

Clay County, Minnesota State of the County Address – 2017

Good morning everyone. It is with great privilege that I present the state of Clay County to my fellow board members, our employees, and the citizens of this great county. We feel the state of Clay County is in a positive position to serve the needs of its citizens.

2016 has been a year with great demands for service. Our jail space needs have increased. Our demand on our juvenile facility has been surpassing our beds available. Our detox facility continues to be full and required extra beds. The out-of-home placement needs of our youth entrusted to Social Services is the highest it's ever been. These and other scenarios are requiring funding demands which place a strain on our County budget and a strain on our tax-paying citizens. To challenge these demands for service we have proactively pursued several solutions in 2016. Our biggest and most visible project is the construction of a new Correctional Facility and Law Enforcement Center. In this past year, we have completed the purchase of 23 homes, demolished those homes, and prepared these lots for construction to begin in 2017.

We have also completed the construction of a new highway/solid waste building constructed on our landfill property south of Hawley which will be utilized for the storage of our equipment. In addition, the Solid Waste Department has progressed on its plan to construct a new transfer station and material recovery building in partnership with the City of Moorhead.

Clay County also hired additional child protection workers in our Social Service Department in an attempt to meet the demand of our out-of-home placement youths. The Juvenile Center has expanded its bed purchase agreements with member counties and has also secured approval for adding two additional beds to help alleviate the overcrowding.

A major initiative to overcome in 2016 was the passage of a County sales tax to help alleviate an increase in property tax due to the construction of the Correctional Facility and Law Enforcement Center.

In the midst of all of its activities the County also conducted a presidential election process. The election process witnessed two of our current County Commissioners: Commissioners Weyland and Gross being reelected. Commissioner Wayne Ingersoll chose not to be run and is being replaced by former City Councilman Jim Haney. With this change I welcome Commissioner Haney to our County Board and wish the very best to Commissioner Ingersoll in his retirement.

Other major events occurring this past year which will assist us in accomplishing our tasks was the bond sale for our construction projects. Clay County has approved a \$10 million bond sale and a \$27 million bond sale this past year.

Another major service function was to extend our already successful drug court to include a progressive veterans court for Clay and Becker Counties. We are very hopeful this will aid our veterans in mitigating issues involved in the court system.

Our work on flood protection for the Fargo-Moorhead area continues with a renewal of our partnership with the Diversion Authority. Much has been done to protect the jobs and infrastructure of the Fargo-Moorhead area; however, we need to continue our involvement and association to assure the economic infrastructure of our community is protected.

Clay County also continues to support a two-year tax abatement program which involves the cooperation of the cities and school districts in Clay County. It appears the tax abatement program has encouraged many new housing starts and is good for the growth of our community.

Last but not least, we have done our work within the confines of our budget. The Minnesota State Auditor's Office presented its report to the County Board reference the year ending on December 31, 2015. In the issuance of this Audit Report, the State Auditor has issued an "unqualified opinion" of the County's financial statements conform to the applicable accounting standards.

The County Board recently adopted the Annual Operating Budget and Tax Levy for the year 2017. The total expenses for 2017 are estimated to be \$76,333,803. The

revenue sources necessary to cover these expenses include \$29.28 million in property tax levy, State aids, numerous grants, services, etc. The property tax represents a 5.96% increase over the 2016 tax levy. The net growth in tax base was a 1.8% increase in property valuations due to new construction.

In closing, the Clay County Board of Commissioners would like to thank our citizens for their continued support and extend a hearty thank you to our staff members who deliver the services which we have grown to expect. Our Board is committed to the delivery of services in an efficient, cost-effective, and professional manner. Please feel free to contact any of the County Commissioners or County Administrator if you would like to share your feedback or suggestions.

Thank you and have a great 2017.
Frank Gross, Chair
Clay County Board of Commissioners