

CLAY COUNTY BOARD OF COMMISSIONERS

Thursday, December 10, 2009

5:45 p.m.

County Board Room – 3rd Floor – Courthouse

M I N U T E S

The Clay County Board of Commissioners met on Thursday, December 10, 2009, at 5:45 p.m. with all commissioners present: Campbell, Evert, Ingersoll, Waller and Weyland.

APPROVAL OF AGENDA

On motion by Evert, seconded by Campbell, and unanimously carried, the agenda was approved as presented.

CITIZENS TO BE HEARD

There were no citizens present to address the Board.

APPROVE PAYMENT OF BILLS AND VOUCHERS

On motion by Campbell, seconded by Weyland, and unanimously carried, the bills and vouchers were approved for payment.

APPROVAL OF FAMILY SERVICE CENTER LEASES WITH LAKES & PRAIRIES

COMMUNITY ACTION AGENCY, INC.

By consent agenda, the Board approved leases for Lakes & Prairies Community Action Agency, Inc., in the Family Service Center as follows: Suite #402 (5273 sq.ft.), Suite #405a (620 sq.ft.), and Suite 403b (202 sq.ft.), \$11.75/sq.ft. for the period 1/1/10-12/31/10.

APPROVAL OF FINAL CONTRACT VOUCHERS FOR CSAH 13 GRADING PROJECT

County Engineer David Overbo requested the Board's approval of the final contract vouchers for the CSAH 13 (50th Avenue South) grading project. Mr. Overbo explained that the original plan was to use the original road bed, but once construction commenced, it was found that the road bed was in bad shape. Unexpected costs included additional borings, subgrade excavation, addition of Geo-Tech fabric, Class 5 overruns, and design changes. The original bid was \$553,918.76 and the final was \$736,793.71. The State Engineer was informed of the issues as the project progressed and has signed off on the final project.

On motion by Evert, seconded by Weyland, and unanimously carried, the Board approved the final contract vouchers for the CSAH 13 Grading project in the amount of \$736,793.71.

PUBLIC INFORMATION AND CITIZEN INPUT: 2010 CLAY COUNTY BUDGET & TAX LEVY;
CLAY COUNTY HOUSING & REDEVELOPMENT AUTHORITY TAX LEVY

Commissioner Waller welcomed the citizens in the audience to the meeting to discuss the 2010 Clay County Board & Tax Levy. He added that concerns regarding valuations should be addressed directly to the County Assessor's office at another time.

County Administrator Vijay Sethi reviewed the handout for the proposed 2010 Budget and Tax Levy which is scheduled to be adopted next week (See Attachment "A"). He noted that the information is specific to the County budget and tax levy only, and the levy for taxes to be collected in 2010 is \$23,264,940. The proposed expenditures by department were reviewed, as well as the County budget history, levy history, and real estate tax projections.

Ms. Dara Lee, Executive Director of the Clay County Housing & Redevelopment Authority (HRA), was present to inform the Board that the HRA has passed the first screening of their application to the Department of Employment and Economic Development (DEED) to extend their grant for rehabilitation funds (\$398,000). A Clay County tax levy of \$100,000 will be used to leverage the \$398,000 from DEED.

Mr. Ken Lucier, Moorhead, inquired as to why there has been such a dramatic increase from 1991 to 2010 in the levy when there has not been a significant increase in levels of service. Mr. Sethi commented that this is due to inflation and various mandates from the State and Federal governments in various areas. Some examples cited were staffing levels at the County Jail, Regional Juvenile Detention Center, and the Detox facility.

Mr. Lucier inquired why \$14 million is held in investments. County Auditor-Treasurer Lori Johnson explained that the County must hold a certain amount in investments for operating funds due to the fact that taxes are paid only twice a year. She also noted that some funds are dedicated for certain purposes (e.g., landfill closure - \$3.7 million) and cannot be used for operating expenses.

