

CLAY COUNTY BOARD OF COMMISSIONERS

8:30 AM, TUESDAY, MAY 12, 2026

Meeting Room A / B – 3rd Floor – Courthouse

MINUTES

The Clay County Board of Commissioners met in regular session with the following Commissioners present: Paul Krabbenhoft, Ezra Baer, Jenny Mongeau, Kevin Campbell, and David Ebinger. Others present: County Administrator Stephen Larson, Assistant County Attorney Katie Stock, and Assistant County Administrator Darren Brooke.

Call to Order

Commissioner Mongeau called the meeting to order at 8:30 a.m.

Approval of Agenda

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the agenda with the Agenda Addition: Request Approval to Send an Advocacy Letter Regarding SNAP Penalty & Administrative Cost Shifts.

Approval to Fill Vacated Accounting Tech Position

By consent, the Board approved to fill the vacated Accounting Tech position.

Approval to Replace a Deputy Auditor - Motor Vehicle Position due to an Upcoming Retirement

By consent, the Board approved to replace a Deputy Auditor - Motor Vehicle position due to an upcoming retirement.

Tax Abatement for Dakota Development Cons. for Pay Years 2024, 2025, and 2026, Due to a Clerical Error.

By consent, the Board approved the Tax Abatement for Dakota Development Cons. for pay years 2024, 2025, and 2026 due to a clerical error.

Citizens to be Heard

There were no citizens to be heard.

Approval of Payment of Bills and Vouchers

On motion by Commissioner Baer, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved the bills and vouchers totaling \$1,027,084 from 163 vendors. There were 109 warrants issued under \$2,000 (\$46,924) and the following 54 were over \$2,000.

Internal Revenue Serv	\$ 282,861	NetCenter Technologies	\$ 6,275
Central Specialties Inc	\$ 92,624	LELS	\$ 5,852
Advanced Correctional Healthcare, Inc.	\$ 66,341	Avalon Events Center	\$ 5,814
Clay Co Public Health	\$ 47,655	Fevig Oil Co	\$ 5,368
Red River Regional Dispatch Center	\$ 45,328	Norix Group Inc	\$ 5,047
Mn Dept Of Revenue	\$ 38,161	Amazon Capital Services	\$ 4,743
VEBA Select Account	\$ 36,496	VoIP Supply LLC	\$ 3,652
Trinity Services Group, Inc.	\$ 34,532	Superior Sales & Service LLC	\$ 3,600
Prairie Lakes Municipal Solid Waste Auth	\$ 28,055	Farmers Coop Oil Co	\$ 3,398
Frontier Precision Inc	\$ 25,749	Barnesville C-Store	\$ 3,375

Clay County Auditor-Treasurer	\$ 20,190	Pete's Gas & Service	\$ 3,301
Becker County Public Health	\$ 16,075	Jones Law Office	\$ 3,200
Clay Trail Alliance	\$ 15,931	Chiller Systems Inc	\$ 3,145
NACO	\$ 15,826	Uline	\$ 3,046
Butler Machinery Co	\$ 15,576	Sign Solutions USA LLC	\$ 2,761
American Solutions For Business	\$ 11,686	Mezclada	\$ 2,663
ConvergeOne, Inc.	\$ 11,579	RDO Equipment Co.	\$ 2,629
Houston Engineering Inc	\$ 10,279	State of MN Health Care Savings Plan	\$ 2,613
Nitzkowski, Inc.	\$ 10,193	Fuchs Sanitation Inc	\$ 2,613
City Of Dilworth	\$ 9,496	C-W Valley Co-Op	\$ 2,581
Powerplan	\$ 9,302	Disposal Services Inc	\$ 2,550
Forum Communications Printing	\$ 9,071	Johnson's Auto Repair LLC	\$ 2,434
Wegner Psychological & Therapeutic Svc	\$ 7,500	City of Felton	\$ 2,385
Rob Bentz Lock & Key, LLC	\$ 7,346	Clay County Landfill	\$ 2,326
Dean's Bulk Service	\$ 7,260	Big Dog Autoglass LLC	\$ 2,300
Petro Serve USA-SW	\$ 6,601	Fargo Freightliner	\$ 2,257
Sabin C Store	\$ 6,449	River Valley Forensic Services, PA	\$ 2,050

Approval of Minutes from April 28, 2026

On motion by Commissioner Baer, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the minutes from April 28, 2026.

