

Metropolitan Mosquito Control District

Executive Committee

May 28, 2025

9:15 AM

Information Packet

METROPOLITAN MOSQUITO CONTROL DISTRICT M E E T I N G A N N O U N C E M E N T

COMMITTEE: **Executive Committee Meeting**

IN PERSON: **Metropolitan Mosquito Control District**
2099 University Avenue West
St. Paul, MN 55104

DATE: **Wednesday, May 28, 2025**
TIME: **9:15AM**

A G E N D A

1. Call Meeting to Order
2. Roll Call
3. Approval of Agenda*
4. Consent Agenda
 - a. Approval of Minutes for March 31st, 2025 Meeting*
5. Legislative Update (Peg Larsen, Kim Scott)
6. Code of Conduct Revisions (Sam Ketchum)
7. 2024 Financial Review and Audit (Arleen Schacht)
8. Tire Recycling Update (Alex Carlson)
9. Strategic Planning Update (Alex Carlson)
10. Facilities Assessment and Capital Improvement Plan (Tim Stich)
11. Compensation Study (Daniel Huff)
12. Preliminary 2026 Budget Discussion (Daniel Huff, Arleen Schacht)
13. Executive Director's Report
14. Other Issues and Announcements
15. Adjournment

* Action Requested

Commissioner Rena Moran	Ramsey County
Commissioner John Fahey	Carver County
Commissioner Jeff Reinert	Anoka County
Commissioner Liz Workman	Dakota County
Commissioner Kevin Anderson	Hennepin County
Commissioner Dave Beer	Scott County
Commissioner Fran Miron	Washington County

Next Commission Meeting: Wednesday, July 23, 2025, 9:15 a.m.
Next Executive Committee Meeting: Wednesday, June 25, 2025, 9:15 a.m.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Requested by:

Daniel Huff

Action Requested:

Approve Executive Meeting Minutes – March 31, 2025

March 31, 2025 Executive Committee Meeting Minutes

Chair Rena Moran called the meeting to order at 9:00AM.

Roll Call:

Commissioner Jeff Reinert	Anoka County
Commissioner Liz Workman	Dakota County
Commissioner Rena Moran	Ramsey County
Commissioner Kevin Anderson	Hennepin County
Commissioner Dave Beer	Scott County
Commissioner John Fahey	Carver County
Commissioner Fran Miron	Washington County

Staff:

Daniel Huff, Executive Director
Arleen Schacht, Business Administrator
Alex Carlson, Public Affairs Manager

Visitors:

Sam Ketchum, MMCD Legal Counsel
Kim Scott, MMCD Lobbyist
Peg Larson, MMCD Lobbyist

Commissioner Moran welcomed all in attendance and thanked them for attending the meeting.

Approval of Minutes for January 22nd Executive Committee Meeting

Commissioner Workman offered the following resolution and moved its adoption.

Resolution 1:

Resolved, that the January 22nd, 2025 Executive Committee Meeting minutes be approved as presented.

Commissioner Anderson seconded the motion, the resolution was approved unanimously.

Legislative Update

Kim Scott and Peg Larsen provided their report:

The March 11th election brought a new DFL member to the House to make it in a 67/67 split. David Gottfried will represent district 40B, which includes parts of Shoreview and Roseville. The committees will now have equal members, and the chairs will switch from Republican to Democrat every other meeting.

We met with Rep. Falconer regarding HF 2134, which is his bill to address the use of pesticides in wild rice. Rep. Falconer did not sound optimistic that the language would move forward in its current form. He also recommended reaching out to the tribes to get their input on an MMCD exclusion.

More legislative drama happened with the resignation of Sen. Eichorn who was caught in an underage sex sting operation. Gov. Walz set a special election for April 29th with the primary to occur on April 15th for Senate District 6. The district is expected to remain Republican, and the field of Republican candidates is already crowded and includes Josh Gazelka, Keri Heintzeman, and Jennifer Carnahan, among others.

Legislative leaders have been meeting in closed door meetings with the Governor to discuss targets. On Friday, the Senate released its targets, and the House followed suit on Saturday. The targets include large cuts to address the forecasted \$6.1 billion deficit in FY 28/29. The Senate's target is \$754 million in FY 26/27 and \$1.7 billion in FY 28/29. The House cuts are even deeper: \$1.1 billion in FY 26/27 and \$2.6 billion in FY 28/29. Joint targets will come later and are key to the House, Senate, and Governor coming together to craft the state's budget.

Committee deadlines are fast approaching with the 1st and 2nd deadlines on April 4th and 3rd deadline on April 11th. The Legislature must complete its committee action on bills by these deadlines. With bill introductions surpassing 6,000 bills introduced, very few will meet the deadlines.

MMCD's event at the Capitol is set for Tuesday, May 6th at 11-2pm.

The last day of the regular legislative session is May 19th.

Recognition for Diann Crane

Commissioner Anderson offered the following resolution and moved its adoption:

Resolution 2:

Resolved, staff are directed to create a proclamation to honor MMCD Entomologist Diann Crane to be signed by Commissioner Chair Moran and presented at the April Commission meeting.

Commissioner Miron seconded the motion, the resolution was approved unanimously.

Hiring Process for Business Administrator

Business Administrator, Arleen Schacht, has announced her retirement to be effective mid-June, 2025. Minnesota Statute 473.704 Subdivision 4 outlines the Powers and Duty of the MMCD Commission as follows: *It may employ and fix the duties and compensation for a business administrator who shall administer the business affairs of the commission.*

Executive Director Daniel Huff recommends the Executive Committee selects one of the following options regarding its involvement in the hiring process for the Business Administrator:

1. Executive Committee members review applications, select candidates to interview, conduct interviews and choose final candidate.
2. Direct the Executive Director to lead an internal committee to review applications and select a slate of candidates for the Executive Committee to interview.
3. Direct the Executive Director to lead an internal committee to review applications, conduct interviews and select a final candidate to be presented to Executive Committee and Commission for approval.

Commissioner Miron offered the following resolution and moved its adoption:

Resolution 3:

Resolved, the Executive Director is directed to lead an internal committee to review applications, conduct interviews and select a final candidate to be presented to Executive Committee and Commission for approval.

Commissioner Anderson seconded the motion, the resolution was approved unanimously.

