the ability of county officials to perform their functions and provide services to the citizens.

County Commissioner Anne Hajek, a former Sioux Falls City Councilwoman, stated in an Argus Leader interview that a home rule charter would not offer the county the same flexibility it did to the City of Sioux Falls because a home rule charter can only alter what isn't already specifically outlined in state law. She said: "Everything in county government is written in the law. Where is it going to get you?"

Minnehaha County government, as currently structured, is led by incredibly talented and competent commissioners, elected officials, and appointed department heads. Our county government is administered effectively and efficiently and services which are provided are essential services that are mandated by state law. There are no significant flaws, deficiencies or malfunctions in the current structure. Rather, the structure, which has historical roots back to medieval England, is a time tested system which is accountable to the people and highly democratic in nature.

The available revenue sources for Minnehaha County are only marginally adequate at best to meet the responsibilities which the county is mandated by state law to perform. The primary stress on the county budget is criminal justice which is not an area primarily within the county's ability to control. City police officers are responsible for arresting criminals and state judges are responsible for sentencing criminals. The county is responsible to pay for the defense of the indigent criminals charged and to lodge those convicted criminals who are sentenced to jail. The Minnehaha County State's Attorney does have some discretion to affect its own policy with regard to charging decisions and recommended sentences.

The primary issue is that the state mandates Minnehaha County to prosecute and incarcerate

criminals, but does not assist in the funding of the expenditures related thereto. Minnehaha County's elected representatives in the state legislature, by and large, do not appear to be particularly concerned or sensitive to this issue and no successful attempts have been made by the Minnehaha County legislative contingent to re-channel revenue sources to provide funds to counties for law enforcement services.

A more aggressive attempt must be made through the political process to route funds from the state budget to assist counties with the provision of law enforcement services. A home rule charter is of no assistance in this regard.

A home rule charter is an expansion of government, provides for centralization of power, allows for the elimination of democratic processes, and increases opportunities for the abuse of authority. It will not increase funding to the county, improve the provision of services, or reduce county expenditures. The county government as currently constituted under state law is effective and efficient. Minnehaha County should not adopt a home rule charter.

MINNEHAHA COUNTY GOVERNMENT REVIEW TASK FORCE COUNTY ENHANCEMENT RECOMMENDATIONS

In November 2002, the task force appointed a sub-committee to develop recommendations that would enhance Minnehaha County operations. The focus of these recommendations were not to be related to the issue of whether or not a home rule charter should be adopted. Subcommittee members appointed were: Dale Froehlich, Carol Twedt, Carol Muller, Phil Hansen, Jim Zweep, Roger Mack

The following recommendations were unanimously adopted by the Minnehaha County Government Review Task Force on September 18, 2003, for presentation to the County Commission:

1. Visioning Committee: Organize County “visioning” committee consisting of citizens, county department heads, and commissioners to develop strategies for the future (committee could meet quarterly): *The task force recommends the creation of a visioning committee to continue the work of the task force. County government is under constant pressure to respond to increased demand for services with limited resources. The work and issues tackled by the committee will help the elected officials and appointed officers of the county chart the direction and strategies of county government. The work of the committee is beyond the strategic planning presently conducted by the county. The work of the visioning committee will allow county leaders to respond more quickly to the needs of the community.*

- Prioritize county mission, vision and goals for the next 5-25 years.
- Solicit citizen input for improvement of county services. Should the county continue to be in certain quality of life services? What are the citizen expectation of the level of service that the county should provide.
- Develop “grassroots” citizen initiatives to look at issues of government cooperation or consolidation between contiguous units of government. Continue review of concept of “metro government” organization.
- Participate in strategic planning processes with other community organizations and agencies and incorporate these plans into the work of the visioning committee.
- Develop recommendations for combinations of county departments .
- Develop recommendations concerning the issue of appointed versus elected office.

