

**SPECIAL MEETING OF CASS COUNTY BOARD OF COMMISSIONERS
MEETING IN BUDGET SESSION
JULY 26, 2023**

1. MEETING CALLED TO ORDER

Chairman Chad M. Peterson called the special meeting to order at 8:00 AM on Wednesday, July 26, 2024, with all members present as follows: Tony Grindberg, Duane Breitling, Jim Kapitan, Mary Scherling, and Chad M. Peterson. Also present was County Finance Director, Brandy Madrigga; County Administrator, Robert Wilson; Human Resource Director/Assistant County Administrator, Tracy Peters; Accounting Manager, Sarah Heinle; and Accountant Gerald Jenson.

2. BUDGET OVERVIEW

Ms. Madrigga provided an overview of the 2024 preliminary budget. Once the preliminary budget is approved, it will be posted on the County website, and a hearing date for the final budget approval will be set for Monday, September 18, 2024 and noticed in the County's official newspaper, the Fargo Forum. Additional notices will be sent to taxpayers and entities listing the public hearing dates and times for local jurisdictions.

Ms. Madrigga said the 2024 value of a mill is \$1.26 million, up 12% from 2023. She said the preliminary budget includes a 1 mill reduction for the County's general fund as a result of increasing property value. She said the 2024 general fund revenue is projected to be at \$48,640,192 with expenditures of \$53,014,337. She said this would create an overall decrease to the General Fund balance of \$4.4 million which would place the General Fund balance at \$12,543,897 or 23.66% of expenditures, which is within the County's minimum range policy of 17% to 25%.

Mr. Peterson asked why the interest revenues projected for 2024 are so low when interest rates are 5% and above. Ms. Madrigga said the interest revenues are unpredictable as they change with market interest rate changes. She said the interest revenues for 2024 were calculated based on actual interest earnings from January to April of 2023. She said currently most County funds are in accounts with approximately 4.5% interest. Mr. Peterson said the County should have funds in accounts with high interest rates to capitalize on interest revenues.

Ms. Madrigga said the 2024 preliminary budget includes a 5.1% cost of living adjustment (COLA). She said the effective cost of a 1% COLA increase is equivalent to \$290,700. She said 9 new employee requests are included in the preliminary budget request; 3.00 FTE for the Highway Department, 2.0 FTE for the Finance Office, 1.0 FTE each for Buildings and Grounds, State's Attorney's Office, Sheriff's Office, and Vector Control. She said the County is waiting for information regarding health and dental insurance rates. She said the preliminary budget includes a 12% increase in medical insurance rates and no change to dental rates.

Ms. Madrigga said the 2024 Building Fund budget includes \$5 million for the Red River Regional Dispatch Center, \$1.5 million for an election building, \$100,000 to relocate the Information Technology Office, and \$400,000 for a new courtroom. She said funds in the CARES, ARPA, and LATCF Fund are budgeted in 2024 to be spent on the Jail Expansion project. She said per the County's Home Rule Charter, the total County mill levy can not exceed 75 mills. She said the 2024 budget as presented includes 53.55 mills, down from 54.55 in 2023.

Mr. Wilson provided a summary of three upward pressures affecting the 2024 budget regarding employee salaries: the COLA, a salary survey, and a study to reduce the number of steps in the County's pay matrix. He said over the past 18 years, the County has generally utilized the process of using the April to April Consumer Price Index (CPI) figure to determine the COLA. He said Department Heads review the CPI at the May Department Head meeting and make a recommendation to the Commission at Commission meeting in June. He said of the 18 years, there were 14 years where the CPI was adopted as the COLA, two years where the CPI was negative and

no COLA was given, and the past two years where the CPI has been irregularly high and the Commission has adopted a percentage lower than the recommended CPI.

Mr. Wilson said the Commission Policy Manual Section 13.90, Pay Philosophy directs the County every three years to engage a professional outside the Fargo-Moorhead area to conduct a salary market analysis. He said an analysis is currently being completed by the County's salary consultant, Gallagher. Mr. Wilson said preliminary results indicate an adjustment is not needed, however, the study did find the County's actual salaries and middle range steps are below market. He said Gallagher has indicated the cause for the dip in the actual and middle range are due to the large number of steps in the County's pay matrix. Mr. Wilson said the County has also been working with Gallagher over the past year to get a recommendation on the number of steps in the County's pay matrix. He said Gallagher completed the step study last July and recommended the County reduce the number of steps in the pay matrix to 12. He said at time the study was not implemented due to the timing of when the study was complete, 2023 budget hearings, and the Finance Office implementing a new accounting software. He said Gallagher is working on giving the County a cost estimate for the implementation of a 12-step pay matrix that has larger percentage increases to lower pay grades to mid-point to address current compression issues. Mr. Wilson said Gallagher is expected to give a cost estimate to implement the 12-step matrix by the end of the week.

