

**RECESSED MEETING OF CASS COUNTY BOARD OF COMMISSIONERS
MEETING IN BUDGET SESSION
AUGUST 16, 2016**

1. MEETING CALLED TO ORDER

Chairwoman Mary Scherling reconvened the budget meeting at 8:15 AM on Tuesday, August 16, 2016, with all members present as follows: Ken Pawluk, Arland Rasmussen, Rick Steen, Chad M. Peterson, and Mary Scherling. Also present were County Auditor Michael Montplaisir; County Administrator Keith Berndt; and Accountants Mary Matheson and Sarah Heinle.

2. WEED CONTROL

Stan Wolf, Weed Control Officer, gave an overview of his department budget. The Weed Board is requesting to reduce the mill levy from 1.80 mills to 1.45 mills for 2017, which should slowly reduce the cash reserve balance.

The line item for the Landowner Assistance Program has been cut in half to \$10,000 to more accurately reflect the actual usage of the program.

There are no equipment needs this year as a new sprayer was purchased last year.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the 2017 preliminary budget for Cass County Weed Control as presented. On roll call vote, the motion carried unanimously.

3. EXTENSION SERVICES

Rita Ussatis, Interim Extension Services Director, was present and said the request for 2017 is \$537,043.

Ms. Ussatis went over the cost share between the county and the state for employee wages and benefits and various other line items.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to approve the 2017 preliminary budget for Extension Services as presented. On roll call vote, the motion carried unanimously.

4. INTERNAL SERVICES

Mr. Montplaisir said the various internal services funds are self-balancing as each department is charged for the services it uses.

MOTION, passed

Mr. Rasmussen moved and Mr. Peterson seconded to approve the 2017 preliminary budget for Internal Services as presented, which includes the Health Insurance Trust Fund, Telephone Trust Fund, Motor Pool Fund, and Dental Insurance Trust Fund. On roll call vote, the motion carried unanimously.

5. STATE'S ATTORNEY

Birch Burdick, State's Attorney, was present to discuss the preliminary 2017 budget for the State's Attorney Office. Mr. Burdick said the computer equipment line item is \$28,000 this year as all of the attorneys' laptops will be replaced. The laptops need to be compatible and correctly configured to work with the equipment in the courtrooms and the various types of electronic files that are used in court proceedings. There have been issues with this matter in the past, and Mr. Burdick has found that upgrading the attorney computers on a piecemeal basis has not been an effective solution.

Mr. Burdick said the State's Attorney Asset Forfeiture Fund shows a significant decrease in the projected revenues this year due to Mr. Burdick voluntarily cutting the percentage of proceeds his department receives in order to increase the percentages of funds local law enforcement agencies receive.

Mr. Pawluk asked if Mr. Burdick could purchase the computers for his attorney staff with funds from asset forfeitures. Mr. Burdick said the use of asset forfeiture funds is complicated; funds must be used for drug-related expenses and not to supplant the regular budget. Mr. Burdick has sought clarity on the matter in the past and continues to seek out definitive guidance on the matter.

Mr. Rasmussen asked if Mr. Burdick could use Asset Forfeiture Funds to help cover the cost of a body scanner at the Cass County Jail as it may be used to detect drugs. Mr. Burdick said it appears that the body scanner will directly benefit law enforcement; however, he finds it prudent to obtain definitive guidance on the use of the funds before committing them.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the 2017 preliminary budget for the State's Attorney Office and Asset Forfeiture Fund as presented.

Discussion: Mr. Steen asked if the attorney computer purchase will affect the computer rotation schedule for the department. Mr. Schmaltz said it will not affect the county-wide rotation schedule. On roll call vote, the motion carried unanimously.

6. VETERAN'S SERVICE

Dan Thorstad, Veteran's Service Director, was present. He said the budget request for 2017 is \$295,398 and does not contain any substantial increases. Mr. Thorstad said he intends to ask for another full-time employee during next year's budgeting session as there has been a steady increase in caseloads.

Mr. Thorstad said the purchase of new furniture for the office was put on hold due to budget cuts. This causes a hardship for the office as the space is very small. He is concerned with the lack of a handicapped accessible door, which is needed by the majority of clients.

Mrs. Scherling said perhaps the office would be better served if it were located on the main level of the Courthouse. Mr. Thorstad said that would be an ideal location.

Mr. Pawluk suggested the Veteran's Service Office be added to the space study and that Mr. Thorstad work with Mr. Berndt to identify all the needs the office requires to fully serve its clients.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the 2017 preliminary budget for Veteran's Service as presented. On roll call vote, the motion carried unanimously.

