

CLAY COUNTY BOARD OF COMMISSIONERS

Tuesday, August 31, 2010

8:30 a.m.

County Board Room - 3<sup>rd</sup> Floor – Courthouse

M I N U T E S

The Clay County Board of Commissioners met in regular session on Tuesday, August 31, 2010, with Commissioners Campbell, Evert, and Weyland present. Commissioner Waller arrived at 12:20 p.m. Commissioner Ingersoll was absent.

APPROVAL OF AGENDA

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

APPROVAL OF RIGEL'S, INC. AS A NEW PROVIDER FOR  
HOME & COMMUNITY BASED SERVICES

By consent agenda, the Board approved Rigel's, Inc., Moorhead, MN, as a new provider of Home & Community Based Services.

APPROVE FINAL CONTRACT PAYMENT TO GLADEN CONSTRUCTION, INC.  
FOR CONCRETE BOX CULVERT PROJECTS

By consent agenda, the Board approved the final contract payment to Gladen Construction, Inc., for concrete box culvert projects (SAP 14-599-81, SAP 14-599-82, SAP 14-599-17, and SAP 14-652-06) totaling \$417,522.15.

APPROVAL TO OFFER FOUR NON-ECONOMIC REMNANTS OF PROPERTY  
FOR SALE ALONG CSAH 11

By consent agenda, the Board approved the sale of four non-economic remnants of property along CSAH 11. Due to the change in alignment in the area of the CSAH 11 bridge, these parcels are no longer needed for highway right-of-way. By statute, the County can directly negotiate with the adjacent landowner at the current market value. If the adjacent land owner is not interested in purchasing the property, it will be advertised and sold to the highest bidder.

CITIZENS TO BE HEARD

There were no citizens present who wished to address the Board.

REQUEST FOR ADJUSTMENT IN PROPERTY VALUATION/CLASSIFICATION

Mr. Alton Haugen addressed the Board concerning the classification of his property in Glyndon as non-homestead, the value applied to the mobile home, the taxes which are due for 2008-2010, and the interest and penalty which have accrued. The total owed is \$905.68. Mr. Haugen stated that he is disabled, a veteran, lives on a very limited income, and has experienced significant medical problems. He added that he is selling the property so that he can enter the Veterans home in Lisbon. All taxes must be paid on the property in order to transfer title/move the mobile home.

Ms. Amy McDonnell, Assessor's office, informed the Board that the Homestead applications are mailed in late January each year, with follow-up 2<sup>nd</sup> and 3<sup>rd</sup> notices. Mr. Haugen signed for the certified notice on June 4<sup>th</sup>. Due to the fact that the Homestead application was not returned timely, the Non-Homestead classification was applied. Ms. McDonnell stated that the difference between a Homestead classification and a Non-Homestead classification for the subject property would be approximately \$100. Mr. Haugen indicated that he couldn't get in to the Courthouse because he was hospitalized and had numerous medical issues.

Commissioner Campbell commented that the County Board has limited authority regarding the classification of property.

On motion by Evert, seconded by Weyland, and unanimously carried, the Board agreed to waive the penalty and interest (\$139.68) in the above described matter due to the medical issues experienced by Mr. Haugen, if the taxes are paid in full September 1, 2010.

#### REQUEST FOR APPROVAL OF FEE IMPLEMENTATION – ASSESSOR'S OFFICE

County Assessor Ryan DeJong requested the Board's authorization to implement fees for those services his office performs which are over and above the normal activities. He estimated that \$400 would be generated annually by implementing the fees. Mr. DeJong informed the Board that he has gathered information from neighboring counties in making the suggestions listed below:

Fax: \$3.00 + fee for field card (\$1.00 per parcel)

Tax Estimates: \$10.00 per written estimate

Tax Splits: \$20.00 per split, plus \$20 'rush' fee

On motion by Weyland, seconded by Evert, and unanimously carried, the Board approved the above mentioned fees to be charged by the Assessor's Office, to be implemented effective October 1, 2010 to allow adequate time to notify the banks, realtors, etc.

#### REVIEW REVENUE/EXPENDITURE REPORT THROUGH JULY, 2010

County Administrator Vijay Sethi presented the Revenue/Expenditure report calculated through July, 2010. He reported that there is nothing out of the ordinary at this point of the year (58% of the year), with expenditures at 53% and revenues at 49% countywide.