Discussion of Code of Conduct

Executive Director Huff requested assistance to comply with the Executive Director's duty of disclosure as outlined in the District's Code of Conduct Policy. The current policy is unclear as to what exactly should be disclosed by the Executive Director and how it may be overbroad in its reach as it includes extended family members not within the Executive Director's household. The District's Attorney is proposing that the Executive Committee recommend, or direct staff and the District's Attorney to recommend, revisions to clarify the form and content of disclosures.

A discussion of the Commission's intent with this requirement will assist in clarifying and rewriting this policy.

The current policy states:

The Executive Director's duty of disclosure shall include filing with the Commission a statement of material financial interest. This statement shall be current as of January 1 of the current year, shall be filed with the Commission concurrent with its first meeting of each year as defined in Minnesota Statutes, Section 473.703, Subdivision 5, and shall include the following information:

- *Name, address and principal place of business;*
- *Name and address of each business affiliated with and the nature of that affiliation;*
- *A listing of any and all compensation received, excepting items of nominal value, from any source other than the District, along with the name and address of such source of compensation and purpose of/consideration given for that compensation.*

The Executive Director shall be deemed to have a material financial interest in each and any business in which the Executive Director, or the spouse, parents, children and spouses of children, brothers and

sisters and spouses of brothers and sisters, and the brothers and sisters of the Executive Director's spouse, or any combination of them have a material financial interest. The Commissioners' duty of disclosure shall include and be satisfied by the proper completion of all and any filings of financial, economic or other interests required of them by Minnesota state and/or federal law as it currently exists or is modified in the future.

Commissioner Miron offered the following resolution and moved its adoption:

Resolution 4:

Resolved, Kennedy & Graven is directed to review and recommend code of conduct updates to the Executive Committee.

Commissioner Workman seconded the motion, the resolution was approved unanimously.

Executive Director's Report

Daniel Huff reported that nine staff from MMCD attended the American Mosquito Control Association Annual Conference in San Juan, Puerto Rico earlier in March. Several staff members presented and a lot of important information was shared about the Dengue outbreak and public health response.

Three new staff have joined MMCD this month – Caleb Corona is the new Quality Assurance Program Coordinator, Jordan Mandli is the new Vector Ecologist, and Jonathon Litchy is the new Safety Program Coordinator. Seasonal staff will begin on April 14th.

MMCD has a policy of renewing vehicles every 15 years. To get on track, the District will need to purchase 87 vehicles over the next 4 years.

Daniel Huff shared plans for an April 1st media release to aid in the District's educational outreach. Commissioners are encouraged to watch social media for the update.

Other Issues

There were no other issues brought up at the meeting.

Adjournment

Chair Moran adjourned the meeting at 9:55am.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:

Kim Scott & Peg Larsen

Informational:

Legislative Update

MMCD's day at the Capitol on May 6th had an impressive turnout from legislators and state agencies. The following representatives made an appearance: Representatives Firke, Meyers, Cha, Acomb, Hansen, Rehm, Hollins, Hill, Gottfried, Liebling, Freiberg, Hussin, Vang, Perez-Vega, Nelson, and Gilman. Commissioner Tom Peterson and MMCD Commissioner Anderson also made appearances, as well as Department of Agriculture and Department of Health staff.

The helicopter wowed participants, and MMCD staff did an excellent job.

At this point in time, the Governor, Senate, and House leaders have reached agreements on budget targets. Many DFL members are upset with the cuts, but time will tell if they vote in favor of the agreements. As of the evening of May 19th, the legislators appeared to not be able to finish their work by the deadline, which was midnight. Governor Walz said he will bring legislators back, but it remains to be seen exactly when. Many legislators are frustrated, but this is not an unusual move. Many budget bills have passed, but the major budget bills are on hold.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:

Sam Ketchum

Discussion:

Employee Code of Conduct

Background:

The District’s Code of Conduct Policy was discussed at the Executive Committee meeting on March 31, 2025. As requested at that meeting, a copy of the current policy is enclosed with this packet. This policy supplements the District’s employee personnel policies and addresses conflicts of interest for all District employees.

The policy also contains a specific “duty of disclosure” requirement for the Executive Director. This requirement is similar to “statement of economic interest” rules that require annual disclosures by public officials to the Minnesota Campaign Finance Board under Minnesota Statutes, Chapter 10A. The state rules apply to county commissioners and certain administrators of government agencies. However, the District is not among those agencies and the Executive Director is therefore not subject to the state rules. The District’s “duty of disclosure” requirement is instead a policy of the District.

At the March meeting, the Executive Committee discussed revisions to the policy. First, it contains unclear terms like “affiliated businesses,” “compensation,” and “material financial interest.” The state rules better define the scope of required disclosures. Second, the policy contains a broad and arguably impractical scope of family members for which the Executive Director must disclose material financial interests. By comparison, the state rules only require disclosure of sources of compensation for public officials and their spouses. Third, it is unclear how the Executive Director files their disclosures with the Commission. There is no known form or process that has previously been used.

The Executive Committee directed the District Attorney to propose revisions to the policy. My recommended revisions are shown on the next page as underlined and ~~struckthrough~~. These align the policy with state definitions and rules about disclosing sources of compensation of public officials and their spouses. The Executive Committee may by motion approve this revised policy. Alternatively, it may recommend additional changes.

I will prepare a form consistent with any approved changes to include in the policy.

Excerpt of Policy and Revisions

"Compensation" means any payment for labor or personal services as a director, officer, owner, member, partner, employer, or employee of a business. Compensation does not include payments that do not result from the performance of services, such as rental income, social security payments, unemployment compensation, workers' compensation, pension benefits, or insurance benefits.

...

The Executive Director's duty of disclosure shall include filing with the Commission a statement of material financial interest. This statement shall be current as of January 1 of the current year, shall be filed with the Commission concurrent with its first meeting of each year as defined in Minnesota Statutes, Section 473.703, Subdivision 5, The statement shall be filed on a form attached to this policy and shall include the following information:

- Name, address and principal place of business of the Executive Director and their spouse;
- Name and address of each business ~~affiliated with and the nature of that affiliation;~~ for which the Executive Director or their spouse receives compensation in excess of \$250, except for actual and reasonable expenses, in any month during the reporting period as a director, officer, owner, member, partner, employer or employee, or whose securities the Executive Director or the Executive Director's spouse holds worth more than \$10,000 at fair market value; and
- A listing of any and all compensation received by the Executive Director or their spouse, excepting items of nominal value, from any source other than the District, along with the name and address of such source of compensation and purpose of/consideration given for that compensation.