2. Budget Strategies: Develop clear and attainable budget goals: *The task force is extremely impressed with the quality and dedication of elected county officials, appointed department heads and staff. It is clear that one of Minnehaha County’s greatest challenges is the lack of sustainable resources to meet statutory and mandated responsibilities. Historically, March is the annual low point for the county’s General Fund, which funds most of the county’s operational budget. On March 31, 2002, the balance in the General Fund was at its lowest point in 20 years. The portion of the General Fund budget funded by property taxes has also increased dramatically in recent years. In 1995, property taxes were 52% of budgeted General Fund revenues. By 2003, that amount had increased to 65%. Minnehaha County was fortunate to receive an unexpected inheritance tax payment in early 2003, and the 2003 Legislature created a new revenue source for counties with passage of a telecommunications tax. This has allowed the county to recover somewhat from the desperate situation it faced throughout 2002. However, with the state’s property tax limitation and the increasing*

reliance on property taxes to fund the budget, Minnehaha County will continue to have a reduced ability to rebuild cash reserves if they are depleted again due to unexpected increases for mandated services. It is vital that Minnehaha County utilize the strengths and abilities of its department heads and employees to maximize efficiencies within present operations and to implement strategies to contain the cost in its most expensive area of operations - law enforcement.

- Department heads to conduct strategic planning session amongst staff to identify goals and objectives and prioritize needs 1-5 years out and budget accordingly.
- Conduct full day planning session for department heads and commissioners prior to budget preparation to outline county strategic plan and goals and challenges for the coming year and budget accordingly. Prioritize needs for upcoming budget cycle.
- Develop strategies for meeting law enforcement expenses. Identify key steps in each of the law enforcement processes that may enable the county to contain costs through policy changes within its span of control.
- The Commission should exercise greater direction to department heads in the initial preparation of department budget requests. Department heads should prepare multiple budgets. For example: one showing the status quo; one or more alternatives demonstrating reduced expenditures and accompanying impacts. These budgets should contain full narratives for each line item within the department budget.
- Develop incentives for county department frugality and attainment of cost savings that encourage and reward efficiencies.
- Identify and measure key indicators in the department for delivery of service and use these as a basis for development of employee or department incentive programs. Use successful models that have been developed by other business and government entities as a basis for establishing an incentive program.

3. Annual Report: Develop a “state of the county” annual report: *Each year, the Governor of the State of South Dakota and the Mayor of the City of Sioux Falls issue an annual report on the “state” of their respective government organizations. This report details the accomplishments of the organization during the past year as well as outlining the challenges and priorities for the upcoming year. The task force recommends that Minnehaha County prepare and issue a “state of the county” annual report. The report would be presented by the Chairman of the County Commission to Minnehaha County citizens. The report should include statistical indicators and the supporting analysis that measure and highlight county areas of responsibility such as: number of building permits issued; growth in assessed valuation; jail statistics to include average daily population, length of stay, and categorize offenses; number and type of criminal prosecutions and legal defense; welfare statistics. The annual report would also serve as a tool to encourage team building and working towards a common goal and objective amongst all the departments and employees of the county.*

- Solicit input from county elected officials, department heads, agencies funded by the county, and from the visioning committee.
- Define clear objectives and prioritize mission and goals for the upcoming year.

- Report on past year accomplishments and challenges. Include relevant statistical information in the county's main areas of responsibility.
- Distribute copies of the report both electronically and thru print media.

4. Develop Strategies for Effective Relationships with other Units of Government:

Foster and encourage development of concept of regional responsibility amongst government entities. *The task force recognizes that government at all levels need to establish and maintain effective networks of communication in order to maximize efficiencies in government, build a thorough understanding of the responsibilities and challenges of each entity of government, avoid duplication of services, and to foster the development of intergovernmental cooperation and possible consolidation of services. Minnehaha County works closely with and best serves the citizens with the support and cooperation these distinct units of government: the State of South Dakota, the City of Sioux Falls, Lincoln County, and the other municipalities, townships, and school districts within the borders of Minnehaha County. Separate strategies for effective relationships with each entity are necessary to maximize potential and efficiencies.*

A. South Dakota State Legislature & Executive Branch: Counties, as political subdivisions of the state, are the local arm of state government. It is vital that effective relationships exist to maximize efficiencies and effectiveness.