Mr. Sethi reported that the Other Professional Services line item in Court Administration is at \$45,300 of the \$50,000 budgeted (for assessment of sex offenders).

The Other Professional Services in the Restorative Justice area was over budget due to a symposium which Clay County hosted. The speaker's expenses for the symposium will be reimbursed by the Collaborative.

The Labor Negotiations line item is at \$58,640 of the \$55,000 budgeted. This line item will be increased to \$70,000 for 2011, due to the increased number of bargaining units.

A line item has been developed for the F-M Metropolitan Flood Study expenses (which up to this point have been paid from reserves - \$162,500).

Social Services Director Rhonda Porter reviewed the year to date revenues and expenditures for the Social Services department, noting that overall the revenues are at 46% of budget, and the expenditures are at 50%.

### 2011 BUDGET REVIEW

County Administrator Vijay Sethi continued a review of the proposed 2011 budget by noting that there are several issues yet to be resolved, that being potential cost of living adjustments, discussion regarding the fund balances, levy scenarios, and how the Board will handle any cuts the State may make during 2011.

With respect to the Extension budget, \$1200 which had been charged to travel will now be charged to the Commissioner's travel budget as it was for Commissioner Evert's attendance at AMC Extension meetings. A request to replace a copier has been left in the budget, and, in the future, replacement dollars will be included in the Internal Service Fund.

A request for a full time Administrative Assistant for the Highway Department has been removed from the budget. \$4500 has been included for part time salaries.

With respect to External Agency funding, it was felt that consistency is needed in the Revenue funded agencies and the Social Services contract agencies.

Social Services Director Rhonda Porter stated that in the Social Services budget, a 2% increase was included for the contracted agencies. If that increase is removed, a savings of \$15,488 is achieved. Ms. Porter indicated that she would like to leave in an increase for the Lutheran Social Services' Guardianship program, which would reduce the savings to \$12,680.

Ms. Porter commented that with respect to the vacant positions in Social Services, she would like to leave the funding in the budget to make sure the redistribution of duties works out as planned. She added that the Social Worker position generates revenue to pay for the position.

Mr. Sethi commented that funds to fill a vacant deputy position are included in the budget. He reminded the Board that another Deputy vacancy will occur this fall due to a promotion.

The County Attorney's office has a legal secretary vacancy, as well as two part time Assistant County Attorney positions.

Mr. Sethi felt it is important to leave in the funding for the Administrative Assistant position in the Veterans Service. This position is currently funded through May, 2011 with grant funds.

\$500,000 is included in the Highway Department budget for the Internal Service Fund to continue to build the account balance.

\$2500 is included in the Emergency Services budget for the addition of the CodeRED Weather Alert option.

The Board discussed the fact that the County is required to publish various items in the official County newspaper. For many years, the Board has directed that publishing take place in the *Forum* as well, because it is the newspaper with the greatest local readership. The Board was comfortable with continuing this practice.

Several items are not included in the budget but are likely to require funding in 2011: F-M Metropolitan Flood Study, American Crystal Sugar litigation, Jail Planning, third (final) year of Clay County's share of local match for the CAD/RMS grant, etc.

The Board discussed scenarios for the 2011 proposed Tax Levy: Scenario A which is 'bare bones' (1.56%), and Scenario B which includes a cushion (\$671,000) to account for unallotments which are likely to occur during the year (4.45%). The Board acknowledged that the new construction growth is estimated at 2%.

The Board agreed that some funds should be included for potential unallotments, possible expenses for further study of the FM Metro Flood Diversion (\$50,000), and possible cost of living adjustments (approximately \$390,000).

Commissioner Campbell suggested using some of the revenue over expenses in the Fund Balance which has accrued over the last few years. County Auditor-Treasurer Lori Johnson stated that Clay County is not at the fund balance level recommended by the State Auditor, even if the Internal Service funds are included in the calculation. Commissioner Campbell felt the County can't keep going back to the citizens to cover the potential cuts the State may make.