Mr. Jeff Jones, Sabin, commented that more and more people are being taxed out of their homes. He added that it is a Catch-22.... your home needs improvement, but if you enhance your home, your taxes increase. He felt it is unfortunate that wages have not increased at the same rate as taxes. Ms. Lee encouraged Mr. Jones to apply for the HRA's home improvement program and noted that income/asset guidelines are different for this program than for other assistance programs.

County Assessor Ryan DeJong explained the evaluation hearing process and elimination of graduated taxable market increases.

Mr. Mike Astrup requested real estate tax projections for the farmland classification. Mr. Astrup inquired how the Commissioners measure the efficiency by which services are delivered. Several items were mentioned: Departmental Goals & Objectives, comparison of cost of government to cost of inflation, citizen comments, condition of roads, Sheriff's Department response time, multi-year plans, expected outcomes for delivery of service, review of past results to make future plans, etc.

COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE

County Administrator Vijay Sethi informed the Board that the Revolving Loan Fund Committee met recently concerning a loan for a potential business in Barnesville. The committee make-up and promotion of the Loan Fund will be discussed at future meetings.

Mr. Sethi informed the Board that Clay County and the City of Moorhead have received \$40,000 in Stimulus Funds for the upgrade and improvement of the back-up Emergency Operations Center in Meeting Room B on 3rd Floor of the Courthouse.

Mr. Sethi requested that a meeting date be set for the Audit/Investment Committee.

Mr. Sethi reported on the AMC General Government Policy Committee meeting which he attended at the AMC Conference. Mr. Sethi also reported on his conversation with

Minnesota Counties Insurance Trust (MCIT) Director regarding MCIT's intention to cancel coverage for Lakes and Prairies Community Action Partnership (LPCAP), and other CAP agencies.

Commissioner Ingersoll attended the AMC Annual Conference.

Commissioner Weyland attended the WesMin R C & D meeting, and reported on the Public Safety Policy Committee meeting he attended at the AMC Annual Conference.

Commissioner Evert attended the Open House at the Highway Department regarding the construction of the Roundabout on Highway 75. He also attended meetings of the Basin Commission, Historical & Cultural Society, Rural Counties Caucus, Extension Committee, MetroCOG, and the AMC Annual Conference.

Commissioner Campbell attended the meetings of the Joint Powers Board, MRCC, and AMC Annual Conference.

Commissioner Waller attended meetings of MetroCOG, Lakes & Prairies Community Action Agency, and the AMC Annual Conference.

The Board congratulated Commissioner Evert on his appointment as AMC President for 2010.

ADJOURN

The meeting adjourned at 7:30 p.m.

