



RECEIVED
CASS COUNTY COMMISSION

MAY 26 2016

Cass County Department Heads

MEMO

Keith Berndt
Administrator

Michael Montplaisir
Auditor

Charlotte Sandvik
Treasurer

Frank Klein
Tax Director

Jewel Spies
Recorder

Birch Burdick
State's Attorney

Jason Benson
Highway Engineer

Paul Laney
Sheriff

Terry Schmaltz
Info Technology Director

John Kringler
Extension Agent

Jim Prochniak
Emergency Manager

Dan Thorstad
Veteran's Service Officer

Chip Ammerman
Social Services Director

Stanley Wolf
Weed Control Director

P.O. Box 2806
211 9th Street South
Fargo ND 58108-2806

TO: Cass County Commissioners

FROM: Jason Benson
Department Head Chairman

DATE: May 26, 2016

SUBJECT: COLA Recommendation for 2017 Budget

Cost of Living Adjustment

Each year county department heads review U.S. Department of Labor consumer price index (CPI) data and recommend a cost of living adjustment (COLA) for budgeting purposes.

Department heads met on May 25th to review the most current CPI data for all urban consumers in the Midwest region for communities with populations of 50,000 to 1,500,000. The relevant information is included on Table 4 (CPI-U) of the report and based on that report, department heads recommend a .7% COLA increase to the Cass County salary scale for 2017.

SUGGESTED MOTION: Move that the county authorize the use of a .7% COLA salary scale adjustment for 2017 budget development purposes.

5.

COST OF LIVING ADJUSTMENT FOR BUDGET PURPOSES

Copies of the April Consumer Price Index (CPI) were provided to department heads via email prior to today's meeting. Department heads reviewed the CPI figures for April 2015 through April 2016. In the past, the cost of living adjustment (COLA) has been based on the CPI for urban consumers in the Midwest, which shows a .7% increase for the 12-month period.

Mr. Montplaisir said the 2017 budget cycle will be difficult due to decreased state revenues, and even though there will be an increase in the county's taxable valuation, it will be tough to stay within the zero number of mills increase outlined in state law. Also, health insurance costs are unknown at this time and different plans are being considered, which may also affect the budget.

Mr. Burdick said he understands the budget difficulties; however, he supports forwarding the recommendation to the Commission since the county has consistently used these figures for the COLA in the past.

MOTION, passed

Mr. Burdick moved and Mr. Berndt seconded to recommend to the County Commission a .7% cost of living adjustment for 2017 budget development purposes. Motion carried.

6. PHONE SYSTEM UPGRADE

Mr. Schmaltz said the core phone equipment was replaced in February. He said the plan is to recycle out phone sets over the next four years one department at a time. He said a new contract was approved with Consolidated Communications for county phone lines, which is the same company that provides fiber connections to all the county buildings. He said the cost through CenturyLink, the current provider, is \$1,000 more per month. He said the plan is for the changeover to be done after the June 14th Primary Election, most likely during the night.

7. AMAZON PURCHASES

Mr. Schmaltz said some county staff currently use Amazon business accounts to purchase office supplies and other items. Amazon has a business portal similar to the one the county uses through Office Depot. He suggested all departments be bundled under one account that is set up with the county's tax exempt status to ensure the purchases made are not taxed. Mr. Montplaisir suggested departments contact Sarah Heinle in the Auditor's Office to set up an account.

8. ELECTION SCHEDULE

Mr. Montplaisir discussed the election schedule over the next few weeks and said the IT department will be providing technical support for the election and may not be as readily available to assist with other department requests.

9. DIVERSION PROJECT UPDATE

Mr. Berndt provided an update on the Diversion Flood Control Project. He discussed a new Joint Powers Agreement that solidifies the Diversion Authority organization; Project Partnership Agreement (PPA) between the local sponsors and federal government relating to project financing; in-town levee work; southern embankment construction by the Corp of Engineers to begin this fall; and Public Private Partnership (P3) financing for the local portion of the project with a P3 contract being awarded late in 2017 for construction of the diversion channel.

10. WEBSITE UPGRADE

Mr. Schmaltz said vendors are being considered to provide services to update the county website. He asked departments to think about what information they want included because the current information will be migrated to the new site. He said the plan is to select a vendor before the end of June in order to include the cost in the 2017 budget.

