

WADENA COUNTY BOARD OF COMMISSIONERS MEETING
DECEMBER 2, 2008, 9:00 A.M.

The Wadena County Board of Commissioners Meeting was held on Tuesday, December 2, 2008, at the Wadena County Courthouse in the Commissioners Room at 415 Jefferson St. S., Wadena Minnesota. The meeting was called to order at 9:00 a.m. by Chairman Orville Meyer and the pledge of allegiance to the flag was said.

Also present: Commissioners Lane Waldahl, Dave Schermerhorn, William Stearns and Mary Harrison, Auditor/Treasurer Char West and HR Consultant Mike Gibson.

Motion by Waldahl, seconded by Harrison, to approve the day's Agenda as amended to include g) Kitchigami Regional Library Update, motion carried.

Motion by Harrison, seconded by Schermerhorn, to approve the Board Meeting Minutes of November 20, 2008, as presented, motion carried.

Scott McKellop, Emergency Response Director, came before the Board to inform them that he had received the final report on the GeoComm Radio Study. He pointed out that the holding of a Public Meeting was required, which would include County wide City Councils, Fire Departments and Police Departments.

The Board recommended the meeting be held at 7:00 p.m. and pointed out that they were available January 7, 2009, or January 14, 2009. Discussion was held as to possible meeting locations such as the Brown Conference Center or the Courthouse Auditorium, if large enough.

Karen Nelson, Public Health Director, came to the Board and presented them with an agenda.

Also present was Kevin Stensrude, MIS Director.

Ms. Nelson provided the Board with background information pertaining to the Public Health computer software and the requested ratification of the Agreement between MN Counties Computer Coop (MCCC) and ACS State and Local Solutions, Inc, relating to the Community Health Services PH-Doc System, which would be effective January 1, 2009.

Mr. Stensrude pointed out to the Board that he was a member of the MCCC Board but that the MCCC Executive Committee ran the organization. He added that he was in support of the PH-Doc Maintenance Contract.

Motion by Waldahl, seconded by Schermerhorn, moved to approve the Maintenance and Support Agreement between MCCC and ACS State & Local Solutions, Inc. regarding the Community Health Services PH-Doc System effective 1-1-09 to 3-31-13, motion carried.

Ms. Nelson informed the Board of the Care Coordination and Ability Care Policies for Wadena
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County Public Health and Social Services, which was recommended by South Country Health Alliance. Also present was Lori Miller, Social Services Supervisor.

Ms. Miller provided the Board with details regarding the Care Coordination for the Senior Products Policy for MSHO Members which would assign an individual who coordinated the provision of all Medicare and Medicaid health and long-term care services for those members. She added that the Care Coordination for Ability Care Members Policy provided care management for all enrollees.

Motion by Harrison, seconded by Schermerhorn, to adopt the Care Coordination and Ability Care Policies for Wadena County Social Services and Wadena County Public Health as recommended by South Country Health Alliance effective December 2, 2008, motion carried.

Ms. Nelson requested authorization to sign the Central MN Council on Aging Title III contract. She pointed out that this contract added a huge responsibility to the Public Health Department with no funding. Ms. Nelson added that her Department was already completing these tasks but the Central MN Council on Aging just want to emphasis the need.

Commissioner Stearns questioned whether the expenses were covered by a grant and what additional expenses were involved.

Ms. Nelson responded that the County received an \$8,000 grant for their services. She added that the expense was related to her time in reporting, not doing additional things. Ms. Nelson stated that it was a match of 60% - 40% In-kind by the County.

Motion by Schermerhorn, seconded by Waldahl, to authorize the Public Health Director to sign the Central MN Council on Aging Title III contract for senior health screening with Public Health Preparedness Addendum effective January 1, 2009 to December 31, 2009, motion carried.

Ms. Nelson discussed with the Board strategies to get the word out to targeted community groups about the NACo Prescription Drug Program.

Commissioner Harrison provided some background in her work in bringing the program to Wadena County adding that the main thing now was to get the word out to the public. She pointed out that the cards could be given to anyone and the more it was used, the better.

Ms. Nelson reported that 73% of the counties in the Nation were currently using the Program and that all pharmacies in the County were contracted to accept the card.

Chairman Meyer questioned whether the card could be used by inmates.

Commissioner Harrison responded that Sheriff Mike Carr and Jail Administrator Tom Speed had been informed of the card but that she and Ms. Nelson would follow up with them regarding the cost savings of the Plan.

Ms. Nelson presented a Certificate of Appreciation to Chairman Orville Meyer from the Central MN Emergency Medical Services Board for his years of service to the citizens of the 14 County Region as a delegate from the Wadena County Board of Commissioners.

Joel Ullring, Highway Engineer, updated the Board on the sale of the depleted County gravel pit located in Leaf River Township. He reminded the Board that there had been significant discussion concerning this pit over the year and that a management plan had been adopted by the Board last spring which called for the sale of the property upon removal of the gravel resource and that he was at that point now. Mr. Ullring stated that he had met with the Auditor/Treasurer regarding the scheduling of the next County Tax Forfeited Land sale and was informed that she had tentatively planned on holding one in the spring of 2009. He recommended the Board consider including this parcel on the Tax Forfeited Land Sale. Mr. Ullring also stated that the Highway Department had expended funds for a legal survey of the parcel and fencing on the north and westerly boundaries in the amount of \$2,850 and that he was requesting reimbursement for those expenditures from the proceeds of the sale of the property.