Request Approval of the Amended Language to the Abatement Policy

County Assessor Jill Murray requested approval of the amended language to the Abatement Policy and stated as a result of an office review by the Minnesota Department of Revenue, the Clay County Abatement Policy requires an update. Language referencing the application deadline for homestead was changed in the Legislative First Special Session 2021. Prior to this change, the deadline for homestead application was December 15, which would now reflect the application deadline of December 31.

On motion by Commissioner Campbell, seconded by Commissioner Baer, and unanimously carried, the Board approved the amended language to the Clay County Abatement Policy.

Recognition — Proclamation for Family Child Care Appreciation Month - May 2026

Social Services Director Quinn Jaeger requested approval of a proclamation recognizing May 2026 as Family Child Care Appreciation Month. Family childcare providers are trusted partners in supporting children, strengthening working families, and contributing to our local economy by providing safe, nurturing, and high-quality care in home-based settings. The proclamation recognizes the dedication, compassion, and important contributions of family child care providers throughout Clay County and honors the vital role they play in promoting healthy child development, family stability, and strong communities.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board read and approved to proclaim May 2026 as Family Child Care Appreciation Month in Clay County.

Recognition — Proclamation for Foster Parent Appreciation Month - May 2026

Mr. Jaeger requested approval of a proclamation recognizing May 2026 as Foster Parent Appreciation Month. Foster parents provide safe, stable, and supportive homes for children and youth experiencing out-of-home placement. Their dedication plays a critical role in

strengthening families, supporting reunification efforts, and improving outcomes for children in Clay County. The proclamation recognizes the commitment, compassion, and partnership demonstrated by foster parents throughout the county and highlights the importance of community support for foster care services.

Discussion ensued regarding the process of becoming a foster parent.

On motion by Commissioner Campbell, seconded by Commissioner Baer, and unanimously carried, the Board read and approved to proclaim May 2026 as Foster Parent Appreciation Month in Clay County.

Agenda Addition: Request Approval to Send an Advocacy Letter Regarding SNAP Penalty & Administrative Costs Shifts

Mr. Jaeger requested approval to send an advocacy letter regarding SNAP penalty and administrative cost shifts, and stated SF4612 is the Minnesota Senate bill intended to address major SNAP cost shifts that are expected to impact counties due to upcoming federal funding and penalty changes. The bill includes provisions designed to prevent these new costs from being shifted directly to county property taxpayers. The Minnesota Senate passed SF4612 on April 29, 2026. The Minnesota House later amended and passed its own version of the bill. Because the House version differs from the Senate version, the legislation is now proceeding through conference committee negotiations where the House and Senate must agree on a final version before the bill can become law.

Without legislative action, Clay County is projected to experience SNAP administrative funding loss in the amount of \$392,137 and projected SNAP error rate penalty exposure in the amount of \$1,532,831, annually. Combined, these impacts represent nearly \$2 million in potential direct cost shifts to local property taxpayers with no additional services or operational improvements provided. The letter emphasizes the importance of preserving county protections within the final negotiated version of SF4612 to reduce financial impacts on local governments and taxpayers.

Discussion ensued regarding SNAP error rate penalty exposure, and system modernization. Commissioner Mongeau asked that Clay County's error rate percentage be included in the letter, and for the letter to go to the members of the Conference Committee. County Administrator Stephen Larson mentioned that the Association of Minnesota Counties (AMC) is actively working on this until the end of the session.

On motion by Commissioner Baer, seconded by Commissioner Ebinger, and unanimously carried, the Board approved sending an advocacy letter regarding SNAP penalty and administrative cost shifts, to the Minnesota House of Representatives and the Conference Committee, and to include Clay County's SNAP error rate within the letter.

Request Approval of Out-of-State Travel - 2026 NACo Annual Conference & Exposition

Mr. Larson requested approval for Commissioner Mongeau to attend the NACo Conference in Orleans Parish/New Orleans, Louisiana from July 16–21, 2026. The NACo Annual Conference is a gathering of elected and appointed officials from the nation's 3,069 counties, parishes and boroughs. The conference will include dozens of committee and caucus meetings, educational workshops, general sessions and more. Sessions will offer learning and best practices on the full range of county responsibilities and domestic policy issues. Funding would come from the General Revenue Training budget in the estimated amount of up to \$3,000.

On motion by Commissioner Ebinger, seconded by Commissioner Krabbenhoft, and unanimously carried, the Board approved Out-of-State Travel for Commissioner Mongeau to attend the 2026 NACo Annual Conference & Exposition in New Orleans, LA from July 16-21, 2026, in the estimated amount of up to \$3,000.

