

**SPECIAL MEETING OF CASS COUNTY BOARD OF COMMISSIONERS  
MEETING IN BUDGET SESSION  
JULY 26, 2024**

**1. MEETING CALLED TO ORDER**

Chairman Chad M. Peterson called the special meeting to order at 8:45 AM on Friday, July 26, 2024, with all members present as follows: Tony Grindberg, Duane Breitling, Jim Kapitan, and Chad M. Peterson in person; and Mary Scherling via Microsoft Teams. Also present was County Finance Director, Brandy Madrigga; County Administrator, Robert Wilson; Human Resource Director/Assistant County Administrator, Tracy Peters; County Accounting Manager, Sarah Heinle; and County Accountant Gerald Jenson.

**2. LAKE AGASSIZ REGIONAL COUNCIL**

Executive Director of Lake Agassiz Regional Council (LARC), Amber Metz, was present to review the 2024 budget. The request is for \$31,500, up from \$30,000 in 2024. Ms. Metz said the funds will be used to match federal funds from the U.S. Economic Development Administration. She said LARC continues to work on many state and federal grant opportunities for planning and economic development for rural communities.

Mr. Peterson asked if LARC has recently looked at the funding formula to redistribute the cost to each county to participate. Ms. Metz said the formula is based on mills and population. She said all counties pay within 0.1 of a mill of each other. She said the City of Fargo population is removed from the formula due to LARC serving rural communities.

Mr. Grindberg said the County is looking at broader economic development and will be considering a large contribution to a regional development plan later today. He asked if LARC would be interested in helping to broaden the plan to rural communities and assist the County similar to the Richland County Job Development Authority (JDA). Ms. Metz said she would be happy to be part of the discussions for a regional development plan. She said LARC manages the loan portfolio for Richland JDA and is not much part of the job and development items.

***MOTION, passed***

**Mr. Breitling moved and Mr. Kapitan seconded to approve the 2025 preliminary budget for Lake Agassiz Regional Council as presented. On roll call vote, the motion carried unanimously.**

**3. RURAL AMBULANCE AND RESCUE ASSOCIATION**

President of the Cass County Rural Ambulance and Rescue Association, Jim Jager was present to review the 2025 budget. The request is \$288,400, up from \$280,000 in 2024. Mr. Jager said rural ambulances have seen an increase in calls and decrease in volunteers. He said after House Bill 1365 was passed by the Legislature in 2023, rural ambulances with populations under 6,500 are required to set up a taxing district by June 30, 2025. Mr. Jager said Casselton Ambulance formed a taxing district last year, and Hunter, Kindred, and Page are in the process of implementing taxing districts before the deadline. He said the taxing authority boards will determine whether a mill levy will be presented to the voters of the respective districts at the upcoming elections. Mr. Jager said the Casselton Ambulance District levied 6 mills for 2024 that brought in about \$300,000. He said the base cost of a new ambulance is \$250,000.

***MOTION, passed***

**Mr. Kapitan moved and Mr. Breitling seconded to approve the 2025 preliminary budget for Rural Cass County Ambulance and Rescue Association as presented. On roll call vote, the motion carried unanimously.**

**4. RED RIVER VALLEY FAIR ASSOCIATION**

Chief Executive Officer of the Red River Valley Fair Association (RRFV), Cody Cashman was present to review the 2025 RRFV budget request. The request is \$4,162,067, up from \$800,000 in 2024 which the Commission provided via CARES Funding. Mr. Cashman said in 2024, the RRFV opened the Agriculture Education Center that will be open year-round and was funded by private agriculture groups. He said the 2024 RRFV just concluded and was not a record year, rather a

financial disaster due to high production costs, inflation of operational costs, and costs associated with securing entertainment. Mr. Cashman discussed the financial needs of the fair including infrastructure repairs and emergency funding following the 2024 fair.

Mr. Grindberg said the RRVF needs to align a strategy with the State for funding. He said the County is dealing with a large deficit for 2025 and cannot support a \$4 million investment at this time. Mr. Grindberg said the RRVF needs to make an effort to conduct a master plan and secure support from the state to make a future plan for funding and repair needs. Mr. Cashman said the goal is to secure State funding as other fairs across the country do. Mr. Peterson suggested the RRVF consider a merger with Bonanzaville to combine the efforts of the struggling organizations. He said the County cannot support the \$4.2 million request. He said he would support 1 mill or \$1.26 million. Mr. Grindberg said the funds should be allocated with the intent of matching funds in order for the RRVF to have leverage with the State when requesting funds from the Legislature. He said he will come up with language for a motion and come back to the RRVF budget later this morning.