Jerry C. Waller, Chair
Clay County Board of Commissioners

Vijay K. Sethi, County Administrator

"A"
**Clay County Budget & Tax Levy Highlights
For 2010 Operating Budget**



**Printed for Public Information & Input
County Board of Commissioners Meeting
Thursday, December 10, 2009**

Clay County Tax Levy

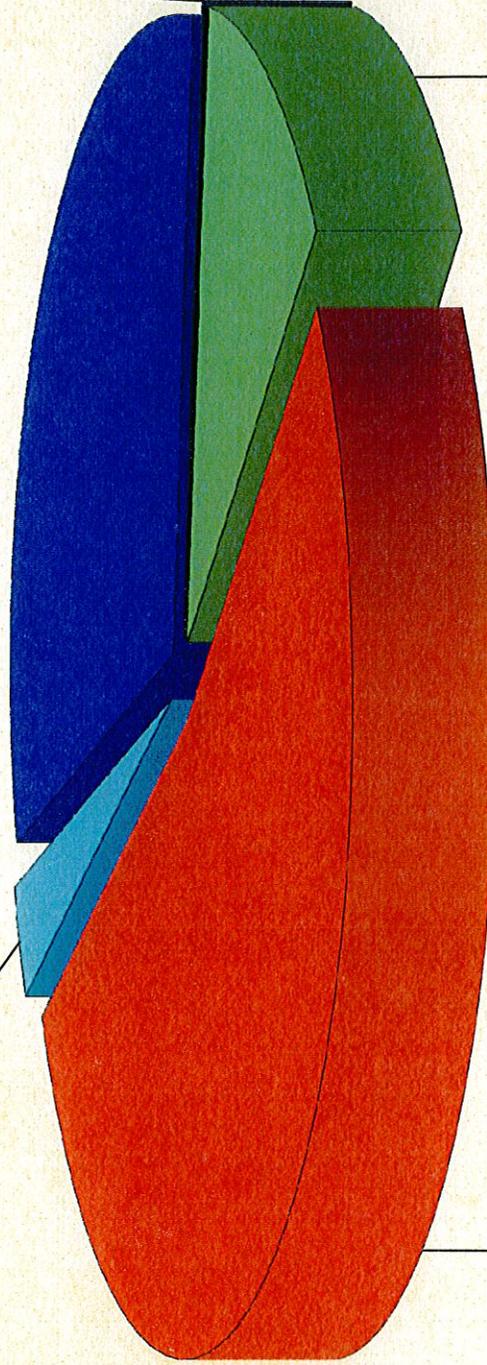
Social services-
\$7,258,566
31.20%

Debt retirement-
\$685,430
2.95%

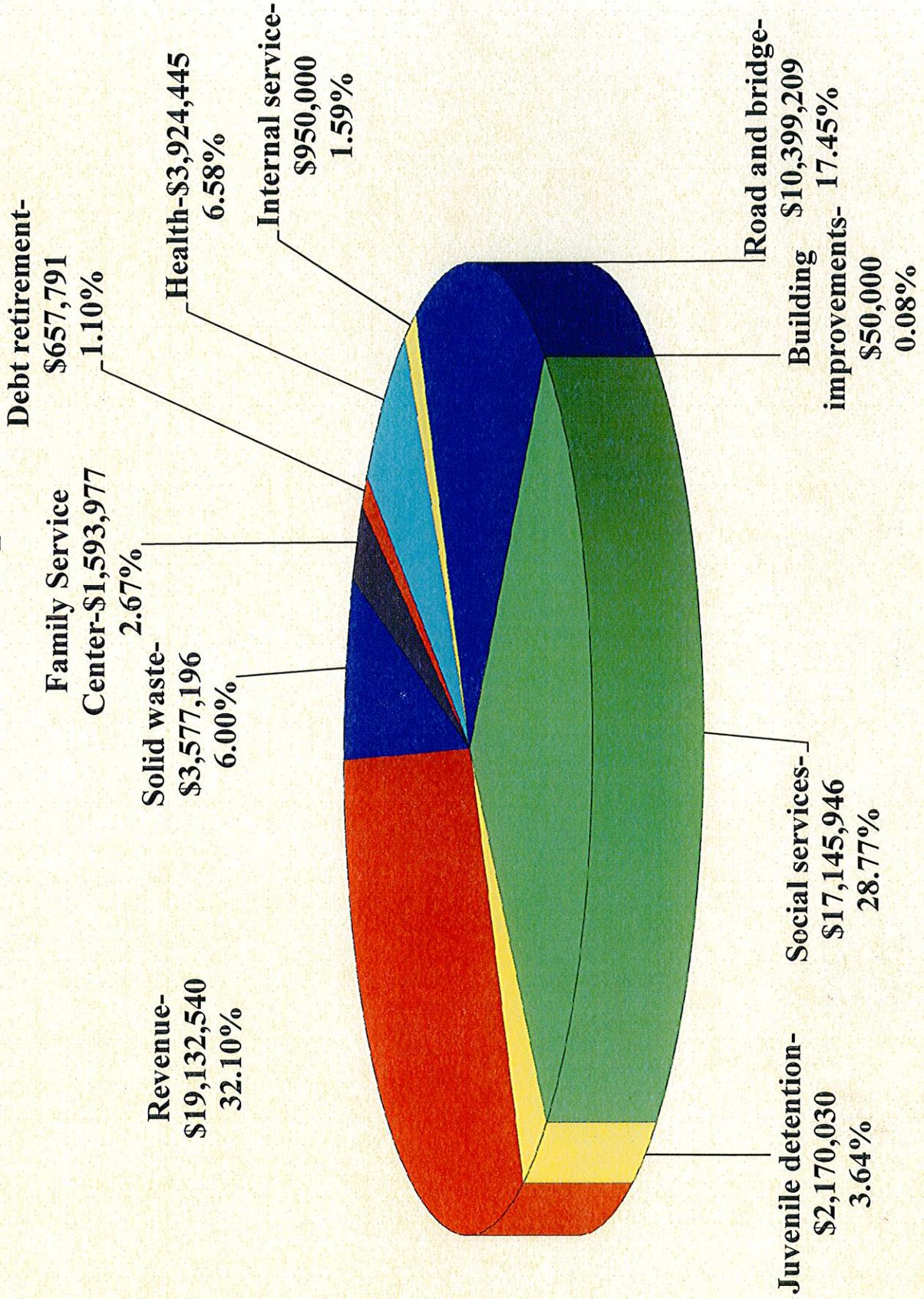
Building
improvements-
\$42,861
0.18%

Road and bridge-
\$2,850,347
12.25%

Revenue-
\$12,427,736
53.42%



Clay County Budgeted Expenditures



Proposed Expenditures by Department

	2009 Budgeted Expenditures	2010 Budgeted Expenditures	%Change
General Revenue			
Board Of County Commissioners	268,166	271,737	1.33%
Court Administrator	30,000	50,000	66.67%
County Public Defender	93,000	93,000	
Law Library	101,395	101,395	
County Administrator	259,867	269,371	3.66%
Auditor	627,674	639,153	1.83%
Motor Vehicle	383,177	389,733	1.71%
Internal Accounting	65,000	85,000	30.77%
Treasurer	167,009	176,018	5.39%
Assessor	361,122	351,753	-2.59%
Personnel	160,183	165,809	3.51%
Data Processing (Information Sys. Mgt.)	860,677	916,452	6.48%
GIS	256,436	277,859	8.35%
Elections	15,855	139,656	780.83%
County Attorney	1,316,195	1,378,107	4.70%
Victim Witness Advocate	79,531	91,528	15.08%
Recorder	455,119	476,137	4.62%
Surveyor	50,000	45,000	-10.00%
Grounds And Buildings	822,572	834,399	1.44%
Veteran's Affairs	143,867	154,401	7.32%
Planning And Zoning	191,699	203,842	6.33%
Environmental Services	172,886	161,856	-6.38%
Law Enforcement (Sheriff)	3,676,208	3,636,281	-1.09%