Mr. Peterson asked what other local entities are considering for pay increases in 2024. Mr. Wilson said other entities are also working on preliminary 2024 budgets and no figures are set, however, he has discussed with counterparts and believes others are considering an average of 2% to 3% increases. Mr. Peterson said it is hard for the salary survey to quantify and compare the total benefits package including salary and benefits. He said the County offers competitive healthcare, retirement, and other benefits.

3. COUNTY ADMINISTRATION

Commission

Mr. Wilson discussed the 2024 Commission budget. He said the Commission budget is similar to previous year requests with a notable increase in travel costs for \$500 per Commissioner. He said the increase is off set by another travel budget that was budgeted in the past, however, not utilized.

Commission Projects

Mr. Wilson discussed the 2024 Commission Projects budget. He said the Commission Projects budget is similar to previous year requests with small increases to legal fees and insurance fees.

Human Resources

Mr. Wilson discussed the 2024 Human Resource budget which includes the Human Resource, Administration, and Communications operating expenses. He said the budget request is consistent with the request from 2023 with the largest changes being a decrease in newspaper publishing costs for job advertisements, an increase in travel costs, the addition of the Mental Health First Aid Training, Vision Insurance being removed from this budget and added to individual departments budget, and a request to reclassify the Public Information Coordinator position. He said the budget includes a request to reclassify the Public Information Coordinator position from a C42 step 3 to a C44 step 5. He said this position was created in 2020 and has evolved to a Communications Director position.

Mrs. Scherling said the Communication position should go through the County's normal process of being sent to Gallagher to be graded. Ms. Peters said the position was brought through the standard process, to the Personnel Overview Committee in April and the direction of the Committee was to bring the position forward to be approved within the 2024 budget before being sent to Gallagher. She said the job description has been updated and is ready to send to Gallagher to be graded upon approval by the Commission.

Buildings and Grounds General

Mr. Wilson discussed the 2024 Buildings and Grounds budget. He said the largest increase in the Buildings and Grounds budget is the request of an additional Senior Buildings and Grounds Technician position. He said Buildings and Grounds has not added personnel since 2011 and since the County has added the Courthouse West Addition, Law Enforcement Center, and improvements to Brewer Lake. Mr. Wilson said the new position will be staffed at the Jail, which would make three Buildings and Grounds positions at the Jail. He said staff rotate between working at the Courthouse/Annex and the Jail every few weeks. He said if the position is approved two-thirds of the position's salary will be under this budget and one-third will be covered under the Jail budget as all the other Buildings and Grounds positions are.

Mrs. Scherling asked if the camp host at Brewer Lake could take on additional duties to help alleviate some duties from Buildings and Grounds. Buildings and Grounds Supervisor, Gene Gartner was present and said the camp hosts do what they can, however, there are some projects and tasks that must be completed by Buildings and Grounds. Mr. Kapitan asked with the Jail Addition being completed in the next few years is one position enough. Mr. Wilson said one position is needed now, and there may be additional positions needed for the County's future building growth.

Mr. Wilson said each County Building, the Courthouse, Jail, Law Enforcement Center, and Annex have their own maintenance fund and each are budgeted for 2024 with small projects and general maintenance.

MOTION, passed

Mr. Kapitan moved and Mrs. Scherling seconded to approve the 2024 Commission Projects (101-1002), Human Resources (101-1501), Buildings and Grounds General (101-1502), Courthouse (101-1503), Jail (101-1504), Annex (101-1505), and Law Enforcement Center (101-1506) preliminary budget as presented. On roll call vote, the motion carried unanimously

4. WEED CONTROL

Stan Wolf, County Weed Control Officer was present to review the 2024 Weed Control budget request. The Cass County Weed Control Board is requesting to maintain the current mill levy at 1.2 mills which will bring in approximately \$533,332. Mr. Wolf said the total revenues for 2024 are budgeted at \$595,311 with total expenditures at \$676,864 meaning \$87,535 will be needed from reserves to cover expenditures over revenues. He said after pulling from reserves, the estimated reserve fund will be at an estimated, \$103,630 which is between the recommended 15% to 20% of proposed expenditures. Mr. Wolf said increases to expenditures are due to an average 83% increase in the cost of herbicide products and a request for \$10,000 to complete a drone herbicide application to control Spotted Hemlock in difficult to access locations.