~~The Executive Director shall be deemed to have a material financial interest in each and any business in which the Executive Director, or their spouse, parents, children and spouses of children, brothers and sisters and spouses of brothers and sisters, and the brothers and sisters of the Executive Director's spouse, or any combination of them have a material financial interest.~~

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:
Arleen Schacht

Informational:
Audit Report

Background:

In accordance with Minnesota Statute 473.703 subd. 10, we hereby submit the Annual Financial Report of the Metropolitan Mosquito Control District for the year ended December 31, 2024. This report includes the financial statements for the District and the disclosures necessary to accurately present the financial condition and results of operations for the year then ended. The report has been prepared in accordance with generally accepted accounting principles (GAAP) for government units.

This report consists of management’s representations concerning the finances of the Metropolitan Mosquito Control District (MMCD). Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the MMCD has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the MMCD’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the MMCD’s internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The MMCD’s financial statements have been audited by Redpath and Company. The goal of the independent audit was to provide reasonable assurance that the financial statements of the MMCD for the year ended December 31, 2024, are free of material misstatement. Redpath and Company has issued an unmodified opinion on the MMCD’s financial statements for the year ended December 31, 2024. The Independent Auditor’s Report from Redpath and Company is the first component of the financial section of this report.

GAAP requires that management provide a narrative, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). MMCD’s MD&A can be found immediately following the Independent Auditor’s Report.

Profile of the Government

MMCD was created by the legislature in 1958, serves 3.163 million citizens, 1.3 million households, in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties covering approximately 3,000 square miles. It is governed by 18 elected county commissioners representing those counties and is supported by property taxes. MMCD was created to control mosquitoes, black gnats and monitor disease vectoring ticks in the Metropolitan area.

Local Economy

The economy showed signs of continued growth with businesses reporting moderate to significant growth, increasing consumer spending. The Minnesota unemployment rate remained lower than the national average, continued to create jobs but showed a slight decrease compared to 2023. Housing growth trends rose slightly, with prices increasing and inventory improving, though affordability remained a concern. In contrast, it does not appear that property values are decreasing, factoring in interest rates and market availability. The Commission plans for expanded service in the long term, which will continue to follow the growth patterns throughout the District. In the short-term, MMCD has focused on increased effectiveness.

Cash Management Practices

Cash balances are invested in certificates of deposit, money market savings and an investment pool, Minnesota Association of Governments Investing for Counties.

Risk Management

MMCD has its workers compensation, property casualty, auto, general liability, directors and officers error and omissions placed with the League of Minnesota Cities Insurance Trust, essentially a self-insured pool. MMCD will continue to work at reducing workers' compensation and liability risk and continue to incorporate new safety tactics in pursuit of a Director's initiative to improve safety at MMCD. Auto claims and work-related injuries have been minor incidents and MMCD continues to see a slight decrease in claims. MMCD continues to assess risks which may affect the objectives of the Commission in this changing economic environment.

Respectfully,

Arleen Schacht,
Business Administrator

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Chair and
Members of the Commission
Metropolitan Mosquito Control
District St. Paul, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Metropolitan Mosquito Control District (MMCD) for the year ended December 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 10, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by MMCD are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024, except that MMCD implemented Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. The implementation of this standard did not have a material effect on the financial statements. We noted no transactions entered into by MMCD during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are the:

- estimates used to calculate the net pension liability, the pension related deferred outflows and inflows of resources, and pension expense
- estimates used to calculate the net OPEB asset, the OPEB related deferred outflows and inflows of resources, and OPEB expense

These estimates are based on actuarial studies. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the disclosures most likely to be considered sensitive are Note 9 – Other Postemployment Benefits (OPEB) and Note 10 – Contingencies. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements that have an effect on our opinion on the financial statements. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. There were no corrected misstatements identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 8, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to MMCD's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as MMCD’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management’s discussion and analysis and the schedules of OPEB and pension information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory section, which accompanies the financial statements but is not RSI. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reports

Various reports on compliance and internal controls are contained in the Other Required Reports section of the audited financial statement document.

Restriction on Use

This information is intended solely for the information and use of the Commissioners and management of the Metropolitan Mosquito Control District and is not intended to be, and should not be, used by anyone other than these specified parties.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC St. Paul, Minnesota
May 8, 2025

METROPOLITAN MOSQUITO CONTROL DISTRICT
FINANCIAL STATEMENT
December 31, 2024

COUNTY	2024 LEVY	REC'D TO DATE	DUE
Anoka	\$ 2,000,448	1,987,483	\$ 12,965
Carver	770,322	763,115	7,207
Dakota	2,621,483	2,597,777	23,706
Hennepin	8,953,249	8,803,032	150,217
Ramsey	2,750,865	2,704,958	45,907
Scott	1,003,210	996,510	6,700
Washington	1,805,380	1,787,396	17,984
TOTAL	\$ 19,904,957	\$ 19,640,270	\$ 264,687
Tax Delinquent Income	\$ 0	\$ 25,003	
Miscellaneous (Rent/Misc./Non-Levy)	100,000	410,020	
Interest Income	550,000	1,468,673	
TOTAL REVENUE	\$ 20,554,957	\$ 21,543,966	\$ (989,009)

BALANCE SHEET

ASSETS

Cash and Investments	\$ 33,578,642	
Accounts Receivable	578,683	
Prepaid Expenses	5,819	
Consumable Material	4,212,953	
Equipment net of Acc Depreciation	3,559,728	
Land	1,118,867	
Building net of Acc Depreciation	2,395,833	
TOTAL ASSETS		\$ 45,450,525

LIABILITIES

Vouchers Payable	\$ 2,932,182	
Pass thru Revenue	0	
Deferred Revenue	199,670	
TOTAL LIABILITIES		\$ 3,131,852

