

Traverse County Commission  
Special Board Meeting  
September 10, 2015

A special meeting was held to go through each departmental budget. Commissioners present included Kevin Leininger, Dave Salberg, Tom Monson, Mark Gail, and Todd Johnson.

**Dustin Kindelberger/Veteran Service Officer/Safety/Solid Waste-** Kindelberger provided an update of his budget. There are no significant changes from solid waste except an increased grant. He discussed the Veteran Services Grant. The only significant changes are other 'services and charges.' Monson asked what other services and charges encompasses. It includes anything to run the office. It includes utilities from the solid waste shops, electronics pick up, supplies, as well as payment to the cities for Demo Sites. Hormann's Recycling should be in there as well. The overall budget for this department increased approximately \$12,000.00. Monson asked for line items for anything over \$5,000.00 and that they should have a special code rather than a lump sum into one category. K. Johnson said the chart of accounts already has around 10,000 items and he'd rather answer questions than create new accounts. If there is a good reason to break some out, that makes sense but for everything would be a lot of work for the staff. Kindelberger explained that the Minnesota Department of Veteran Affairs (MDVA) Grant has been coming in at different times, so as to not go over budget in one year, he increased the budget this year.

**Dianne Reinart/Assessor-** Reinart explained there is nothing new in her budget for 2016. Capital Outlay originally had some extra in it for pictometry. The Recorder's Office has a fund for that so that was taken back out. Reinart discussed how the local assessors will need a higher license and some of those are not going for that. So if we lose our local assessors, we'll need to hire someone in the assessor's office. The change is effective for 2019 so it won't affect the 2016 budget. Right now the local assessors are paid by the townships, so if the county has to hire someone, the townships would pay the county. K. Johnson indicated that the local assessors get paid quite well but we don't really know the amount. Reinart indicated that the requirement is not going to go away. Salberg stated that Minnesota Rural County Caucus will be fighting against it.

**LeAnn Peyton/Recorder-** Peyton discussed the compliance fund and the need to spend that down or it could be returned to the general fund or it may go back to the state. Currently this fund has been paying for some of the licenses and e-recording out of there but if we spend that fund or it goes away, there may not be enough in the budget. Regarding pictometry, there is \$50,000.00 in that fund, so she could pay for it out of there. Peyton discussed the importance of the flight to the GIS project. Peyton discussed another account for equipment. She was originally going to use it for furniture for a new building. Right now space is getting tight and they're going to need new monitors. She is planning on having someone look at a little remodel to their office which would allow more room at the front. Peyton discussed bar codes that are going on the documents which require printers and scanners, making it too tight.

**Emily Conroy/Ben Anderson/ Extension-** There is a slight decrease in wages because of Emily being at a different level than the previous Director Persing. Under Capital Outlay, they are requesting a new

photo-copier. The lowest quote was approximately \$7,000.00. They've had a lot of issues with printing this past year. With those changes they are still slightly under budget from last year.

**Soil and Water Conservation District-** Alan Bruce appeared to discuss the additional requirement of the Buffer Strip initiative. Traverse County should not have to pay for the administration of the Buffer initiative. It is being paid by the State Legislature through their Clean Water Fund. He distributed some information. He clarified it is for the work being done to complete them for the Soil Water Conservation Services. It shows the Legacy Bill will pay \$5 million, so each district should receive \$100,000.00. Because of this, the real estate tax payers should not have to provide additional funds. Traverse County budgeted \$26,000.00 for a half-time salary for a new employee. T. Johnson said they could re-visit this with Sara Gronfeld. Salberg said the funding was not set in stone when the request was given to the county. Salberg affirmed everyone would be getting the money. Bruce clarified the state will pay the district, not the county.

**Trevor Wright/Sheriff-** Wright discussed the Communications budget and that they will not need the additional full-time position that was initially in there. They were able to work out scheduling, which resolved the need. So this will eliminate \$17,500.00 from both the Communications and the Jail budgets. There would also be some reduction in net office costs as well. So with the elimination of that position, the Communications budget is not very different except for an additional \$5,000.00 for training, which was never a line item but has been coming out each year. K. Johnson clarified that it has been in the budget but lumped into 'services and charges.' For 2015 to date, deputy training is at \$7,000.00, so the 2016 budget reflects \$15,000.00 for them. Every year they spend about \$1,000.00 on ammunition. Wright would like to add some codes for things like utilities, as 'services and charges' are too much of a catch all. He discussed jail board, which shows \$57,000.00. Included in that line are the juvenile detention beds in Moorhead. Monson asked how many deputies are in the budget and if he's heard anything regarding the cops grant. Wright said letters have gone out to the first group that haven't been accepted. He has not received a letter so hopefully no news is good news. There is an additional part-time deputy factored in at 28 hours per week. Wright factored in 20 hours, so that if combined with ½ dispatch/communications, it would save approximately \$8,900.00. Cash in lieu increased because two employees elected to take that benefit. Wright foresees 'services and charges' coming down. There is one additional squad car to the lease. Wright indicated in the past, the cars and cameras were listed in capital outlay. He'd like a separate line item for that. Wright would like to see his line items more transparent but that there is wiggle room. Salberg said it would be nice to find out where the wiggle room is. Leininger asked about State Aid revenues. Wright explained that it is a formula based on the number of deputies from the previous year. So there is a reduction in that revenue. Wright said they haven't been collecting "pay to stay," from inmates after sentencing, which they will begin going after that. Monson asked about jail board, specifically if the City is charged when they arrest someone and bring them to jail. Wright said the county is responsible for all inmates statewide, by statute. Monson asked again if there are new deputies budgeted in. There is a new deputy budgeted in but the cops grant is not budgeted in to offset it. Gail asked about the extra squad car budgeted in. Wright said it will replace one that a deputy has that has high miles. There are some things in the budget out of Wright's control, such as, vehicle damage, squad payments from previous year, Tasers that needed to be

replaced. There was approximately \$12,000.00 that should have been spent in 2014. Wright asked for patience while he sorts out the budget from last year and what is needed for 2016. He assured the commission that there is a lot of wiggle room that he still needs to sort through.