Mrs. Scherling asked if Weed Control has a drone. Mr. Wolf said Cass County Weed Control has a drone used for spotting weeds, however, does not have a drone for spraying weeds. He said Weed Control works with a contractor who owns a drone to spray. He said the cost of a spray drone is approximately \$40,000 and requires training and licenses. Mr. Grindberg said it appears the Weed Control reserves have been utilized to cover expenditures the past few years. He asked for a five year outlook. Mr. Wolf said if expenditures, mainly herbicides do not start to decrease, the Weed Control Board may need to look to increase mills.

MOTION, passed

Mr. Breitling moved and Mrs. Scherling seconded to approve the 2024 preliminary budget for Cass County Weed Control as presented. On roll call vote, the motion carried unanimously.

5. RECORDER

Deb Moeller, County Recorder was present to review the 2024 Recorder's Office budget. Ms. Moeller said 2023 has seen a reduction in document counts and revenues. She said the decrease in document counts is likely due to the increase in interest rates leading to fewer mortgages which makes up a large portion of documents. She said the budget includes a net decrease of \$3,552 due to moving the travel budget from the Recorder's budget to the Document Preservation fund to attend the PRIA conference rather than the NACo conference.

Mrs. Scherling asked if the open position in the Recorder's Office is part of the 2024 budget. Ms. Moeller said the open position is included in the budget; however, she does not intend to fill the position unless document counts increase significantly and the additional position is required.

MOTION, passed

Mrs. Scherling moved and Mr. Breitling seconded to approve the 2024 preliminary budget for the Recorder's Office as presented. On roll call vote, the motion carried unanimously.

NDRIN Fund

Counties across the State are members of the North Dakota Recorders Information Network (NDRIN), a fund that is self-supporting through dollars generated from subscriber and copy fees. Ms. Moeller said NDRIN remains a consistent revenue source for North Dakota Counties, however, will likely see a dip in 2024 due to increasing interest rates and lower document counts.

MOTION, passed

Mr. Scherling moved and Mr. Breitling seconded to approve the 2024 preliminary budget for NDRIN as presented. On roll call vote, the motion carried unanimously.

Document Preservation Fund

Revenues from the Document Preservation Fund are generated through a fee per document collected by the County Recorder when documents are filed. Ms. Moeller said the 2024 budget includes her travel to the PRIA conference which was previously included in the Recorder's Budget.

MOTION, passed

Mr. Breitling moved and Mr. Kapitan seconded to approve the 2024 preliminary budget for the Document Preservation Fund as presented. On roll call vote, the motion carried unanimously.

6. NDSU EXTENSION SERVICE

Rita Ussatis, Cass County Extension Agent was present to review the 2024 NDSU Extension Service and Parenting Workshop budget requests. Ms. Ussatis said the request is consistent with previous years with the largest changes being a 6% salary increase for Extension Agent's as determined by the State Legislature, a market equity increase for one agent as determined by the State Legislature, an increase in travel costs, and a request to replace a copy machine.

MOTION, passed

Mrs. Scherling moved and Mr. Breitling seconded to approve the 2024 preliminary budget for NDSU Extension and Parenting Workshop as presented. On roll call vote, the motion carried unanimously.

7. COUNTY CORONER

Kristie Ross, County Coroner was present to review the 2024 Coroner's Department budget. Ms. Ross said the 2024 budget request is consistent with previous years budget request with the largest changes of a decrease in professional consulting services, an increase in education and travel per diem, an increase in seminar registration, an increase in investigations for body bags, fingerprinting supplies, toxicology, and gloves, an increase in PC software, and an increase in vehicle maintenance. She said the new coroner vehicle ordered in 2022 has begun production and will hopefully be delivered soon. Ms. Ross said the Coroner's Office has completed 413 cases in 2023, has used FM Ambulance 5 times for body removals, and used law enforcement assistance 17 times

for body removals. She said 12 cases have come from other North Dakota Counties with the largest number from Richland and Steele, 30 have come from Minnesota with 17 from Beltrami County, and 5 cases from South Dakota. She said accidents happen in other counties or states, are transported to Cass County for medical treatment, and die in Cass County. She said it is then Cass County's responsibility to do the autopsy or work with the related jurisdiction.