TOTAL LIABILITIES

NET WORTH

Fund Balance:		
Nonspendable	\$ 4,212,954	
Committed	1,500,000	
Assigned-Employee Benefit Liability	1,125,488	
Assigned - Capital Plan/Improvements	11,902,007	
Assigned - Treatment Reserves	6,400,000	
Prepaid Item	5,819	
Unassigned for Working Capital	10,097,979	
Total Fund Equity	\$ 35,244,247	
Assets-Equipment	7,074,428	
TOTAL	\$ 42,318,675	
ADD Income	21,543,966	
DEDUCT Expenditures	20,120,497	
TOTAL NET WORTH		\$ 43,742,145
TOTAL LIABILITIES AND NET WORTH		\$ 45,450,525

METROPOLITAN MOSQUITO CONTROL DISTRICT
CUMULATIVE OPERATIONS STATEMENT

December 31, 2024

EXPENDITURES	ACTUAL	BUDGET	+OVER/-UNDER
<u>ADMINISTRATIVE</u>			
Operations	\$ 1,143,082		
Capital Items	0		
Repairs	<u>0</u>		
TOTAL ADMINISTRATIVE	\$ <u>1,143,082</u>	\$ <u>1,176,271</u>	\$ <u>(33,189)</u>
<u>CONTROL DIVISION</u>			
Operations	\$ 17,761,757		
Capital Items	1,006,033		
Repairs	<u>207,566</u>		
TOTAL CONTROL DIVISION	\$ <u>18,975,356</u>	\$ <u>19,053,872</u>	\$ <u>(78,516)</u>
<u>COMMISSION</u>			
Per Diem	\$ 0		
Mileage	<u>2,059</u>		
TOTAL COMMISSION	\$ <u>2,059</u>	\$ <u>2,800</u>	\$ <u>(741)</u>
TOTAL EXPENDITURES	\$ <u><u>20,120,497</u></u>	\$ <u><u>20,232,943</u></u>	\$ <u><u>(112,446)</u></u>
BUDGET REMAINING		\$ <u>0</u>	
ORIGINAL BUDGET		\$ 20,232,943	
EMERGENCY FUNDS		0	
TOTAL BUDGET		\$ <u><u>20,232,943</u></u>	

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:
Alex Carlson

Informational:
Tire Recycling Update

During the May 2024 Executive Committee Meeting staff at MMCD shared an update on MMCD's tire recycling program and some of the challenges it was facing. The practice as of 2024 was that staff would pick up and recycle tires at no cost to District residents.

Eliminating waste tires is an important part of MMCD's mission to reduce vector-borne disease, as tires are favored habitat for certain species of mosquitoes, including species that are capable of transmitting La Crosse encephalitis. However, several challenges were becoming apparent as the tire recycling program continued to grow. Residents would often underestimate the number of tires they reported and staff would not be equipped to transport the higher numbers. In some instances, residents would request tire pickups and staff would discover that the tires originated from a business or outside of the District. In certain years, like 2024, there was a lot of rain and staff priority was to treat large mosquito breeding sites, which meant tire pickups were delayed and tires would often sit out for weeks before staff had a chance to pick them up.

The Executive Committee discussed some options to improve the program and through the remainder of 2024 a workgroup of MMCD staff members met to determine solutions. Starting in 2025 MMCD is beginning a pilot project in Dakota, Scott, and Carver Counties where the Rosemount and Jordan facilities will host one or more tire drop-off dates. Residents can sign up to drop-off up to 20 tires on specific dates at designated locations. More information and the initial pick-up dates can be found at the MMCD website: mmcd.org/tire-recycling

MMCD also continues to partner with cities and counties who are hosting recycling events to help with the removal of tires that are dropped off.

In the fall of 2025, the tire recycling workgroup will meet again to review the results of the tire drop-off events and determine what procedures we will undertake in 2026 and beyond.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:
Alex Carlson

Discussion:
Strategic Plan Update

On May 5th, 2025 the Strategic Planning Committee met at Prouty Project offices to finalize the implementation step for the MMCD Strategic Plan. During this meeting, the Strategic Plan was finalized, target dates were updated, Champions were assigned to the various strategies, and actions / tactics were developed.

The finalized implementation plan including tactics, strategies, champions, and timelines is included as a spreadsheet.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:

Tim Stich

Discussion:

Facilities Assessment and Capital Improvement Plan

Background:

Last fall, MMCD secured the services of Roth IAMS, a firm specializing in capital asset management, to conduct an assessment of the six facilities owned and managed by the District. This assessment has been completed and reviewed.

Discussion:

Facilities Investment Strategy

The Metropolitan Mosquito Control District (MMCD) is committed to maintaining its facilities in a cost-effective and sustainable manner. This Executive Summary presents findings from a Facility Condition Assessment (FCA) and a 5-Year Maintenance Budget that prioritizes the most critical spaces. The goal is to address major physical deficiencies, code violations, and modernization needs through a comprehensive capital improvement plan.

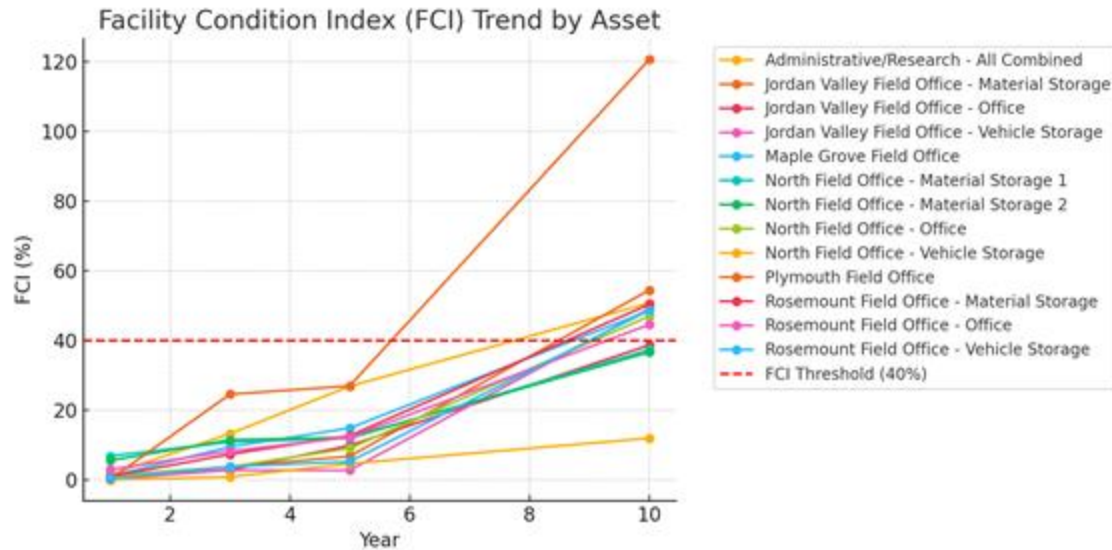
The resulting capital plan targets issues that affect the safety, operability, or structural integrity of MMCD's facilities. The 5-Year Maintenance Budget will be used to preserve, protect, and prolong the life of these facilities—keeping them functional, safe, and compliant. This combined approach demonstrates MMCD's long-term commitment to public asset stewardship and fiscally responsible planning.