NEWS RELEASE

BUREAU OF LABOR STATISTICS

U. S. D E P A R T M E N T O F L A B O R



Transmission of material in this release is embargoed until
8:30 a.m. (EDT) May 17, 2016

USDL-16-0986

Technical information: (202) 691-7000 • Reed.Steve@bls.gov • www.bls.gov/cpi
Media Contact: (202) 691-5902 • PressOffice@bls.gov

CONSUMER PRICE INDEX – APRIL 2016

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.4 percent in April on a seasonally adjusted basis, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index rose 1.1 percent before seasonal adjustment.

The seasonally adjusted all items increase was broad-based, with the indexes for food, energy, and all items less food and energy all rising in April. The food index rose 0.2 percent after declining in March, with the food at home index increasing slightly. The index for energy increased 3.4 percent, with the gasoline index rising 8.1 percent, and the indexes for fuel oil and natural gas also advancing.

The index for all items less food and energy increased 0.2 percent in April. The shelter index rose 0.3 percent, as did the index for medical care, and the indexes for motor vehicle insurance, airline fares, recreation, and education increased as well. Several other component indexes increased slightly, including those for alcoholic beverages, tobacco, and personal care. In contrast, the indexes for household furnishings and operations, apparel, new vehicles, used cars and trucks, and communication all declined.

The all items index rose 1.1 percent for the 12 months ending April, a larger increase than the 0.9-percent increase for the 12 months ending March. The index for all items less food and energy rose 2.1 percent over the last 12 months, compared to a 2.2-percent rise for the 12 months ending March. The food index has risen 0.9 percent over the last 12 months, and the energy index has declined 8.9 percent.

Chart 1. One-month percent change in CPI for All Urban Consumers (CPI-U), seasonally adjusted, Apr. 2015 - Apr. 2016
Percent change

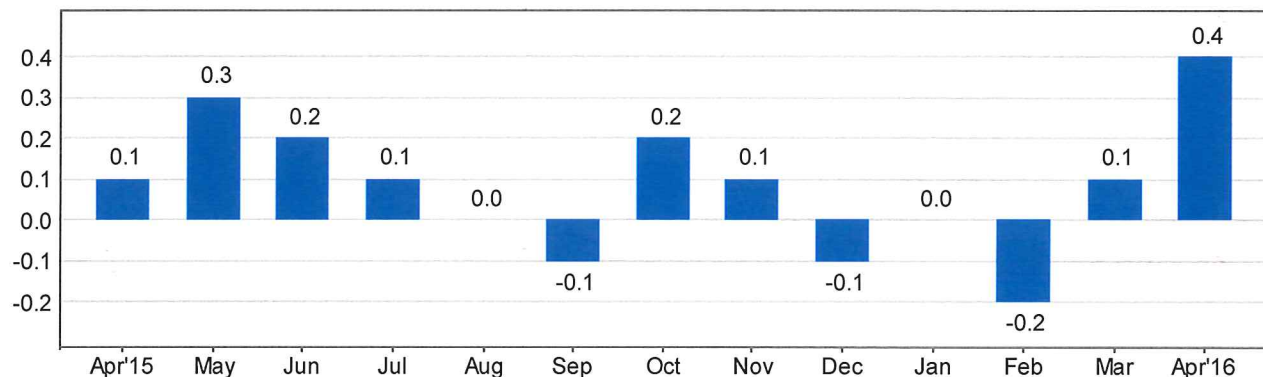


Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, Apr. 2015 - Apr. 2016
Percent change

