

CLAY COUNTY BOARD OF COMMISSIONERS – WORK GROUP

1:00 PM, TUESDAY, SEPTEMBER 5, 2023

Meeting Room A / B – 3rd Floor – Courthouse

MINUTES

The Clay County Board of Commissioners met in a Work Group session with the following Commissioners present: Paul Krabbenhoft, Frank Gross, Jenny Mongeau, Kevin Campbell, and David Ebinger. County staff present: Stephen Larson, Lori Johnson, Darren Brooke, Sheriff Empting, Chief Deputy Martin, and Jacqueline Finck

Citizens to be Heard

There were no citizens to be heard.

Introduction to the Work Group

County Administrator Steve Larson stated that there will be three topics for discussion during the Work Group meeting, Public Safety Funding discussion, 2024 Budget Review, and the Clay County HRA funding request review. Mr. Larson stated, just as a reminder, that this work group meeting is for the purpose of discussion. The Board can come to a consensus but cannot take any Board action, any wishes from this meeting will be brought to the regular Board meeting on the 12th of September.

Public Safety Funding Discussion

Mr. Larson presented on the Public Safety Funds stating Clay County received \$942,019 that will be payable December 26th, 2023 and that the state statute (Chapter 64, Art. 4, Sect 27) states what the local unit must use this aid for. The use of public safety funds is very broad but there are some specifics on what it can't be used for. A committee was established to discuss options on how and where to spend these dollars.

The Public Safety Committee heard presentations on August 15th, 2023 from Sheriff Empting & Chief Deputy Martin with the Clay County Sheriff's Office, Janelle Cheney with MN Department of Corrections, and Brian Melton with the Clay County Attorney's Office. There were other miscellaneous suggestions that were brought forward. The Public Safety Committee reviewed the requests and came up with recommendations. Mr. Larson stated that he also reached out to Matt Hillgard from AMC and AMC's response was that the proposed areas to use Public Safety Funds is aligned with what the Legislature intended these funds to be used for as well as with State Statute. The areas and departments that the proposed funds are broken into are the Sheriff's Office/Corrections Department and the County Attorney's Office. There was some additional information needed from Probations regarding their request but at this time it has not been received.

County Auditor-Treasurer Lori Johnson discussed the calculations and

longevity/incentive pay for employees in the Sheriff's Office/Corrections Department and the County Attorney's Office along with the maximum and minimum amounts for each department.

Further discussion ensued regarding the longevity/incentive pay and what to call it.

There was also discussion regarding the other proposed expenses: Sheriff's Office – add two deputies in 2024 equipment, additional two deputies, Polaris Ranger NorthStar UTV, Getac Body Worn Cameras (Corrections), and County Attorney's Office – Domestic Abuse Cameras, Restorative Justice Position.

Mr. Larson wanted to note that the Sheriff's Office 2024 budget new requests were two additional deputies that would require two additional fit-ups for vehicles and a Polaris Ranger. The Attorney's Office had a new request in their 2024 budget for the Restorative Justice positions which was previously funded with Cares Act money. If the Public Safety funds were used for these requests, the potential 2024 levy savings would be \$501,040. The Commissioners agreed that they would like the use of the Public Safety Funds for these requests to offset the 2024 levy.

2024 Budget Review

Mr. Larson stated that the first budget overview was August 8th with a net levy increase of 6.44%, this included a 3% COLA, all external requests, and all new internal requests. The Auditor-Treasurer and Administration continued to review the budget and made some minor adjustments to expenses and some revenues which brought the net levy down to 5.12%. There was discussion in the past about using fund balances and if we used \$500,000 from fund balance, it would bring it down to 3.89%.

Mr. Larson also referenced the Budget vs Actual for Salaries and Benefits handout and stated that it shows years 2016 through 2022. Ms. Johnson further explained the handout and stated that in 2016 the budget to actual was 0.73% over, 2017 was 1.86% over, 2018 was 1.99% over, 2019 was 0.88% over, 2020 was 1.11% over, 2021 was 1.29% over, and 2022 was 1.44% over. Years 2021 and 2022 were higher because there was staffing issues and salary allocation changes.

Further discussion ensued regarding the 2024 budget and the Budget vs Actual for Salaries and Benefits handout.

Clay County HRA Funding Request Review

Mr. Larson stated that the Clay County HRA unit of local government created by the Clay County Commission in 1995. The State Statute allows the HRA to levy and collect a special benefit tax up to 0.0185% of the taxable market value of the area of operations, which for Clay County is over \$1.4 million. On August 1st, 2023, Executive Director Dara Lee presented a levy request of \$500,000, which the HRA Board of Commissioners have already approved. The HRA letter request that has been handed out breaks down how the levy dollars will be utilized. Ms. Lee reached out and wanted

to see what the Clay County Board of Commissioners thoughts would be if the levy request was reduced to \$340,00, if the Board would allocate \$160,000 that the County is receiving from the State Affordable Housing Aid. The State Affordable Housing Aid is new funding that the 2023 legislature passed. This will be a two-year funding source in which Clay County will receive \$160,402. In 2025 there will be additional funding, but it will be lower than the two-year funding amount. The City of Moorhead will also be receiving funds as well. Mr. Larson stated after reviewing the County's Procurement Policy, in order to disperse these funds, there would have to be an RFQ process. Mr. Larson also mentioned the timeline for the HRA and that Ms. Lee needing to set the HRA 2024 budget by October 1st per State Statute.

Ms. Lee stated that the Clay County HRA Board of Commissioners met right before this Work Group meeting and the request would be \$250,000 if the HRA was able to receive the \$160,000 from Clay County and \$85,000 from Moorhead that would come from the State Affordable Housing Aid funds. Ms. Lee mentioned that the City of Moorhead was looking into the procurement process that they would have to go through as well for those funds.

Discussion ensued regarding the HRA levy request, the State Affordable Housing Aid, procurement process, and additional meetings moving forward with the Clay County HRA.

Adjourn

Mr. Larson summarized the discussions that took place during the Work Group meeting and what will be brought forward to the Board on September 12, 2023.

The meeting adjourned at 3:40 p.m.

Frank Gross, Chair
County Board of Commissioners

Stephen Larson, County Administrator