Capital Improvement Plan

It is recommended that the District establish a 5-Year Capital Improvement Plan to address the deficiencies identified in the 2025 Facility Condition Assessment. The goal is to ensure that no facility exceeds a Facility Condition Index (FCI) of 40% within the next 10 years. This threshold is a widely recognized industry benchmark for facility viability.

The total projected five-year capital cost is **\$5,586,335**, with an annual allocation of **\$1,117,267**.

Capital investments have been scaled from 10-year cost projections to maintain all buildings below the 40% FCI threshold. This proactive strategy will help shift the District away from reactive maintenance toward a more sustainable and preventative approach. The FCI trend graph illustrates how early intervention flattens the deterioration curve, with costs rising dramatically after 5–6 years and exceeding 50% of building replacement value by year 10.



Facility Maintenance Strategy

It is recommended that the District adopt an annual maintenance budget of **\$498,295**, totaling **\$2,491,476** over five years. This budget is based on a formula allocating 1.5% of the replacement value for primary facilities and 0.5% for storage structures. These benchmarks are commonly used by public agencies to ensure long-term facility health.

Facilities in relatively good condition—with projected FCIs below 40% over 10 years—receive minimal allocations, allowing more resources to be directed to high-need assets. This strategy prioritizes reinvestment where it's most impactful and supports the District's fiduciary responsibility.

Note: This budget does not include \$105,135 allocated for the Plymouth facility. A final decision on its long-term viability is pending. This facility is projected to reach an FCI of over 120% within 10 years.

Maintenance Budget by Facility

Asset Name	Replacement Value	Proposed budget	5-Year Budget
St Paul Admin	\$13,530,101.19	\$202,952	\$1,014,760
Jordan- Material Storage	\$2,030,619.99	\$10,153	\$50,765
Jordan Office	\$2,365,931.73	\$23,660	\$118,300

Jordan Vehicle Storage	\$1,919,989.90	\$9,600	\$48,000
Maple Grove	\$6,312,451.58	\$94,687	\$473,435
North- Material Storage 1	\$1,447,706.73	\$0	\$0
North- Material Storage 2	\$1,334,886.37	\$0	\$0
North- Office	\$5,064,556.72	\$75,968	\$379,840
North- Vehicle Storage	\$4,326,298.07	\$21,631	\$108,155
*Plymouth	\$7,009,001.51	\$105,135	\$525,675
Rosemount- Material Storage	\$1,801,454.42	\$9,007	\$45,036
Rosemount- Office	\$2,808,181.07	\$42,123	\$210,615
Rosemount- Vehicle Storage	\$1,702,883.60	\$8,514	\$42,570

Additional Capital Improvements

The CIP and Maintenance Budget address only the condition of existing facilities and do not include upgrades required for changing operational needs.

Plymouth Facility:

This facility is projected to exceed 120% of its replacement value in repair costs within 10 years. It is recommended that only essential repairs be made to maintain occupancy, while identifying a replacement facility.

Entomology Laboratory:

The District’s outdated Entomology Lab and research space no longer meet programmatic needs. It is recommended that **\$3–4 million** be allocated to modernize lab infrastructure and optimize layout.

Maple Grove Facility:

The site currently lacks adequate storage and safe vehicle circulation. Large trucks must back down a dead-end driveway, posing a safety concern. It is recommended that **\$2–3 million** be allocated for additional storage and circulation improvements. If construction is not feasible at the current site, an alternative location should be considered to meet current and future needs.

Budget Summary:

Plan Component	Estimated 5-Year Cost
5-Year Capital Plan	\$5,586,335
5-Year Maintenance Budget	\$2,491,476
Entomology Lab Modernization	\$3–4 million
Maple Grove Improvements	\$2–3 million
Replacement for Plymouth	\$7-9 million

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:
Daniel Huff

Discussion:
Compensation Study

Background:

The Metropolitan Mosquito Control District (MMCD) contracted with Gallagher Benefit Services to conduct a classification and compensation study. Gallagher was selected for its national reputation and extensive experience conducting similar studies for the League of Minnesota Cities. MMCD also currently partners with Gallagher for insurance and benefits administration.

The purpose of the study was to evaluate the District's job classifications to ensure alignment with the Fair Labor Standards Act (FLSA), support internal equity, and meet the organization's operational needs.

The study included the following components:

- Evaluation of the current **Decision Band Method® (DBM®)** classification structure to assess accuracy and alignment with job duties, responsibilities, and levels of decision-making.
- Analysis of job classifications to ensure compliance with **FLSA** standards (exempt vs. non-exempt).
- Identification of inconsistencies or discrepancies in job classifications across the organization.
- Determination of appropriate classifications for existing roles based on job responsibilities, complexity, and level of authority.
- Recommendations for updated classifications to enhance role clarity and internal equity.

Recommendations from Gallagher Benefit Services:

Gallagher provided the following recommendations as part of the final report:

- **Adopt the proposed pay structures** to improve the District's market competitiveness.
- **Implement targeted salary adjustments** to support internal equity and competitiveness with comparable employers.
- **Enhance pay equity and improve budget oversight** by applying strict pay discipline for employees whose salaries exceed the maximum of their assigned pay grade.
- **Conduct an annual review** of the compensation plan and update it as necessary to maintain alignment with evolving market conditions.