7. COUNTY CORONER

Dr. John Baird was present to discuss the 2017 budget request for the County Coroner. The office has been functioning very well in its new space as the number and complexity of calls continues to increase each year.

Dr. Baird said the budget request for 2017 is \$272,338, which is a \$22,000 decrease from the adjusted 2016 budget. Dr. Baird believes this level of budget will be sustainable going forward.

Mr. Peterson said he does not see a rental expense for office space on the budget. Mr. Berndt said the office does not have a rent fee, but the county will pay for utilities on a prorated basis.

Mr. Peterson asked about the necessity for morgue instruments. Dr. Baird said a small cache of equipment must be available in the event that a pathologist needs to use the space during an emergency situation.

MOTION, passed

Mr. Rasmussen moved and Mr. Steen seconded to approve the 2017 preliminary budget for the County Coroner as presented. On roll call vote, the motion carried unanimously.

8. MAPLE RIVER WATER RESOURCE DISTRICT

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to approve the 2017 preliminary budget for the Maple River Water Resource District as presented. On roll call vote, the motion carried unanimously.

Mr. Pawluk said in the future the Water Resource Districts' reserves should be studied as perhaps the minimum balances are too high.

9. GREATER FARGO MOORHEAD ECONOMIC DEVELOPMENT CORPORATION

Jim Gartin, President of the Greater Fargo Moorhead Economic Development Corporation (GFMEDC), was present. The request for 2017 is one mill, which will generate about \$755,000. Mr. Gartin gave a synopsis of activities and program updates for the past year and program plans and goals for 2017.

Mr. Steen said it appears that contributions from other entities have stayed relatively static, and the gross majority of the budget increase for 2017 will come from Cass County. Mr. Gartin said due to the agricultural-related market downturn, there is not a significant increase in investor income.

Mr. Montplaisir said several years ago the county began funding the GFMEDC at 1.00 mill with a friendly agreement amongst other entities that they would not contribute much as the county contribution would suffice for the tax base.

Mr. Peterson said he would like to see the income stream diversified with more buy-in from entities that have seen the most benefit. Mr. Peterson suggested to cut funding to a .75 mill levy, which would generate \$566,000, and rely on the ample reserve fund for shortfalls. Mr. Peterson hopes that going forward the funding burden is shared amongst more entities.

MOTION, passed

Mr. Steen moved and Mr. Peterson seconded to approve the 2017 preliminary budget for the GFMEDC at \$566,000. On roll call vote, the motion carried unanimously.

10. VALLEY SENIOR SERVICES, CASS COUNTY COUNCIL ON AGING

Brian Arett, Executive Director of Valley Senior Services, was present. The 2017 budget request from Cass County is \$1.1 million compared to \$1 million approved last year. The senior population continues to increase rapidly in the metro area, with services for home delivered meals and transportation increasing significantly over the past three years.

Betty Gibbons, Treasurer of Cass County Rural Council on Aging, was present. The request for 2017 is \$107,790 compared to \$103,589 approved last year. The funding will assist with utilities, rent, and meals for 13 senior clubs.

Mr. Montplaisir said the budget is based on an equivalent of one mill per state law, which is matched by the state. If the one mill is not levied by the commission, the county loses the matching funds from the state.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to approve the 2017 preliminary budget for Valley Senior Services at one mill as presented, and to restrict the revenue to remain in this fund to use for operations of Valley Senior Services; and to approve the 2017 preliminary budget for Cass County Council on Aging as presented, and to restrict the revenue to remain in this fund to use for operations of Cass County Council on Aging. On roll call vote, the motion carried unanimously.

11. BREAK

The Commission took a break at 10:20 AM and reconvened at 10:35 AM.

12. SOCIAL SERVICES

Chip Ammerman, Social Services Director, and other Social Services staff were present.

Mr. Ammerman said the Social Services department is responsible for providing services to the vulnerable population. Mr. Ammerman reviewed the Social Services preliminary budget for 2017 and outlined areas of increase and decrease. He also reviewed staffing trends and caseloads per division.

Mr. Ammerman said there has been a dramatic increase in caseloads in the Legal Services Division, which has resulted in cases not being pursued in court. The State's Attorney Office is able to assist in some areas, but legal services for child welfare is a specialty area. Mr. Ammerman is requesting a .5 Senior Attorney position.

Mr. Ammerman said Adult Protection Services is a mandated state program in which 95% of cases are Cass County residents. The state has cut funding for the current contract, which runs from July 2016 through June 2017; consequently, \$125,999 must come from the Social Services budget to cover the expense of the program.