911	69,733	69,732	0.00%
Narcotics Task Force	39,257	38,985	-0.69%
Medical Examiner	85,727	85,673	-0.06%
Boat And Water	1,896		-100.00%
Corrections	2,607,095	2,671,079	2.45%
Dispatchers	220,223	288,257	30.89%
Juvenile Detention	564,945	634,663	12.34%
Home Monitoring	100,000	75,000	-25.00%
Probation	733,893	649,370	-11.52%
Civil Defense	94,891	95,925	1.09%
Library	224,648	224,648	
Historical Society Appropriations	178,172	178,172	
Humane Society Appropriations	1,500	1,500	
Extension	261,623	231,409	-11.55%
Agricultural Inspection	68,598	75,385	9.89%
International Coalition	1,281	1,281	
Soil Conservation Appropriations	164,317	164,697	0.23%
Public Health	317,313	718,271	126.36%
Metro Council	7,488	10,362	38.38%
Mn Red River Valley Dev Assoc	800	800	
Appropriations - EAC	5,000	3,000	-40.00%
Rural Transit	326,792	273,569	-16.29%
West Central Council On Aging	5,733	5,791	1.01%
West Central Mn Initiative	18,000	19,000	5.56%
Mn Housing Partnership	600	600	
Cultural Diversity Resources	4,699	4,699	
Housing Programs	87,500	87,500	
Unallocated General	1,054,887	1,489,732	41.22%
Unanticipated Expenditures	50,000	50,000	
County Fair Appropriations	22,871	22,955	0.37%
Unemployment Compensation	5,000	5,000	
Appropriations - Northern Lights Work Group C	5,000		-100.00%
Appropriations - Chamber of Commerce	1,309	1,309	
Rural Mn Counties Caucus	2,100	2,100	
Riverkeepers	670	800	19.40%
Western Area City/County Cooperative	5,000	5,000	
Valley Water Rescue	3,658	3,658	
Rural Life Outreach	5,000	5,000	
Senior Coordination Program (LPCAP)	28,037	29,131	3.90%
Total Revenue Fund	17,932,893	19,132,540	6.69%