Additional Notes

A copy of the full report has been provided separately to Executive Committee members. The report contains labor relations information and is classified as **not-public data** under the Minnesota Government Data Practices Act.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:

Daniel Huff, Arleen Schacht

Informational:

Preliminary 2026 Budget Discussion

Overview

As we prepare for the discussion of the proposed 2026 levy at the June Executive Committee meeting, we have compiled several studies and analyses to inform decision-making.

The Good

MMCD has a strong history of fiscal responsibility and minimal levy increases. Over the past 10 years, the **average annual levy increase was 2.05%**, compared to **average inflation of 2.73%** for the same period. Notably, due to increased development and property valuation in the Metro Area, the **median property owner now pays \$2 less** in MMCD taxes than a decade ago. In 2025, the **median annual MMCD property tax** was approximately **\$11 per household**.

During the same period, the **District's population grew by approximately 220,000 residents**, leading to expanded service needs. Over 10 years:

- Aerial treatment sites increased by 8%
- Ground treatment sites increased by 7%
- Catch basins increased by 32%

MMCD has rebuilt its reserves from a diminished state to approximately **\$33 million**.

In addition, the District has successfully limited the rising cost of treatment materials due to its scale and direct negotiation with manufacturers.

When compared to watershed districts in the Metro Area (Figure 1) and mosquito control agencies across the U.S. (Figure 2), **MMCD represents a strong value for taxpayers**.



Figure 1: MMCD property taxes compared to watershed districts in the 7-County Metro Area.



Figure 2: MMCD property taxes compared to other mosquito control districts

Midland County and Saginaw County are in Michigan. Salt Lake City is in Utah. Lee County, Anastasia and Collier are in Florida. Greater LA and Sacramento-Yolo are in California. South Cook County is outside of Chicago in Illinois.

The Bad and the Ugly: Lagging Investments in Infrastructure

MMCD has delayed important investments in people and infrastructure, which now require attention and funding.

Fleet

- MMCD replaces vehicles on a 15-year cycle.
- In 2025, cheaper and more fuel-efficient **Ford Mavericks** will replace older technician trucks.
- Future replacements (2026–2030) are expected to cost between **\$629,000 and \$808,000** annually, depending on the type of vehicle.

Facilities

- MMCD owns **six facilities**. A recent assessment found:
 - The **Plymouth facility** would cost more to maintain than it's worth—MMCD recommends selling and relocating.
 - The **St. Paul Entomology Lab** (30 years old) needs full renovation.
 - The **Oakdale office** is rented at **\$270,000/year** and not owned by MMCD.
 - The **Maple Grove facility** is in need of storage and traffic circulation improvements.
- Annual costs for the remaining five facilities:
 - **\$498,000** in maintenance.
 - **\$1.117 million** in capital improvements.
- MMCD recommends using capital reserves from the fund balance for relocating the Plymouth facility, improvements to the Maple Grove facility and remodel of the Entomology Lab while paying costs for maintenance and general capital improvements through the annual budget.

Health Insurance

- MMCD's current contribution is well below public sector norms.
 - MMCD pays **68% of single coverage** and **57% of family coverage**.
 - Recommendation: Increase to **90% single / 70% family** coverage.
 - Estimated added cost for 2026: **\$380,000**, assuming all employees enroll.

Employee Compensation

- A compensation study shows MMCD salaries are **16% below** the market average.
- Recommendation: **Gradually increase salaries** over five years to match the 50th percentile of comparable public sector jobs.

Treatment Materials

- Contracts are up for renewal.
- Costs may rise due to **inflation and tariffs**.

Helicopter Services

- The helicopter contract has increased **12.5%** over the past decade.
- Contract expires in **2026**, and a new, likely more expensive, one will need to be negotiated.

Disease Prevention

- Due to the wet season, we did not have the capacity to complete disease prevention work.
- Catch basin treatments lagged in 2024. Catch basins serve as important breeding sites for *Culex* mosquitoes that vector West Nile Virus.
- Surveillance of harborage areas lagged in 2024.

Service Expansion

- MMCD's Strategic Plan calls for **expanding services across all seven metro counties**.
- Expansion will bring additional costs.

Strategies to Manage These Needs and Costs

To meet growing demands while limiting tax increases, MMCD is considering these options:

OPEB Fund

- MMCD has a **well-funded retiree health insurance (OPEB) account**, with **\$5 million more than needed**.
- Legal advice is being sought to use part of this excess to offset MMCD's overall health insurance costs.

Budget Reserves

- MMCD holds **\$6.4 million in treatment reserves**, set aside to cover three years of heavy rainfall.
- A **portion of these reserves could be used** to soften 2026 cost increases, allowing for **gradual levy increases** instead of a large jump.
- **Caution:** Using these reserves reduces financial flexibility during wet years.

Staggered Increases

- Costs related to fleet, facilities, insurance, and salaries could be **phased in over several years**.
- But this could lead to **higher long-term costs** due to **inflation and worsening conditions**.

Cost Reductions

- Possible cuts include:
 - **Reducing staff training and professional development**
 - **Eliminating positions**
- These would negatively affect service quality and staff capacity both short and long term.

METROPOLITAN MOSQUITO CONTROL COMMISSION MEETING

Presented by:
Daniel Huff

Informational:
Executive Director's Report

To those who are mothers and mother figures, I wish a Happy Mother's Day. Monday, May 16 is Memorial Day, a time when we honor the sacrifice of American veterans who have died defending our country. I wish you all a restful Memorial Day weekend.

Metropolitan Mosquito Control Day at the Capitol was a resounding success. We had a number of legislators and agency staff drop by, talk with staff, and get their picture taken with the helicopter. Commissioner Kevin Anderson joined us and represented the Commission at the event. WCCO incorporated footage of Vectoria and our helicopter in a story on MMCD black fly treatment. A special thanks to Kim Scott and Alex Carlson for planning and coordinating the event, and to all the MMCD staff who shared their knowledge during the event.



Rep. Rick Hanson poses with Vectoria



Commissioner Kevin Anderson and Daniel Huff
show off one of MMCD's drones.



The MMCD helicopter created quite the buzz on the Capitol Lawn

We have completed MMCD's **Strategic Plan** that will guide the work of the District for the next 3–5 years. The team is excited about what the future holds for us.