Clay County Budget Update Presentation

Mr. Larson and County Auditor/Treasurer Lori Johnson provided the Board with a budget update and presented the ½ cent sales tax for 2026, the 2025 Revenues & Expenditures and Fund Balance information, and the 2026 Revenues & Expenditures by Department Year to Date.

Mr. Larson first discussed the expense side of the 2025 Revenues & Expenditures and focused on the items that are higher than 110%. Even though there were increases in some expenditures, other expenses were down, resulting in the County coming in under budget at 98%. Discussion ensued regarding depreciation. Mr. Larson further discussed the revenues and highlighted the areas that were over 110%. Discussion ensued regarding SCORE funding.

Mr. Larson discussed the fund balance comparison. Discussion ensued regarding market adjustments and investments, Public Health and Detox, and Internal Service Funds. The Summary of Revenues and Expenditures by Department for 2026 YTD was discussed and Mr. Larson stated that the County's expenses are within the range that they should be. Discussion ensued regarding the Debt Retirement – County Projects, and delays in payment of expenditures and receipts of revenues for Social Services.

Lastly, Mr. Larson spoke on the ½ cent sales tax for 2026.

Request Approval of the 2027 Budget Timeline

Mr. Larson requested approval of the 2027 Budget Timeline which is established each May for the upcoming budget cycle.

2027 Budget Timeline		
1	Preliminary budget discussions with the County Board. Set budget parameters	Tuesday, May 12, 2026
2	Budget sheets provided to Departments by the Auditor's Office	Friday, May 22, 2026
3	Deadline to turn in budget requests to the Auditor's Office	Friday, June 12, 2026
4	Budget compiled and forwarded to the County Administrator's Office	BY Thursday, July 2, 2026
5	Presentations to the County Board. Review of budget with individual departments, as necessary	July / August / September
6	Set Preliminary Levy per statute *On or Before September 30th of each year	September 30, 2026
	County Board action by	Tuesday, September 22, 2026
7	Public Meeting Regarding Budget Information Truth in Taxation	Tuesday, December 1, 2026, 5:00 p.m. (TNT - 6:00 pm)
8	Adoption of Final Levy and Year 2027 Budget	Tues., Dec. 22, 2026

On motion by Commissioner Baer, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the proposed 2027 Budget Timeline.

Committee Reports/County Administrator Update/Discussions

- Commissioner Ebinger reported on meetings for Statewide Emergency Communications

Board (SECB) Legislative Committee; FM Diversion Partnership Amendment Commemorative Ceremony; Board of Commissioners Emergency Board meeting; and CC Restorative Practices Advisory Committee.

- Commissioner Krabbenhoft reported on meetings for Legislative Planning; Children's Mental Health LAC; Historical & Cultural Society; Adult Mental Health LAC; and BRRWD.
- Commissioner Campbell reported on meetings for Personnel Issues Committee; Highway Tracking; gravel pre-construction meeting; Flood Mitigation work group; and read a letter from a citizen regarding County Road 9.
- Commissioner Baer reported on meetings for County Owned Property; and Dilworth Community Center Groundbreaking Ceremony.
- Commissioner Mongeau reported on meetings for BRRWD Whisky Creek Restoration Hearing; Highway Tracking; County Owned Property; Legislative Planning; Retirement Celebration for Larry Knutson; Chamber Public Policy Committee; Flood Mitigation work group; Alliance Township meeting; Coffee with the Commissioner; met with Brian Melton and Stephen Larson regarding an ongoing legal issue; Dilworth Community Center Groundbreaking Ceremony.
- County Administrator Stephen Larson reported on meetings for letters to Legislators; Personnel Issues Committee; Highway Tracking; County Owned Property; Legislative Planning; Chamber Public Policy meeting; Flood Mitigation work group; MCIT Risk Management meeting; Department Head Evaluation; MACA Legislative Update; PRTF/NSJ; met with Kristal Kadrie; and later today we have the Quarterly EDC/EDA meeting at 1:00 p.m.
- Assistant County Administrator Darren Brooke reported on meetings for Personnel Issues Committee; County Owned Property; Legislative Planning; met with Chris Martin on personnel issues; met with Anna Moore; Data requests and data practices project; MACA Legislative Update; PRTF/NSJ; and met with Stephen Larson and Lori Johnson.

Adjourn

The meeting was adjourned at 10:17 a.m.

Jenny Mongeau, Chair
County Board of Commissioners

Stephen Larson, County Administrator