MOTION, passed

Mr. Kapitan moved and Mr. Grindberg seconded to approve the 2024 preliminary budget for the County Coroner as presented. On roll call vote, the motion carried unanimously.

8. BREAK

The Commission took a break at 10:19 AM and reconvened at 10:33 AM.

Mr. Peterson said since the budget hearing schedule is behind and the hearings must be done by 11:30 AM today, the Road Department Budget will be moved to Friday morning.

9. STATE'S ATTORNEY

Kim Hegvik, County State's Attorney was present to review the 2024 State's Attorney budget. Ms. Hegvik said the 2024 budget request is similar to prior year requests with the largest request being a new Senior Attorney Position and remodeling of the third floor file room into two offices. She said the Senior Attorney position is needed due to increase caseloads, the addition of two new judges allocated by the State Legislature, and increased time needed by attorneys to review body camera footage which are now worn by almost all local law enforcement.

Mrs. Scherling asked if the State's Attorney's Office has Junior Attorneys. Ms. Hegvik said Junior Attorney's are hired if they have no experience and after one year they are promoted to Senior Attorney. Mrs. Scherling asked when it is the responsibility of law enforcement to review evidence versus the State's Attorney's Office. Ms. Hegvik said this is an age old issue, however, it is ultimately the State's Attorney's Office who brings charges and follow through with the case to trial and a conviction. She said the State's Attorney's job to make sure there is strong evidence to bring charges. Mr. Peterson asked how many lawyers the State's Attorney's Office has and how many hours they work per week. Ms. Hegvik said the State's Attorney's Office has 20 attorneys and they work an estimated 45 to 50 hours per week. Mr. Peterson said based on this information he is not supportive of an additional attorney position. He said he may be supportive of an additional position if case loads significantly increase due to having two new judges.

Mr. Breitling moved and Mr. Kapitan seconded to approve the 2024 preliminary budget for the State's Attorney as presented. On roll call vote, the motion carried with Mrs. Scherling, Mr. Breitling, Mr. Grindberg, and Mr. Kapitan voting "yes" and Mr. Peterson voting "no".

Asset Forfeiture Fund and Civil Asset Forfeiture Fund

Ms. Hegvik said the 2020 legislative session changed the asset forfeiture process, funds are approved through the courts, then through a committee, before being distributed to law enforcement agencies.

MOTION, passed

Mr. Breitling moved and Mr. Kaptan seconded to approve the 2024 preliminary budget for the State's Attorney Civil Asset Forfeiture Fund as presented. On roll call vote, the motion carried unanimously.

MOTION, passed

Mrs. Scherling moved and Mr. Breitling seconded to approve the 2024 preliminary budget for the Civil Asset Forfeiture Fund as presented. On roll call vote, the motion carried unanimously.

10. WATER RESOURCE DISTRICTS

Carol Lewis, Secretary-Treasurer for the Cass County Water Resource Districts was present via Microsoft Teams to review the 2024 Water Resource District budget request. Southeast Cass Water Resource District will levy 1.4 mills, reduced from 2.196 mills in 2023; Rush River Water Resource District will levy 4.00 mills, remaining unchanged from 2023; Maple River Water Resource District will levy 2.10 mills, reduced from 3.00 mills in 2023; North Cass Water Resource District will levy 3.50 mills, reduced from 4.00 in 2023. Each district will also levy an additional 1.50 mills for the Red River Joint Water Resource District.

MOTION, passed

Mr. Grindberg moved and Mr. Kapitan seconded to approve the 2024 preliminary budget for the Water Resource District as presented. On roll call vote, the motion carried unanimously.

11. VETERAN’S SERVICE

Chris Deery, Veteran’s Service Officer was present to review the 2024 Veteran’s Service budget. Mr. Deery said his office is fully staffed and aside from one newly hired staff member, fully accredited. He said the 2024 budget request is consistent with previous years with no large changes. He said the Veteran’s Service Office continues to help veterans with PACT ACT claims, benefit claims, and participate in community events.

MOTION, passed

Mrs. Scherling moved and Mr. Grindberg seconded to approve the 2024 preliminary budget for Veteran’s Service as presented. On roll call vote, the motion carried unanimously.

12. RECESS

The meeting recessed at 11:24 AM until Thursday, July 27, 2023 beginning at 8:00 AM.

ATTEST:

APPROVED:



Brandy Madrigga, County Finance Director
Cass County, North Dakota



Chad M. Peterson, Chairman
Cass County Board of Commissioners