Proposed Expenditures by Department

	2009 Budgeted Expenditures	2010 Budgeted Expenditures	%Change
Road and Bridge			
Highway Maintenance	2,894,495	3,070,817	6.09%
Highway Construction	5,043,724	5,448,486	8.03%
Highway Administration	545,156	527,454	-3.25%
Highway Equipment Maintenance And Shop	1,315,304	1,352,452	2.82%
Total Road And Bridge	9,798,680	10,399,209	6.13%
Social Services			
Income Maintenance	4,910,207	5,008,869	2.01%
Social Services	12,302,162	12,137,077	-1.34%
Total Social Services	17,212,369	17,145,946	-0.39%
County Building	50,000	50,000	
Juvenile Detention			
24-Bed Secure Facility	1,410,252	1,393,159	-1.21%
12-Bed Non-Secure Facility	766,857	776,871	1.31%
Total Juvenile Detention	2,177,109	2,170,030	-0.33%
Debt Retirement - Law Enforcement Center	176,720	181,365	2.63%
Public Health	3,867,294	3,924,445	1.48%
Solid Waste Management			
Solid Waste Committee	124,716	132,291	6.07%
Composting	38,026	39,654	4.28%
Recycling	402,763	429,371	6.61%
Public Education	10,300	10,300	
Household Hazardous Waste	121,376	128,945	6.24%
Existing Landfill	5,476,942	2,671,324	-51.23%
New Landfill	165,311	165,311	
Total Solid Waste Management	6,339,435	3,577,196	-43.57%
Family Service Center			
Central Services	236,344	228,711	-3.23%
Central Administration	35,244	35,599	1.01%
Internal Accounting	1,500	1,500	
Maintenance	861,997	909,933	5.56%
Unallocated	469,253	418,234	-10.87%
Total Family Service Center	1,604,339	1,593,977	-0.65%
Debt Retirement - Joint Highway Facility	181,820	167,963	-7.62%
Debt Retirement - Courthouse	331,156	308,463	-6.85%
Internal Service Fund	950,000	950,000	