Mr. Ammerman said he included a new .5 position in Foster Care Licensing in his original budget as there is a need for additional staff in that area. On further review, he decided to cut the request in order to balance the budget. Mr. Peterson said he would have advocated for this position as he believes it would ultimately result in a lesser burden on other resources.

Mr. Ammerman said due to multiple factors stemming from increased caseloads, he is requesting three new positions in the Economic Assistance Division to begin in January, and an additional position to potentially be added beginning in July if the need exists. Mr. Ammerman is also requesting one additional support staff position in Economic Assistance.

MOTION, failed

Mr. Rasmussen moved and Mr. Steen seconded to approve the 2017 preliminary budget for Social Services as presented, with the addition of a .5 position in Foster Care Licensing. Discussion: Mr. Peterson said he is reluctant to support all of the requested staff positions in addition to the overtime budget, which should theoretically be eliminated with the addition of staff. Mr. Peterson supports the addition of two Economic Assistance staff, one Economic Assistance support staff, one .5 Senior Attorney, and one .5 Foster Care employee. Mr. Ammerman said the addition of two employees to Economic Assistance as opposed to four will not have a significant level of impact on the overtime budget. Mr. Steen called for the question. On roll vote, the motion failed with Mr. Rasmussen and Mr. Steen voting "Yes"; Mr. Pawluk, Mrs. Scherling, and Mr. Peterson voting "No".

Mr. Pawluk said Adult Protection Services is a very important service; however, it is an obligation of the state, which the county is not being properly compensated for. The county could continue funding the program through June of 2017; thereafter, the state will need to step in to fulfill its responsibility for the program. Mr. Peterson believes the state will make a decision to continue to fund the program.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to adjust the 2017 preliminary budget for Social Services to fund Adult Protection Services through June 30, 2017. On roll call vote, the motion carried unanimously.

There was discussion on the additional staff requests and the potential impact on the overtime budget.

MOTION, passed

Mr. Peterson moved and Mr. Pawluk seconded to approve the addition of a .5 Senior Attorney position, a .5 Foster Care Licensing position, two Economic Assistance positions, and one Economic Assistance support position, with the stipulation that an attempt be made to limit overtime usage. Discussion: Mr. Steen said he would prefer if all requested staff would be approved, but he will support the motion. On roll call vote, the motion carried unanimously.

MOTION, passed

Mr. Rasmussen moved and Mr. Steen seconded to approve the 2017 preliminary budget for Social Services as previously amended. Discussion: Mr. Pawluk asked if the overtime budget should be reduced to reflect Mr. Peterson's wishes that less overtime be used due to the addition of new staff. Mr. Peterson said he would like to see approximately half of the overtime budget used as a gesture of good faith, but he did not intend for the overtime budget to be cut. There was discussion on the effect to state funding if the expenditure budget is cut too drastically.

AMENDED MOTION, failed for lack of a second

Mr. Pawluk moved to amend the previous motion to reduce the overtime budget by \$50,000. The motion died due to lack of a second.

On roll call vote, the original motion carried with Mr. Peterson, Mr. Steen, and Mr. Rasmussen voting "Yes"; Mr. Pawluk and Mrs. Scherling voting "No".

13. RECESS FOR LUNCH

The Commission recessed for lunch at 12:15 PM.

14. RECONVENE

The meeting reconvened at 1:03 PM for further budget review with all commissioners present.

15. ROAD DEPARTMENT

Jason Benson, Cass County Engineer, was present to give an overview of the Highway Department budget for 2017. Also present was Rich Sieg, Highway Superintendent and Tom Soucy, Assistant County Engineer. Mr. Benson said increased revenues and expenditures are the result of additional 2015-2016 biennium funding from the state legislature. The 2017 budget request is \$19.1 million compared to \$20.3 million in 2016. He reviewed road construction and bridge projects for 2017 with the board.

Mr. Pawluk said the board needs to make additional cuts to budgets in order to meet the zero number of mills formula. He suggested a reduction of \$400,000 to the gravel stabilization line item and a reduction of \$400,000 from the bridge construction line item. He said the county engineer can best

determine which bridge projects may be delayed for one year. Mr. Benson expressed some concern regarding the decrease to the Highway Fund mill levy the past few years.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to remove \$400,000 from the gravel stabilization line item and \$400,000 from the bridge construction line item: Discussion: Mr. Steen asked if these cuts will affect the state funding received by county. Mr. Benson said state funding will not be affected. On roll call vote, the motion carried unanimously.

Mr. Benson said the budget includes \$80,000 for a parking lot extension at the Highway Department. The current lot does not accommodate the part-time staff that work for the Highway Department and Vector Control in the summer. The cost is split evenly between the Highway and Vector Control budgets. There was discussion about constructing a temporary lot and paving the area at a later date. Mr. Benson said the Highway Department staff could do the work themselves and use asphalt millings already on hand for the lot.