**Larry Haukos/Highway Engineer-** Haukos provided 2014-2016 budgets. He explained that the state will advance 95% of funds so sometimes there is carry over from year to year until the projects are completed. He discussed the various expenditures. In 2015 he increased purchasing and raised them again in 2016 to account for additional gravel they will be buying. He discussed budget to actuals through August of 2015. There were a few things that were not in the budget, such as dividends and reimbursement from road damage on CSAH 4. The City Streets project yielded \$334,980.00. He discussed expenditures that were not in the budget, which also included the City Streets Project and the Wheaton Legion of \$571,617.00. There were also a couple other road projects, so budget to actuals to date balance at \$85,356.00. Haukos said if there was ever a gas tax, it would increase the revenues in the local maintenance budget. For 2016, the levy was increased to pay for the motor graders. He also increased charges for materials. There will be some coming out of reserves to pay for CSAH 4. He also increased the amount for gravel. He discussed the equipment and trucks that are in bad shape. He recommended additional graveling.

**Matt Franzese/County Attorney-** Franzese requested the same allocations from 2015 for discretionary funding, legal fees, supplies, etc. in 2016. There was brief discussion over some legal charges and they could possibly be paid by social services and get federal reimbursement. Franzese also discussed his need for a legal secretary and combining that with child support is actually less expensive than having it as a stand-alone position since it will qualify for 66% federal reimbursement.

**Rhonda Antrim/Social Services-** Antrim distributed a second draft of the 2016 social service budget. It actually went down from the initial draft. The Child Support Position was added, as well as the 3.3% increase for health insurance and 2% increases for contracts. Because the County Attorney budget decreased, thus decreasing social services share of that, these additional expenses that were added in did not have an impact. Other changes from the previous year included adding in the IT contract with Morris Electronics and the Rainbow Rider capital costs and ridership costs.

**Kit Johnson/Auditor/Treasurer-** K. Johnson discussed tax rates and a summary of fund balances. He presented a hand out showing the unrestricted fund balance for 2013 was roughly \$5.4 M, which fell within the requirement of our fund balance policy. For 2014, the fund balance went from \$5.4M to \$5.7M. At the end of 2014 Traverse County was over the threshold for our fund balance policy. If we project 2015 to go as budgeted, we'll come in around \$5.4 M which would again fall within the policy. Leininger asked K. Johnson what his recommendation would be. He suggested we look through the budget and start trimming it down where we need to be. He said we could safely use around \$365,000.00 of fund balance, similar to last year. He said most departments are coming in under budget, but if we have a bad year we could end up with a large increase. We are at 17.5% increase with the removal of the dispatcher/communications position, which was included in the Communication/Jail budgets. Monson asked what the estimate would be to get to 3-5% levy increase. Estimates were that it

would take a reduction of \$700,000.00 to get us to 2.2% levy increase, \$600,000.00 would get to 4.4%, and \$500,000.00 would get us to 6.2%.

The Board opened the meeting up for questions and/or comments. Roger Schmidt asked how long we plan on feeding the jail. He asked how much we are losing per day per prisoner. K. Johnson said they're working on something for the Department Of Corrections (DOC), that might help get to that figure. He said you also have to look at variable costs as well as fixed costs and remember we'll have to pay to keep the building regardless. Schmidt asked if it is true, what was reported in the paper, that jail staff falsified their documents? Monson clarified that was the report presented to the commission. Schmidt asked if they keep their jobs anyway? It is currently budgeted \$326,000.00 for just the jail with total expenditures roughly \$437K. Then you add Communications, which is another \$347,000.00. Combined, the law enforcement budgets are approximately a \$300K increase. Schmidt commented that he didn't think there had been a decrease since the jail was built. You're spending your new courthouse money on the jail. T. Johnson agreed that it is a growing concern. Schmidt asked if the commission has ever thought about gutting it and putting the courthouse in there. He speculated that Traverse could go back to a holding cell. Joe Murphy asked if it were a holding cell, would the staffing be reduced? Gail indicated some of the costs are driven by DOC requirements. T. Johnson said we're so far beyond the diminishing returns. It's very concerning and all options should be reviewed and on the table. He speculated that Traverse will run at a loss of \$3.5M dollars over the next 10 years and the population is not going to increase. Leininger commented that Big Stone County indicated to him that Traverse building the jail was best thing for them. It would be a lot cheaper to haul them somewhere else. Roger Schmidt suggested they increase the daily price for out of county inmates and it would empty it out. He acknowledged that it is not the Commissioners' fault, but how long do you keep putting up with it? T. Johnson recommended a task force to look at the jail, expenditures, and cash flow. He said Wright was going to look into revenue options but a task force should work on this for 6-12 months and make a recommendation. Schmidt asked how much fund balance is in the building fund, which K. Johnson said was approximately \$800,000.00. Schmidt discussed the projected \$4M in upgrades needed to the Wheaton schools and how that will have an impact. Salberg said if we're serious about the jail issue and establishing a task force, we should move on it. Antrim was directed to add it to the agenda for September 15.