Mr. Sethi reviewed a list of potential steps to address further reductions if/when they are forthcoming in 2011 following the legislative session:

1. Do not fill vacant positions.
2. Assign indirect Central Administration and Auditing/Accounting costs to the Solid Waste Fund.
3. Consider increases in service fees. Potential areas would include:
  - Onsite Sewage
  - Water Lab Testing
  - Food Beverage & Lodging (FBL)
  - Assessor's Office
  - Feed Lot Inspections
  - Maps/Products produced by the GIS Department
  - Planning & Zoning (Building Permits, Conditional Use Permits, Platted & Single Lot Subdivisions, Petition to Rezone, etc.)
4. Continuation of Voluntary Furloughs.
5. Reinstate Early Retirement Incentives.
6. Proportional cuts in the departmental budgets and external agency appropriations (funded with Revenue fund as well as Social Services).
7. Use of fund balances with option to levy back the reduced/unallotted amounts of County Program Aid and Market Value Credit in 2012.
8. Mandatory Furloughs.
9. Service Reduction and Staff cuts.

#### RECESS/RECONVENE

The meeting recessed at 11:20 a.m. and reconvened at 12:20 p.m. Commissioner Waller arrived at 12:20 p.m.

#### 2011 BUDGET DISCUSSION CONTINUED

The Board continued discussion regarding the possibility of granting cost of living adjustments or a flat rate cost of living stipend to non-union employees, acknowledging that the Board would have until the end of the year to make that decision.

Commissioner Waller felt a 4.45% spread levy increase is realistic. The Board agreed that if litigation costs are high or funds are required for the campus flood mitigation project, they will have to come from reserves.

Commissioner Waller stated that he views the Veterans Service Office request for an Administrative Assistant as a 'new request'. Mr. Sethi stated that the position was approved by the County Board a few years ago, and the Veterans Service Officer subsequently secured temporary grant funds for the position. Mr. Sethi felt the Administrative Assistant performs duties that the volunteers are not qualified to do.

The amended Detox budget of \$599,067 was reviewed. The Social Service contract with Detox comprises \$491,367 of this budget. Commissioner Weyland indicated that the program is being reviewed for possible increases in revenue and/or reductions in expenses.

The 2009 Fund Balances were reviewed:

- Revenue - \$8,128,939
- Road & Bridge - (\$222,042)
- Welfare - \$3,002,422
- Building - \$26,352
- Internal Service - \$5,129,373
- Public Health - \$1,097,688
- Solid Waste - \$9,578,887
- Family Service Center - \$1,373,723
- Juvenile Detention - \$881,423

Commissioner Campbell indicated his support of the spread levy scenario which leaves funds in the budget to cover cost of living adjustments (COLA), Metro Flood Study costs, and unallotments which are unknown at this time. Commissioner Campbell stated that if a cost of living adjustment was approved as a part of the budget, salary adjustments (COLA) for union employees will be subject to negotiations with respective bargaining units.

Commissioner Waller stated his belief that the State will cut at least \$671,000, and further cuts may require the County to cut personnel and services. He requested research concerning a flat rate cost of living adjustment vs. an increase to the salary grid.

Commissioner Evert was comfortable with a 4.45% spread levy increase.

#### APPROVAL OF BILLS AND VOUCHERS

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

#### COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE

Commissioner Evert attended the Board of Water & Soil Resources tour, Barnesville Potato Days, and meetings of Joint Powers and Family Healthcare. He informed the Board that his nine year term on the Family Healthcare Board will expire this year. Commissioner Evert reminded the Board of the Transportation Alliance meeting Wednesday, September 1<sup>st</sup> at the Hjemkomst Center.

Commissioner Waller has been involved in the interview process for the new President of the Greater F-M Economic Development Corporation. He also met with City of Dilworth officials to introduce new County Administrator Brian Berg.

Commissioner Campbell attended meetings of the Oakport Joint Powers Board and the Metro Flood Study Group with Congressmen Peterson, Pomeroy and Oberstar.

County Administrator Brian Berg informed the Board that he attended the Board of Water & Soil Resources tour, visited with City of Dilworth officials, toured the Red River Regional Dispatch Center, and met with MetroCOG officials. He received an update from the Sheriff's department concerning the radio communications systems.

ADJOURN

The meeting adjourned at 1:50 p.m.

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Kevin L. Campbell, Chair

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Vijay K. Sethi, County Administrator