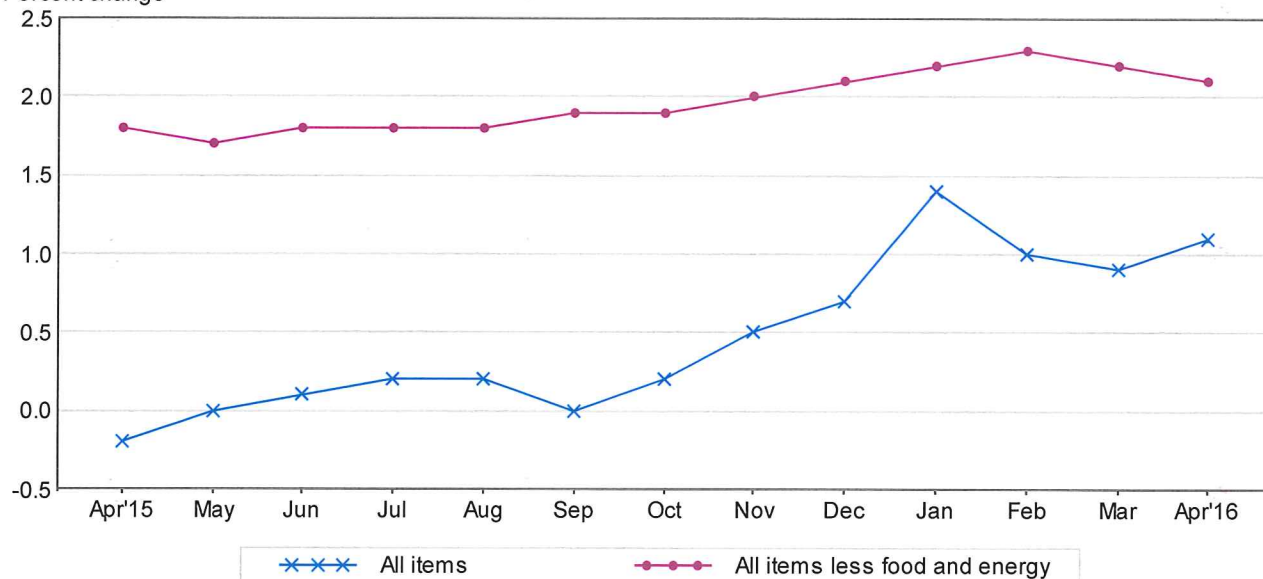


Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un-adjusted 12-mos. ended Apr. 2016
	Oct. 2015	Nov. 2015	Dec. 2015	Jan. 2016	Feb. 2016	Mar. 2016	Apr. 2016	
All items .....	.2	.1	-.1	.0	-.2	.1	.4	1.1
Food .....	.1	-.1	-.2	.0	.2	-.2	.2	.9
Food at home .....	.0	-.3	-.4	-.2	.2	-.5	.1	-.3
Food away from home ¹ .....	.2	.2	.1	.3	.1	.2	.2	2.7
Energy .....	.4	.3	-2.8	-2.8	-6.0	.9	3.4	-8.9
Energy commodities .....	.9	.7	-4.8	-4.8	-12.5	1.9	7.8	-14.2
Gasoline (all types) .....	.9	.8	-4.8	-4.8	-13.0	2.2	8.1	-13.8
Fuel oil ¹	-1.1	-1.3	-7.8	-6.5	-2.9	1.7	1.9	-27.5
Energy services	-.1	-.2	-.7	-.7	.1	.2	-.1	-3.1
Electricity .....	.1	.2	-.4	-.7	-.2	.4	-.3	-2.1
Utility (piped) gas service	-.9	-1.7	-1.9	-.6	1.0	-.7	.6	-6.5
All items less food and energy .....	.2	.2	.2	.3	.3	.1	.2	2.1
Commodities less food and energy								
commodities	-.1	-.1	-.1	.2	.3	-.2	-.1	-.5
New vehicles	-.1	.0	.0	.3	.2	.0	-.3	.0
Used cars and trucks	-.1	.1	.2	.1	.2	-.1	-.3	-1.5
Apparel	-.5	-.1	-.2	.6	1.6	-1.1	-.3	-.6
Medical care commodities .....	.2	.2	.1	.4	.6	.3	.5	2.7
Services less energy services .....	.3	.3	.2	.3	.3	.2	.3	3.0
Shelter .....	.3	.2	.2	.3	.3	.2	.3	3.2
Transportation services .....	.1	.5	.3	.4	.2	.2	.7	3.3
Medical care services .....	.7	.3	.1	.5	.5	.1	.3	3.1

¹ Not seasonally adjusted.