**5. GREATER FARGO MOORHEAD ECONOMIC DEVELOPMENT CORPORATION AND FARGO MOORHEAD WEST FARGO CHAMBER- INNOVATE28**

Greater Fargo Moorhead Economic Development Corporation (GFMEDC) President and Chief Executive Officer, Joe Raso and Fargo Moorhead West Fargo Chamber (Chamber) President and Chief Executive Officer, Shannon Full were present to discuss the 2025 preliminary budget for the GFMEDC and Chamber's new economic and community development collaborative plan called Innovate28. The objectives of Innovate28 are regional labor force growth, business expansion, and public policy alignment. Ms. Full said the goal of the workforce and talent component is to address current workforce demands and develop and align local talent. She said the goal of the public policy component is to increase business engagement, educate on issues, and encourage civic participation. Mr. Raso said the goal of the business development component is to attract innovation and investment with 130 projects, more than 3,500 new jobs with annual compensation of \$74,000 or more, more than \$1 billion in new annual business sales, and ranked as a top quartile metro for job growth. He said the Innovate28 budget includes \$3.442 million for talent and workforce, \$1.491 million for business development, \$809,500 for public policy, and \$125,000 in investor relations for an annual investment of \$5.86 million, and four year total project investment of \$23.5 million. Mr. Raso said the public-private partnership is critical to the success of the initiative and the request from the County is a 1-1 match for other investments with a maximum of \$3 million annually.

Mr. Grindberg said the return on investment for this initiative needs to be highlighted to the taxpayers. He said the County still needs to discuss if a Job Development Authority needs to be created as well as discuss the component of rural development funding.

***MOTION, passed***

**Mr. Grindberg moved and Mr. Kapitan seconded to approve matching funds not to exceed \$2.5 million as public financial investment to launch the Innovate28 comprehensive growth plan. County funding will factor into final commitment any other public funds provided by local governments. Goals are to expand economic opportunity and the tax base to benefit the residents of Cass County. Cass County Commission funding approval for 2025 will occur no later than November 30, 2024, after the GFMEDC certifies the total number of private sector companies and investment amount pledged for the four-year campaign. Cass County's expectations include quarterly progress reports updating measurements and return on investment metrics, a consistent 4-year strategy that requires approval by Cass County for any changes to the four-year plan. Funds will be distributed semi-annually (on or around January 1 and July 1) following a review and confirmation of satisfactory progress by the County Commission. On roll call vote, the motion carried unanimously.**

**6. RECESS**

The Commission recessed the meeting at 10:37 AM to hold a County Park Board meeting. The Commission reconvened at 10:49 AM.

**7. GREATER FARGO MOORHEAD ECONOMIC DEVELOPMENT CORPORATION GROWTH INITIATIVE FUND**

Mr. Raso and Chief Innovation Officer of the GFMEDC, John Machacek were present to discuss the 2025 preliminary budget request for the GFMEDC Growth Initiative Fund (GIF). The GIF is a nonprofit corporation formed for the purposes of promoting economic development in Cass County preliminary through managing financial programs to encourage primary sector job creation. A primary function of the GIF is to partner as the “community” with the Bank of North Dakota’s PACE and Flex PACE programs to unlock matching state funds to provide low-interest financing. Mr. Raso said the GIF has been a successful program for many years and requires additional funding to continue loans in the future. Mr. Machacek said the GIF was funded by Cass County (\$4,221,276), the City of Fargo (\$2,743,143) and the City of West Fargo (\$330,985) between 1994 and 2001 with a total investment of \$7,295,404. He said the GIF has a total of \$8.42 million in assets today, has funded 299 loans, total capital of \$716,150,000, created 6,860 jobs, and \$35,800,000 in matching state grants to help Cass County companies expand. Mr. Raso said total funding needs are \$3.4 million over the next five years and the request today is for \$670,000. He said with no injections of additional funds, the GIF would average \$750,000 in new loans through 2031 meaning loan activity would be at 57% of recent loan activity. Mr. Raso said the City of West Fargo is considering funding the GIF utilizing their sales tax funding.

Mr. Peterson said he is supportive of the GIF as the program has proven to be successful in Cass County. He said the program should be utilized by the State as an economic program. Mr. Peterson said the County has budget constraints this year. Mr. Raso said the operating expense for the GIF over the years has been less than \$25,000. Mr. Grindberg said the GIF has been a successful program for many years and higher interest rates may be driving more interest in the program. He said due to the County’s current 2025 budget, this allocation cannot be supported this year.