- Schedule annual meeting between the governor, the board of county commissioners, and the elected officials of the county to discuss county priorities.
- Commissioners and department heads need to build group and individual relationships with the governor and legislators to create a foundation of trust and respect.
- Develop communication strategy whereby county message is being delivered in a uniform and positive manner.
- Build coalitions and partner with other agencies and organizations with a proven track record of legislative accomplishments (Chamber of Commerce, Government Official Associations).
- Effort must be ongoing throughout the year. Delivering county legislative platform in December during the joint county/city/school district meeting is ineffective.
- Target a limited number of legislative issues each year and focus on key strategies.

B. Lincoln County: Develop strategies with the stated goal and purpose of cooperation and collaboration.

- Organize quarterly leadership meetings between the two county commissions. Invite appropriate citizens and staff to participate.
- Identify projects the two counties could cooperate in - encourage and invite Lincoln County leadership to provide leadership.
- Communicate with individual Lincoln County Commissioners to address specific concerns.
- Encourage the development of satellite services in various locations throughout the two county area.
- Encourage interaction between the staff of the two entities.

C. City of Sioux Falls: Develop strategies with the stated goal and purpose of cooperation and collaboration.

- Organize monthly or quarterly leadership meeting of county/city elected officials to develop and maintain foundation of trust and respect.
- Encourage and develop regular contact between the Mayor and the Chair of the County Commission to coordinate and assign staff to ongoing issues of mutual concern and responsibility.
- Build group and individual relationships with council members
- Identify additional areas of intergovernmental cooperation or consolidation of services - assign appropriate city and county staff to develop strategic plan of implementation.

D. Other Government Entities - Rural Townships & Municipalities and School Districts:

- Participate in the meetings of the Minnehaha County Town & Township Association, and Rural Mayors Association.
- Conduct some meetings of the County Commission in the rural communities of the county.
- Encourage cooperative ventures in the rural areas based on the MCEDA/LCEDA model that has been effective in the area of economic development.
- Continue the monthly joint meeting between the school districts, City of Sioux Falls, and Lincoln & Minnehaha County.
- Include non-Sioux Falls residents on Minnehaha County citizen boards.

5. Other Recommendations: *The task force offers the following additional recommendations to enhance county government efficiencies and effectiveness:*

- Encourage the development and use of compatible or identical hardware/software, technology, and equipment between government entities to help facilitate transfer of information and to foster closer collaboration and coordination.
- Encourage organizations such as South Dakota Association of County Commissioners, SD Highway Superintendents, SD Association of County Officials to facilitate the development of uniform contracts, increased purchasing power, and regional projects (such as the fourteen county Minnehaha County Juvenile Detention Center) to deliver essential and mandated services.
- Examine funding formulas contained in all the joint powers agreements between the City and County. Are the formulas equitable in the present situations?
- The City of Sioux Falls derives much of its economic, employment, and sales tax base from outside the city limits of Sioux Falls. Can the City share some of its sales tax revenue with these other entities much like the City of Watertown currently does?
- Conduct an annual review of Minnehaha County's investment policy to maximize revenues.

6. Develop Action Plans for Task Force Recommendations: *The task force urges the County Commission to accept the recommendations that have been included in this report and to establish a deadline for the development of a time-line for implementation of the recommendations. The task force recognizes that implementation of these recommendations will require careful planning by the commission, elected officials and department heads. The task force also recognizes that the county will need flexibility in the implementation of the recommendations contained in this report.*

- Utilize existing County resources and department heads to develop action plans for implementation of task force recommendations. Utilize Chamber of Commerce model for planning sessions.
- Develop action plans with specific time deadlines for implementation of each of the task force recommendations.