Greetings, North Oaks residents.

When I published my campaign website, www.gregpetersonforcouncil.com, I wrote on the My Take page that I favor the unvarnished truth - facts over spin; straightforward over slick; full context over misleading by omission. So you can imagine my concern when I read the endorsement letter F.A.R. recently posted to its website. North Oaks residents deserve better.

I applaud the service of the mayors who served North Oaks long ago, along with the more recent service of Mayor Ries. Each of them deserves our thanks for stepping up to lead the community. And I want to acknowledge that our family owes a very personal debt of gratitude to Mayor Ries, which we will always honor. In the political arena, however, we find ourselves in separate corners as voters weigh competing visions for the future of North Oaks. My comments here are about the record, not about anyone personally.

Some historical context. Mayors Ecklund, Colton, and Watson all served nearly two decades (or more) ago. Messrs. Ecklund and Colton served at a time when roughly one-third of North Oaks residents weren't yet born (see 2020 census). Endorsements from former leaders can carry weight, but North Oaks has changed a great deal since most of these mayors held office. The question before voters is not what worked 20 - 30 years ago, but what North Oaks needs now.

Mayor Ries, with Mr. Watson then a member of the Council, can be credited with asking hard questions about development in the community. Her tenure as mayor, however, coincided with one of the most contentious periods in the City's history: multiple lawsuits, unnecessary costs in city staff time and legal fees, a collapse in the civility of city government, and an admonishment by the judge who presided over the litigation between the City and the North Oaks Company. Just as significant, the collaborative working relationship between the City and NOHOA, a bond essential to the long-term success of North Oaks, deteriorated to the point of locked doors between their

respective offices. For a campaign that claims “the long term wellbeing of North Oaks is at stake,” I fail to understand how Ms. Ries’ endorsement resonates.

Let’s examine each of the claims presented in the endorsement letter.

First, the 5.2% average annual levy increase may be in the ballpark, but F.A.R. presents it without a source. For a campaign that claims to be “data-driven,” it seems residents could reasonably expect the supporting data. In that spirit, so as not to burden you with footnotes here, I will post the sources for my own figures in a follow-up post.

Second, the “huge” tax increase argument lacks context, an omission that stands in stark contrast to F.A.R.’s purported commitment to transparency. Consider the following:

1. **Contract costs drive most of the City’s spending.** The City contracts with the Ramsey County Sheriff’s office for police services and the Lake Johanna Fire Dept. for fire protection. The City has little control over the cost of these services, which comprise about two-thirds of the City’s property tax levy (see City budgets). For 2027, $315,671 of the increased levy of $329,935 - 96% - comes from these two contracts. Yes, we can save costs by establishing a bucket brigade, but I believe North Oaks residents prefer the safety the current Council prudently is providing.

2. **The City’s debt.** Highlighting the City’s debt without context is F.A.R. out of line; I’m disappointed former mayors would sign off on this claim without clarification. The City, which maintains a AAA bond rating due to the current Council’s stewardship, borrowed money at very favorable rates to help build the new Lake Johanna fire station. This isn’t fiscal irresponsibility, it’s the consummate act of a fiduciary - the City - acting to ensure the safety of the community it is charged to protect. Moreover, Mayor Ries and Councilmember Watson expressed no objection to the new station house during their terms, and Mayor Ries voted in favor of the land purchased for the station. Criticizing a debt today for a project each effectively supported historically lacks the candor I expected from former leaders.

3. **Percentages vs. dollars.** F.A.R. cites a 60% increase in the levy since 2023. Even taking that claim at face value, and setting aside the fact that most of the City’s

cost increases are fixed rather than discretionary, a percentage without dollars behind it tells only part of the story. So let's look at the dollars. I examined ours and I encourage you to look at yours. In 2023, the year Mayor Wolter took office, we paid $1,015.18 in City taxes - just shy of 11% of our total tax bill. In 2026, we paid $1,262.20, again about 11% of the total and only **$247.02** more over three years. Over the same period, our home's value increased $107,200 (13.3%), which increased our share of the levy through no action of the Council. For about $82 a year, we enjoy the protection of a dedicated Deputy Sheriff and the safety of a responsive fire department. If this is financial profligacy, then God bless Mayor Wolter and this Council.