CLAY COUNTY BUDGET HISTORY

	2010	Percent of Total Budget	2009	Percent of Total Budget	2008	Percent of Total Budget	2007	Percent of Total Budget	2006	Percent of Total Budget
Revenues										
Taxes	24,812,190	42.96%	24,014,024	42.59%	23,162,648	41.94%	22,236,719	43.27%	20,440,998	39.41%
Licenses and permits	101,830	0.18%	93,441	0.17%	93,182	0.17%	133,316	0.26%	98,864	0.19%
Intergovernmental	20,251,654	35.07%	21,331,296	37.83%	19,976,039	36.17%	18,035,468	35.09%	21,093,047	40.66%
Charges for services	8,778,222	15.20%	7,373,799	13.08%	7,934,654	14.37%	7,416,472	14.43%	7,233,813	13.95%
Fines and forfeits	6,000	0.01%	6,000	0.01%	6,000	0.01%	6,000	0.01%	5,000	0.01%
Interest on investments	559,500	0.97%	729,500	1.29%	749,296	1.36%	593,500	1.15%	370,500	0.71%
Miscellaneous	2,218,890	3.84%	2,099,935	3.72%	2,565,569	4.65%	1,999,426	3.89%	1,906,943	3.68%
Transfers in	1,023,728	1.77%	740,726	1.31%	736,781	1.33%	973,212	1.89%	723,366	1.39%
Total Budgeted Revenues	57,752,014		56,388,721		55,224,169	0	51,394,113		51,872,531	
Expenditures										
General government	8,754,328	14.93%	8,362,631	14.03%	6,841,020	12.24%	6,238,893	12.12%	5,857,675	11.10%
Public safety	10,291,331	17.55%	10,259,170	17.21%	10,060,044	17.99%	9,464,104	18.38%	9,000,871	17.06%
Highways and streets	10,399,209	17.73%	9,798,680	16.44%	10,306,624	18.43%	8,680,877	16.86%	10,564,895	20.03%
Health	4,086,301	6.97%	3,985,141	6.69%	3,912,624	7.00%	3,519,324	6.83%	3,309,729	6.27%
Social services	17,145,946	29.23%	17,212,369	28.88%	16,575,297	29.64%	15,674,674	30.44%	15,621,606	29.61%
Solid waste	3,577,196	6.10%	6,339,435	10.64%	2,489,107	4.45%	2,017,593	3.92%	2,889,487	5.48%
Culture and recreation	443,750	0.76%	442,656	0.74%	409,661	0.73%	393,166	0.76%	363,248	0.69%
Conservation of natural resources	501,485	0.86%	518,448	0.87%	570,728	1.02%	573,972	1.11%	494,550	0.94%
Economic development	407,131	0.69%	463,292	0.78%	436,221	0.78%	406,379	0.79%	383,788	0.73%
Unallocated	1,362,938	2.32%	813,256	1.36%	770,610	1.38%	755,153	1.47%	811,463	1.54%
Debt service-principal	439,190	0.75%	380,224	0.64%	789,008	1.41%	773,535	1.50%	703,062	1.33%
Debt service-interest	218,601	0.37%	309,472	0.52%	2,015,385	3.60%	2,022,543	3.93%	1,932,466	3.66%
Transfer out	1,023,728	1.75%	716,252	1.20%	736,781	1.32%	973,212	1.89%	817,782	1.55%
Total Budgeted Expenditures	58,651,134		59,601,026		55,913,109		51,493,425		52,750,622	
Total Budgeted Revenues										
Over (Under) Budgeted	(899,120)		(3,212,305)		(688,940)		(99,312)		(878,091)	
Expenditures										

CLAY COUNTY LEVY HISTORY

	PAYABLE YEAR	LEVY	INCREASE	PERCENT
	2010	23,264,940	850,916	3.80%
	2009	22,414,024	1,174,556	5.53%
	2008	21,239,468	1,071,249	5.31%
	2007	20,168,219	1,720,719	9.33%
	2006	18,447,500	1,217,248	7.06%
	2005	17,230,252	(892,826)	-4.93%
	2004	18,123,078	1,222,794	7.24%
	2003	16,900,284	982,420	6.17%
	2002	15,917,864	1,001,694	6.72%
	2001	14,916,170	1,153,084	8.38%
	2000	13,763,086	590,967	4.49%
	1999	13,172,119	457,894	3.60%
	1998	12,714,225	650,752	5.39%
	1997	12,063,473	1,012,501	9.16%
	1996	11,050,972	671,927	6.47%
	1995	10,379,045	1,056,989	11.34%
	1994	9,322,056	431,642	4.86%
	1993	8,890,414	583,453	7.02%
	1992	8,306,961	823,357	11.00%
	1991	7,483,604	1,049,079	16.30%
<u>FUND</u>	2010	2009		
	PROPOSED LEVY	CERTIFIED LEVY	INCREASE	PERCENT
REVENUE	12,235,165	11,710,320	524,845	4.48%
ROAD AND BRIDGE	2,850,347	2,775,754	74,593	2.69%
SOCIAL SERVICES	7,258,566	7,042,776	215,790	3.06%
BUILDING IMPROVEMENT	42,861	42,950	(89)	-0.21%
LIBRARY	192,571	224,648	(32,077)	-14.28%
DEBT RETIREMENT - LE	189,383	158,508	30,875	19.48%
DEBT RETIREMENT - RB	174,261	162,188	12,073	7.44%
DEBT RETIREMENT - Courthouse	321,786	296,880	24,906	8.39%
TOTAL	23,264,940	22,414,024	850,916	3.80%