We hit a snag in the hiring process for **Business Administrator** after all four of our finalists withdrew their applications. A number of similar positions at other local governments are currently open. Each of these positions offers better salaries and benefits than MMCD. As a result, we raised the salary, added a \$10,000 hiring bonus, and reposted the position. The new posting has generated many more qualified candidates. We are interviewing three finalists this week and hope to bring forward a final candidate for the Executive Committee on May 28.

I am pleased to announce the hiring of our new **Assistant Entomologist**, Mir Bear-Johnson. Mir received her Master's in Epidemiology from the Tulane School of Public Health and Tropical Medicine. She worked in a number of roles including Biologist, Scientific Program Manager, and finally Assistant Manager at Delta Mosquito and Vector Control District in California. She currently works as an Entomologist at Central Life Sciences, one of the companies that sells mosquito control materials.

Andrea Lectka, Supervisor in our Maple Grove facility, and I presented on MMCD at the Minnesota Environmental Health Association annual conference.

In other news, Andrea Lectka, a member of the United States Navy Reserve, was promoted to the rank of Senior Chief Petty Officer. We congratulate Andrea on her promotion and thank her for her continued service in the United States military.

Alex Carlson, Oakdale Regional Operations Manager Josh Madetske and I presented to the Washington County board. We are now setting up regional office visits for Commissioners, legislators and TAB members.

May Operations Update:

Field operations are off to a great start. New seasonal staff have continued to start at MMCD every Monday for the past month. We will be fully staffed—with 205 seasonal employees—by early June. Staff are currently focused on inspecting and treating wetlands. Staff have reported that wetlands have been drier due to the lack of rain and that there are not many larvae at the sites. The recent rains will no doubt change this field assessment.



Field Technician dipping a wetland.



Field Technician treating a wetland
with a backpack.

The drier conditions have resulted in fewer helicopter treatments compared to this time last year. To start the year with the spring brood—which typically occurs from April to early May—we treated 31,000 acres by helicopter. In comparison, during the same time period in 2024, we treated 61,000 acres by helicopter. As of May 16, we have treated 40,018 acres by helicopter this year, including our 30-day pre hatch treatments. Figure 1 shows the total acres treated by helicopter over the last 10 years. We plan to treat an additional 26,000 acres at the end of May when we treat for the cattail mosquito. Additionally, we anticipate a dramatic increase in helicopter work this week in response to recent rains.

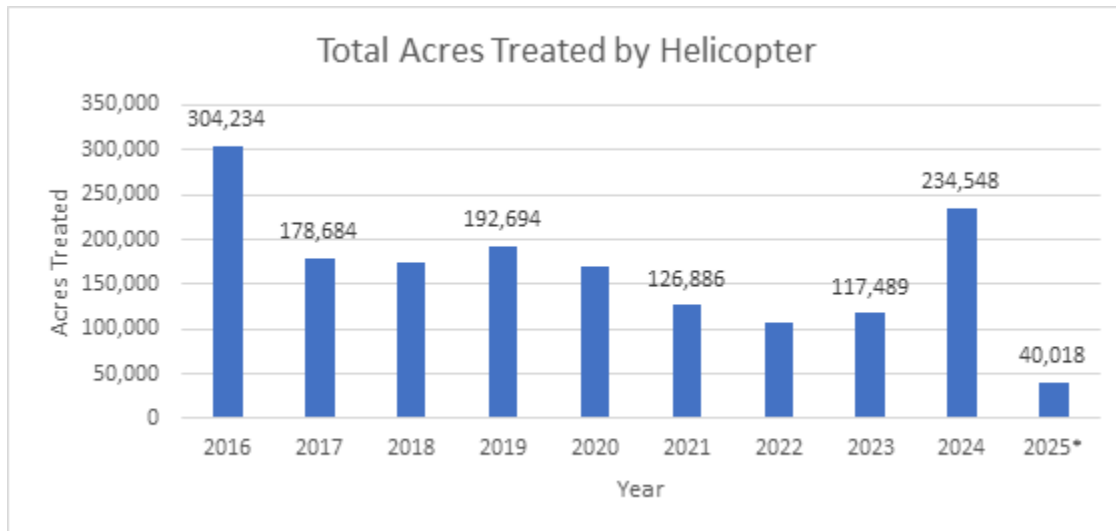


Figure 1. Total acres treated by helicopter per year (*2025 total is through May 16). For the 2025 season, we added five drones, for a total of eight drones treating wetlands—at least one drone is stationed at each of our facilities. Our trained drone pilots have been treating wetlands since April 22. As of May 16, we have treated 1,154 acres. During the same time period in 2024, we treated 174 acres. Figure 2 shows the total acres treated by drone over the last five years.

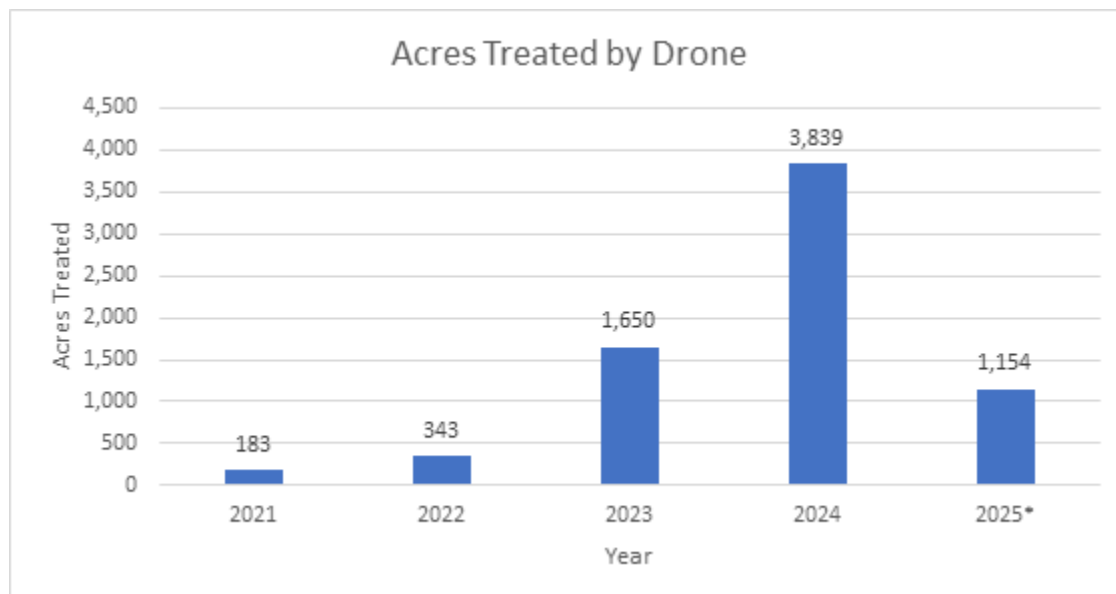


Figure 2. Total acres treated by drone per year (*2025 total is through May 16)