Mr. Benson reviewed heavy equipment purchases totaling \$674,000 which include \$450,000 for two tandem axle trucks with snow equipment; \$30,000 for GPS tracking system upgrade; \$75,000 for one 50-ton equipment trailer; and dollars for one ¾ ton pickup, one sign pickup truck, one landscape leveler, laser grading system, one Bobcat mower attachment and one 7-ton utility trailer. The board discussed the rotation of vehicles and equipment to help determine which ones could possibly be postponed this year. Mr. Sieg said the tandem axle trucks are a priority, and he would choose to keep both trucks and eliminate other pieces of equipment.

MOTION, passed

Mr. Pawluk moved and Mr. Rasmussen seconded to reduce the parking lot expansion line item from \$80,000 to \$25,000. On roll call vote, the motion carried unanimously.

MOTION, passed

Mr. Peterson moved and Mr. Pawluk seconded to remove one tandem axle truck for \$225,000 and one 50-ton trailer for \$75,000. On roll call vote, the motion carried with Mr. Peterson, Mr. Pawluk, Mr. Rasmussen and Mrs. Scherling voting “Yes” and Mr. Steen voting “No”.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to approve the 2017 preliminary budget for the Road and Bridge Fund as amended, and to restrict the revenue to remain in this fund to use for road and bridge operations and projects. Discussion: Mr. Benson said if there is any carryover of funds from this year, in February he may request the board consider authorization to purchase some of the items that were cut from the 2017 budget. On roll call vote, the motion carried unanimously.

16. VECTOR CONTROL

Ben Prather, Vector Control Director, was present. He said the 2017 budget request of \$1.1 million is similar to last year, with a majority of the costs attributed to employee salaries, pesticides, equipment and aerial spraying. Revenues for the program are received through one mill levied for Vector Control and from contracted services provided to cities and other organizations. The budget includes the purchase of three light duty pickup trucks, one crew cab truck, two side-by-side off highway vehicles (OHVs), and \$80,000 for construction of a parking lot addition at the Highway Department.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to reduce the parking lot expansion line item from \$80,000 to \$25,000, approve the 2017 preliminary

budget as amended for the Vector Control Fund, and to restrict the vector revenue to remain in this fund to use for vector control operations. Discussion: Mr. Peterson asked if the cost for one of the full-size trucks could be paid with reserve funds. Mr. Montplaisir said this can be done through a budget adjustment. On roll call vote, the motion carried unanimously.

17. PLANNING DEPARTMENT

Hali Durand, County Planner, presented the budget for the Planning Department. The 2017 budget request is \$108,755 compared to \$93,323 approved last year. Ms. Durand said the increase is due to a payroll step increase for her position and funds to work with MetroCOG to update the Cass County Comprehensive Plan.

MOTION, passed

Mr. Steen moved and Mr. Peterson seconded to approve the 2017 preliminary budget for the Planning Department as presented. On roll call vote, the motion carried unanimously.

18. HOMEWARD ANIMAL SHELTER

Nukhet Hendricks, Director of the Homeward Animal Shelter (formerly known as the F-M Humane Society), was present. Their organization is requesting \$5,000 for 2017 compared to \$3,000 approved last year. She briefly reviewed the different services provided by their organization.

MOTION, passed

Mr. Steen moved and Mr. Rasmussen seconded to approve the 2017 preliminary budget for Homeward Animal Shelter as presented. Discussion: Mr. Pawluk supports the services provided by the Homeward Animal Shelter, but with the other cuts that have been made to budgets, he is not able to support the increase. On roll call vote, the motion carried with Mr. Steen, Mr. Rasmussen, Mrs. Scherling and Mr. Peterson voting “Yes” and Mr. Pawluk voting “No”.

19. RURAL CASS COUNTY AMBULANCE & RESCUE ASSOCIATION

Jim Jager, President of the Rural Ambulance Association, was present along with members of other rural ambulance agencies to discuss the budget for 2017. The request is \$195,000 for emergency medical services and \$5,000 designated for the Mass Casualty Incident Truck, which is the same as last year.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to approve the 2017 preliminary budget for the Rural Ambulance Association as presented. On roll call vote, the motion carried unanimously.

20. BREAK

The Commission took a break at 2:36 PM and reconvened at 2:46 PM.