Real Estate Tax Projections
Based on preliminary levies certified September 2009

	City of Moorhead		City of Barnesville		City of Dilworth		Oakport Township	
	2009	2010	2009	2010	2009	2010	2009	2010
Homestead								
Market Value	85,000.00	85,000.00	85,000.00	85,000.00	85,000.00	85,000.00	85,000.00	85,000.00
Tax Capacity	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00
Tax Capacity rate	125.228%	122.094%	108.193%	104.797%	133.725%	130.324%	103.471%	100.073%
TC Tax	1,064.44	1,037.80	919.64	890.77	1,136.66	1,107.75	879.50	850.62
MV Tax	18.28	18.28	216.28	216.28	114.49	114.49	18.28	18.28
Less Homestead MV Credit	(295.90)	(295.90)	(295.90)	(295.90)	(295.90)	(295.90)	(295.90)	(295.90)
Net tax payable	786.82	760.19	840.02	811.16	955.25	926.34	601.89	573.00
Change		-3.39% (26.64)		-3.44% (28.87)		-3.03% (28.91)		-4.80% (28.88)
Market Value	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Tax Capacity	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Tax Capacity rate	125.228%	122.094%	108.193%	104.797%	133.725%	130.324%	103.471%	100.073%
TC Tax	1,252.28	1,220.94	1,081.93	1,047.97	1,337.25	1,303.24	1,034.71	1,000.73
MV Tax	21.51	21.51	254.45	254.45	134.69	134.69	21.51	21.51
Less Homestead MV Credit	(282.40)	(282.40)	(282.40)	(282.40)	(282.40)	(282.40)	(282.40)	(282.40)
Net tax payable	991.39	960.05	1,053.98	1,020.02	1,189.54	1,155.53	773.82	739.84
Change		-3.16% (31.34)		-3.22% (33.96)		-2.86% (34.01)		-4.39% (33.98)
Market Value	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Tax Capacity	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Tax Capacity rate	125.228%	122.094%	108.193%	104.797%	133.725%	130.324%	103.471%	100.073%
TC Tax	1,878.42	1,831.42	1,622.90	1,571.96	2,005.88	1,954.86	1,552.07	1,501.10
MV Tax	32.27	32.27	381.68	381.68	202.04	202.04	32.27	32.27
Less Homestead MV Credit	(237.40)	(237.40)	(237.40)	(237.40)	(237.40)	(237.40)	(237.40)	(237.40)
Net tax payable	1,673.29	1,626.28	1,767.17	1,716.23	1,970.51	1,919.50	1,346.93	1,295.96
Change		-2.81% (47.00)		-2.88% (50.94)		-2.59% (51.01)		-3.78% (50.97)
Market Value	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
Tax Capacity	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Tax Capacity rate	125.228%	122.094%	108.193%	104.797%	133.725%	130.324%	103.471%	100.073%
TC Tax	2,504.56	2,441.89	2,163.86	2,095.94	2,674.50	2,606.48	2,069.42	2,001.46
MV Tax	43.02	43.02	508.90	508.90	269.38	269.38	43.02	43.02
Less Homestead MV Credit	(192.40)	(192.40)	(192.40)	(192.40)	(192.40)	(192.40)	(192.40)	(192.40)
Net tax payable	2,355.18	2,292.51	2,480.36	2,412.44	2,751.48	2,683.46	1,920.04	1,852.08
Change		-2.66% (62.67)		-2.74% (67.92)		-2.47% (68.02)		-3.54% (67.96)