All the helicopter and drone work must also be supported by groundwork which our technicians complete. These treatments occur in the smaller wetlands where helicopter and drone treatments are not feasible. Figure 3 shows the total acres treated by ground over the last five years. As of May 16, we have treated

over 3,835 acres by ground.

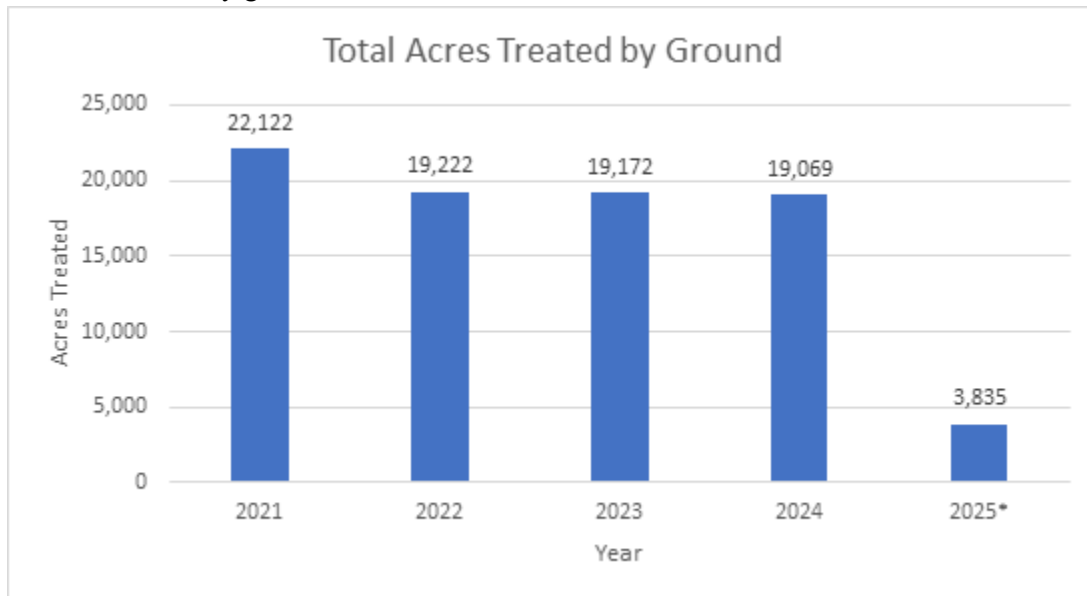


Figure 3. Total acres treated by ground per year (*2025 total is through May 16)

MMCD's new quality assurance program has begun developing evaluation protocols to increase the efficiency of data collection and expand the information available for future control material decisions. Staff have been using a 3D printer to create new tools for catch basin sampling. These dippers will increase the speed of sampling and improve employee safety by reducing the need to remove heavy grates.



Larval sampling requiring removal of catch basin grate

3D printed dipper allows for larval sampling through catch basin grate

Two new seasonal employees and three returning technicians are currently working in the Entomology Lab. Another seasonal employee will start in June. Interviews for the Assistant Entomologist position

have concluded, and the job has been offered to the top candidate out of 56 applicants. When the Assistant Entomologist and final seasonal employee are on board, the lab will be fully staffed with 10 employees processing samples.

Adult mosquito and black fly collections began on May 12. The first week of trapping revealed that the mosquito population is approximately half of the 10-year average for this time of year. So far this season, 4,496 mosquito larvae samples have been collected.

May Public Affairs Update:

Media Stories

MMCD has already been featured in local news media over 30 times this year with stories about the upcoming mosquito season, tick protective measures, the MMCD drone program, and more. Below are a few examples of the recent coverage:

- KSTP Channel 5: <https://kstp.com/kstp-news/top-news/how-one-organization-is-getting-ahead-of-mosquito-season/>
- KARE 11: <https://www.kare11.com/article/news/local/breaking-the-news/drones-have-become-the-latest-weapon-in-the-fight-against-summer-mosquitoes/89-96acef6b-9be1-4c2e-81da-74fbc25eadff>
- WCCO/CBS Minnesota: <https://www.cbsnews.com/minnesota/news/bug-control-spring-in-minnesota/?intcid=CNM-00-10abd1h>
- North Metro TV: <https://www.facebook.com/watch/?v=1391861408895602>



Students learning to dip for mosquito larvae at Linwood Elementary

School and Community Presentations

Staff have been active at local schools and community groups to present about MMCD activity, Integrated Pest Management, and more. Here are some recent and upcoming examples of presentations:

- May 2nd – Alice Smith Elementary (Minnetonka) - 2nd Grade Presentations
- May 9th – Raven Stream Elementary (New Prague) - Outdoors Day for All Grades
- May 12th – Linwood Elementary – 4th Grade Stations, Dipping Demo
- May 13th – MNDOT Retirees Luncheon Presentation
- May 14th – Applewood Pointe in Eagan Presentations
- May 19th – Sonnesyn Elementary (New Hope) – 3rd Grade Stations, Dipping Demo
- May 23rd – Anoka Middle School of the Arts – 7th Grade Presentations
- May 29th – Orono Senior High – 10th Grade Presentations
- May 30th – Mississippi Elementary (Coon Rapids) – 5th Grade Stations
- June 2nd – Groveland Elementary (Minnetonka) - 4th Grade Stations

Weekly Surveillance Updates

Beginning this week, we will be posting weekly black fly and mosquito surveillance maps on the MMCD website. Check out our “Latest News” tab for the most recent update on mosquito and tick numbers, and any other important updates.