4. **Reserve levels are guided by professionals.** Framing the City's surpluses and reserves as "record" implies that the City is holding idle money and somehow shirking its obligation to be good stewards of residents' tax dollars. To the contrary, the reserves are set aside for large, known, one-time costs that are coming within the next few years:

a. **Pleasant Lake**. The crown jewel of North Oaks is plagued with toxic algae and E. coli, resulting in two consecutive years of beach closures. Cleaning up the lake, a goal the whole community shares, is going to cost money.

b. **Public safety volatility**. Next year the sheriff contract rises 7% and the fire contract rises 35%. These costs are set by outside agencies, not the Council, and reserves allow the City to absorb surprises without emergency tax increases.

c. S**ewer infrastructure**. North Oaks has 147 cesspools and nearly 1,300 septic systems. By statutory definition, cesspools are "failed" systems which the MPCA classifies as an "imminent threat" to public safety. Given the age of most septic systems in the community (typical useful life of 30 - 35 years), many will fail in the near future and will need to be replaced. As the City explores its options to meet the environmental and economic challenges of an aging sewage infrastructure, it prudently holds reserves to cover the costs of the planning phase.

d. **Cash flow**. The City receives property taxes in two installments each year. And now that the City is fully developed, it will no longer receive revenue from development projects. Reserves allow the City to meet its expenses throughout the year in a declining revenue environment.

e. **Professional guidance.** The City doesn't set its reserve levels out of thin air. It retained Ehlers & Associates, Inc., a premier municipal financial advisor, to prepare the City's Financial Management Plan. Ehlers projects that a flat levy would result in a depleted General Fund by the end of 2030. It has recommended that reserves not be cut and projects that, with transfers to fire equipment, capital, and utility funds, reserves will settle in over time at roughly the City's policy target of 60 - 70%.

F.A.R.'s endorsement letter states that good government is open government, a position with which we all agree. Where we disagree is on their suggestion that the current Council does not operate transparently. I have addressed this issue on the My Take page of my website as follows:

> "Regular Council meetings are held at 7:00 p.m., when working residents can attend (or watch on the cable access channel or the website portal). Every meeting includes time for residents' comments, in person, online, or by email. Agendas, packets, and detailed minutes are posted on the City website and are available in the City office. Budget and strategy work happens at calendared public sessions, and Council members are an email or a phone call away."

The City Hall question is a good example. When the City's landlord indicated it would not extend the City's lease beyond 2032, the City explored the possibility of constructing its own building on the Southpointe soccer fields. A joint committee comprised of two NOHOA board members and two Council members was created specifically to study the option and to keep the City, NOHOA, and the public **informed**

(the City has since decided to renew its lease). F.A.R.'s claim that the City embarked on a major project "without keeping either residents or NOHOA in the loop" yet again does not match the public record.

Mayor Wolter and the current Council members have worked hard to expand the transparency of city government. In 2020, Mark Azman campaigned for a policy allowing residents to speak on any issue at Council meetings, whether on the agenda or not. Mayor Wolter unlocked the office doors between the City and NOHOA and the two entities are again collaborating. Repeating the transparency charge, as F.A.R. likes to do, does not make it accurate.

We all cherish the natural surroundings we enjoy as residents of North Oaks and few would suggest a course for our community that doesn't preserve them. F.A.R.'s suggestion that North Oaks is on a path to becoming Edina is puzzling. No one, resident or city official, wants to put our community on that track. Preservation, however, is not inconsistent with well-planned, well-executed progress, especially when a failing infrastructure — cesspools within meters of Pleasant Lake, for example — threatens the very assets this community wants to preserve.

I wish the endorsement letter had been prepared with the candor voters deserve and with the same kind of vision that has long inspired this community. Its authors had every opportunity to articulate what F.A.R. stands for and what specific steps it would take if elected. Instead, they flogged the same old dead horse issues that don't match the commendable public record of Mayor Wolter and the current Council. (In two subsequent posts, I will present the accomplishments of the Mayor Wolter, Mark Azman, and the current Council and present again what our slate of candidates stands for.)

The Hill legacy shows the way. The Hill family transformed an oak savanna into a real estate development - thoughtfully, carefully, well-planned, well-executed. It was a radical transformation and a bold embrace of the future, not the past. Let's honor that legacy by

preserving what makes North Oaks special while planning wisely, with open minds, for what lies ahead.

Vote Krista Wolter, Mark Azman, and Greg Peterson to get this done.