21. LAKE AGASSIZ REGIONAL COUNCIL

Amber Metz, Executive Director of Lake Agassiz Regional Council (LARC), was present. The 2017 preliminary budget request is \$16,500, which is the same as last year. County funds cover the non-federal match for general administrative agency costs and economic development. The LARC also administers the flood buyouts for the county.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the 2017 preliminary budget for Lake Agassiz Regional Council as presented. On roll call vote, the motion carried unanimously.

22. RECESS

The Commission recessed the meeting at 2:50 PM to hold a County Park Board meeting.

23. COUNTY PARK

The County Park Board met at 2:51 PM and approved the 2017 budget request. The board adjourned at 3:16 PM.

24. RECONVENE

The Commission reconvened at 3:16 PM to review additional budgets.

25. MISCELLEANOUS COUNTY FUNDSDebt Service Fund

Mr. Montplaisir briefly discussed the Debt Service Fund for Greyhawk Estates Subdivision, Grandberg/Amber Plains Subdivision, and the Courthouse West Addition Bond Fund.

MOTION, passed

Mr. Steen moved and Mr. Peterson seconded to approve the 2017 preliminary budget for the Debt Service Fund as presented. On roll call vote, the motion carried unanimously.

Emergency and Flood Mitigation Fund

The commission established the Emergency and Flood Mitigation Fund three years ago to use toward flood events, disasters, and flood control projects. The budget request for 2017 is 2.88 mills. Mr. Montplaisir said the fund has a balance of around \$4 million, which is a good reserve in the event of an emergency. He asked the board if they wish to continue the mill levy. Mr. Peterson thinks the levy should still exist and suggested it be reduced.

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to reduce the 2017 Emergency/Flood Mitigation levy from 2.88 mills to .25 mill, and to restrict the revenue to remain in this fund to use in the event of flooding or other emergencies. On roll call vote, the motion carried unanimously.

26. TAX DIRECTOR

Mr. Montplaisir said the increased salary and benefits have been added to the Tax Director budget after the decision by the Commission yesterday to offer the position at a higher salary to the candidate selected for the Director of Tax Equalization position.

MOTION, passed

Mr. Peterson moved and Mr. Pawluk seconded to approve the 2017 preliminary budget for the Tax Director as amended with the increase in salary and benefits for the Director of Tax Equalization position. On roll call vote, the motion carried unanimously.

27. OTHER BUDGET ACTIONSStudy/Architect Fees

The Commission requested additional information on architect fees before approving \$225,000 for architect and redesign fees to study vacant space at the Courthouse and Annex and for an expansion at the Jail. Mr. Berndt said a previous space study conducted recently cost around \$50,000. Mr. Peterson suggested the line item be reduced to \$100,000 for master space planning costs. Mr. Berndt said he envisioned using the funds to look at the adult jail population in regard to an expansion and to look at the Courthouse and Annex space to determine a master plan. The \$100,000 would be used for studies and not for any remodeling of spaces.

Mr. Pawluk does not support spending money on the new furniture for the State's Attorney and Veteran's Service Office until the master plan is complete and in place. The rest of the board were in agreement.

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to reduce the architect study fees in the Commission budget from \$225,000 to \$100,000. On roll call vote, the motion carried unanimously.

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to adjust the mill levy for the Road Fund according to the reduced expenditures approved by the board. On roll call vote, the motion carried unanimously.

MOTION, failed

Mr. Steen moved and Mr. Rasmussen seconded to reduce the number of beds at the West Central Regional Juvenile Detention Center from 9 beds to 8 beds for Cass County. Discussion: Mr. Pawluk said he would like to see more of an adjustment in the economic development budget than this one. On roll call vote, the motion failed with Mr. Pawluk, Mr. Rasmussen, Mr. Peterson and Mrs. Scherling voting "No" and Mr. Steen voting "Yes".

MOTION, passed

Mr. Peterson moved and Mr. Pawluk seconded to reduce the Human Services Fund levy by .55 mills. On roll call vote, the motion carried unanimously.

28. BUDGET REVIEW, Preliminary budget approved at 61.21 mills/public hearing set

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the 2017 preliminary budget with a maximum tax levy of 61.21 mills and schedule a hearing on the budget for September 19, 2016, at 3:30 PM in the Cass County Commission Room, 211 9th Street South, Fargo, North Dakota; and to direct the county auditor to publish a summary of the budget and notice of hearing on the 2017 County Budget in *The Forum* and on the county's website. On roll call vote, the motion carried unanimously.

29. ADJOURNMENT

There being no further business, the chairwoman declared the meeting adjourned at 3:59 PM.

ATTEST:

APPROVED:

Michael Montplaisir – Auditor
Cass County, North Dakota

Mary Scherling, Chairwoman
Cass County Board of Commissioners