Table 4. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index, April 2016
 [1982-84=100, unless otherwise noted]

Area	Pricing Schedule ¹	Percent change to Apr. 2016 from:			Percent change to Mar. 2016 from:		
		Apr. 2015	Feb. 2016	Mar. 2016	Mar. 2015	Jan. 2016	Feb. 2016
U.S. city average.....	M	1.1	0.9	0.5	0.9	0.5	0.4
Region and area size²							
Northeast urban.....	M	1.0	0.8	0.6	0.6	0.4	0.2
Size A - More than 1,500,000.....	M	1.1	0.8	0.6	0.6	0.5	0.2
Size B/C - 50,000 to 1,500,000 ³	M	0.8	0.8	0.6	0.4	0.4	0.2
Midwest urban.....	M	0.8	1.1	0.4	0.5	0.6	0.6
Size A - More than 1,500,000.....	M	0.8	1.0	0.5	0.5	0.3	0.5
Size B/C - 50,000 to 1,500,000 ³	M	0.7	1.1	0.4	0.3	0.8	0.8
Size D - Nonmetropolitan (less than 50,000).....	M	1.2	1.4	0.2	1.0	1.3	1.2
South urban.....	M	0.9	1.0	0.4	0.7	0.7	0.6
Size A - More than 1,500,000.....	M	1.3	0.9	0.4	1.0	0.6	0.5
Size B/C - 50,000 to 1,500,000 ³	M	0.7	1.1	0.4	0.6	0.7	0.7
Size D - Nonmetropolitan (less than 50,000).....	M	0.3	1.0	0.5	-0.1	0.4	0.5
West urban.....	M	1.8	0.7	0.5	1.5	0.3	0.2
Size A - More than 1,500,000.....	M	2.2	0.7	0.4	2.0	0.4	0.3
Size B/C - 50,000 to 1,500,000 ³	M	0.5	0.7	0.6	0.3	0.2	0.1
Size classes							
A ⁴	M	1.4	0.8	0.5	1.1	0.4	0.4
B/C ³	M	0.7	1.0	0.5	0.4	0.6	0.5
D.....	M	1.1	1.1	0.4	0.9	0.6	0.6
Selected local areas⁵							
Chicago-Gary-Kenosha, IL-IN-WI.....	M	0.7	0.8	0.6	0.2	-0.1	0.1
Los Angeles-Riverside-Orange County, CA.....	M	2.0	0.5	0.2	1.7	0.3	0.3
New York-Northern N.J.-Long Island, NY-NJ-CT-PA. . .	M	1.0	0.7	0.4	0.7	0.4	0.2
Boston-Brockton-Nashua, MA-NH-ME-CT.....	1				0.6	0.5	
Cleveland-Akron, OH.....	1				-0.2	0.5	
Dallas-Fort Worth, TX.....	1				0.6	0.8	
Washington-Baltimore, DC-MD-VA-WV ⁶	1				1.0	0.6	
Atlanta, GA.....	2	1.9	1.0				
Detroit-Ann Arbor-Flint, MI.....	2	1.1	1.4				
Houston-Galveston-Brazoria, TX.....	2	1.4	0.5				
Miami-Fort Lauderdale, FL.....	2	1.4	0.7				
Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD...	2	0.6	0.9				
San Francisco-Oakland-San Jose, CA.....	2	2.7	0.7				
Seattle-Tacoma-Bremerton, WA.....	2	2.5	1.1				

¹ Foods, fuels, and several other items are priced every month in all areas. Most other goods and services are priced as indicated: M - Every month. 1 - January, March, May, July, September, and November. 2 - February, April, June, August, October, and December.

² Regions defined as the four Census regions.

³ Indexes on a December 1996=100 base.

⁴ Indexes on a December 1986=100 base.

⁵ In addition, the following metropolitan areas are published semiannually and appear in Tables 34 and 39 of the January and July issues of the CPI Detailed Report: Anchorage, AK; Cincinnati-Hamilton, OH-KY-IN; Denver-Boulder-Greeley, CO; Honolulu, HI; Kansas City, MO-KS; Milwaukee-Racine, WI; Minneapolis-St. Paul, MN-WI; Phoenix-Mesa, AZ; Pittsburgh, PA; Portland-Salem, OR-WA; St. Louis, MO-IL; San Diego, CA; Tampa-St. Petersburg-Clearwater, FL.

⁶ Indexes on a November 1996=100 base.

NOTE: Local area indexes are byproducts of the national CPI program. Each local index has a smaller sample size than the national index and is, therefore, subject to substantially more sampling and other measurement error. As a result, local area indexes show greater volatility than the national index, although their long-term trends are similar. Therefore, the Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in their escalator clauses.

NOTE: Index applies to a month as a whole, not to any specific date.