***MOTION, passed***

**Mr. Breitling moved and Mr. Kapitan seconded to remove funding of the GIF of \$670,000 from the 2025 preliminary budget and thank the GFMEDC for the presentation and the Commission is open for the GFMEDC to come back for funding going forward. On roll call vote, the motion carried unanimously.**

**8. COUNTY PARK*****MOTION, passed***

**Mr. Kapitan moved and Mr. Breitling seconded to approve the 2025 preliminary budget for the County Park as presented. On roll call vote, the motion carried unanimously.**

**9. RED RIVER VALLEY FAIR ASSOCIATION*****MOTION, passed***

**Mr. Grindberg moved and Mr. Kapitan seconded to approve \$500,000 for the purpose of defraying fiscal year 2025 operational expenses and \$750,000 for capital fairgrounds infrastructure public/private match funding for the Red River Valley Fair for fiscal year 2025. The Cass County Commissions support for infrastructure match funding demonstrates local support for the 2025 North Dakota Legislature. Match funding may be expended by RRVF in 2025. Upon securing 2025 State of North Dakota match funding, Cass County will consider additional match funding during their 2026 budget hearings. On roll call vote, the motion carried unanimously.**

## 10. COST OF LIVING ADJUSTMENT

Mr. Wilson said for the last twenty plus years, the Department Heads have used the Midwest Region with a population of less than 2.5 million April to April Consumer Price Index (CPI) as the figure the Commission should consider for the next year's cost of living adjustment (COLA). He said from April 2023 to April 2024, the CPI was 2.5%, which was the COLA recommendation from Department Heads for 2025 and what is currently included in the 2025 budget. Ms. Madrigga said the 2.5% COLA has a budget impact of approximately \$800,000 to the 2025 budget. She said other local governmental entities are considering COLAs from 3% to 5%. She said .5% adjustment to the COLA is equal to approximately \$160,000 to the 2025 budget.

Mr. Peterson said he is supportive of the 2.5% COLA. He said he supports the County using the CPI data as the driver for the COLA as it is a data-based number.

Ms. Scherling left the meeting.

***MOTION, passed***

**Mr. Breitling moved and Mr. Grindberg seconded to approve a 2.5% COLA for the 2025 budget. On roll call vote, the motion carried unanimously.**

## 11. BUDGET WRAP UP

Commission Other Funds

### COVID Fund- 216

Ms. Madrigga said the Finance Office suggested transferring any CARES funds left at the end of 2024 to the general fund.

### Emergency Fund- 229

Ms. Scherling entered the meeting.

### ARPA Fund- 242

Ms. Madrigga said ARPA Funds are being utilized for the Jail expansion project and will be fully utilized in 2025.

### Pass through Grants Fund- 246

Ms. Madrigga said this fund is used for the County's various pass-through grants.

### FM Diversion Fund- 248

Ms. Heinle said this is an in and out funds for Diversion employee's salaries and benefits.

### Opioid Abatement Fund- 249

Ms. Madrigga said this fund houses funds received from opioid settlements and the County has an agreement with Fargo Cass Public Health to expend the funds for opioid abatement.

### LATCF- 250

Ms. Madrigga said the County received \$100,00 in LATCF funds and funds are expected to be spent in 2024.

***MOTION, passed***

**Mr. Breitling moved and Mr. Kapitan seconded to approve the 2025 preliminary budget for COVID Fund 216, Emergency Fund 229, ARPA Fund 242, Pass through Grants Fund 246, FM Diversion Fund 248, Opioid Abatement Fund 249, and LATCF Fund 250 as presented. On roll call vote, the motion carried unanimously.**

Mrs. Scherling left the meeting.

Ms. Madrigga said after changes the Commission made today, the budget deficit is at \$5,879,962 which will leave 34.03% in the County's reserves in 2025. She said the Finance Office is comfortable with recommending no change to the mill levy for 2025.

***MOTION, passed***

**Mr. Breitling moved and Mr. Kapitan seconded to set the County's mill levy at a maximum of 52.00 mills for 2025. On roll call vote, the motion carried unanimously.**

**12. ADJOURNMENT**

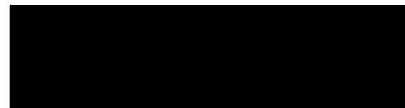
The meeting adjourned at 11:42 AM. The Commission will consider approval of the 2025 preliminary budget at the next regularly scheduled meeting on Monday, August 5, 2024, beginning at 3:30 PM in the Commission Room of the Cass County Courthouse.

ATTEST:



Brandy Madrigga, County Finance Director  
Cass County, North Dakota

APPROVED:



Chad M. Peterson, Chairman  
Cass County Board of Commissioners