Commissioner Waldahl stated that he felt the total amount of the proceeds should be placed in the General Fund.

Commissioner Stearns pointed out that the Highway Department had received gravel from the gravel pit.

Motion by Schermerhorn, seconded by Stearns, to authorize the Auditor/Treasurer to Call for Bids for the 2009 Official County Publications, bids to be opened on January 6, 2009, at 9:00 a.m. in the Board of Commissioners Room, motion carried.

The Board set the following future Board Meeting dates: January 6, 2009, January 22, 2009, February 3, 2009 and February 19, 2009.

Ms. West presented the Board with a Joint Powers Agreement between the Minnesota Secretary of States Office and Wadena County which authorized her Office to conduct the recount for the United States Senate race that she had conducted on November 21st. She recommended Board approval of the Joint Powers Agreement which would then trigger a nominal reimbursement from the State for the County's services.

Motion by Waldahl, seconded by Harrison, to approve the Joint Powers Agreement between the Secretary of State/State of Minnesota and Wadena County relating to the Auditor's Office recount for the United States Senate race, motion carried.

Motion by Stearns, seconded by Schermerhorn, to approve to replenish the Courthouse Postage Meter in the amount of \$5,000.00, motion carried.

Commissioner Harrison informed the Board of a letter she had received from Marian Ridge, Kitchigami Regional Library Director. She stated that the letter indicated that Wadena County was in arrears \$2,417 for their 2009 financial obligation which basically was in violation of

the Kitchigami Regional Library Joint Powers Agreement. Commissioner Harrison added that the County would be kicked out of the System if the total amount was not paid. She stated that she had contacted the County Attorney who had advised that this could be argued both ways. The Commissioner pointed out that if the County would fight this there would be no guarantee of winning.

Ms. West read the July 24, 2008 Board of Commissioner minutes excerpt when Ms. Ridges was in attendance at the meeting and her response that Library services would have to be reduced in Wadena County, which was in answer to Commissioner Stearns question of what would happen if Wadena County was unable to pay the \$90,587 as required by the Joint Powers Agreement.

Chairman Meyer questioned where the additional funds would come from due to the fact that Wadena County was under levy limits.

Commissioner Stearns pointed out that the total Defense of CHIPS Cases budget (01-092-6275) possibly would not be needed due to a change in contracts and suggestion the budgeted funds be moved into the Kitchigami Regional Library budget. He also pointed out that this budget line item may be a possible source of funds for the additional funds needed for the 800 MHz match.

Chairman Meyer commented Cass County was having similar funding problems with the Regional Library.

Motion by Harrison, seconded by Schermerhorn, to increase the 2009 Kitchigami Library budget 01-801-6913 by \$2,417 and decrease the Court Appointed Attorney budget #01-92-6275 in the amount of \$2,417, motion carried.

The Board recessed at 10:08 a.m.

The Board reconvened at 10:20 a.m.

Kevin Stensrude, MIS Director, came to the Board to provide an update on the Document Management Project and MCCC (Minnesota Counties Computer Coop). He relayed to the Board his request to rollover the current funds in the MIS budget for Document Management in the amount of \$39,350.00 and to have the Board's approval to begin the project in 2009. Mr. Stensrude pointed out that the first part of the project would be for education of the members selected to be on a Committee and the second part would be to select a vendor. He added that he wanted to try to avoid an RFP. Mr. Stensrude stated that he wanted to have at least two Departments on the new system, i.e. first the Recorder's Office, also Social Services, or Public Health and that this would be a multi-year project with funding requested through the budget process each year. He pointed out that the biggest need was to stop paper growth in the County.

Commissioner Stearns questioned how much Social Services would be contributing towards the project.

Mr. Stensrude responded that the \$39,350 was in the General Fund MIS Budget.

Commissioner Stearns clarified that Social Services allocated \$20,000 and MIS allocated \$20,000 so there should be \$40,000.

Mr. Stensrude responded that the amount from 2008 was \$20,000 and that \$19,350 was rolled over from 2007. He added that he was not sure how Social Services handled their allocation. Mr. Stensrude commented that \$650 of the funds was spent in 2008.

Ms. West recommended that instead of using the word “roll over” the word “reserve” be used. She added that she would check in the Audit Report as to whether Social Services had set up a reserve for Document Management.

Motion by Waldahl, seconded by Schermerhorn, to table until the December 18, 2008, Board Meeting, the MIS Director’s request to reserve funds for the Document Management Project within the County and the request to approve the Document Management System for 2009, motion carried.

Mr. Stensrude reminded the Board that they had requested him to provide a report as the MCCC delegate. He provided the background of the MCCC for the benefit of the two incoming Commissioners which he said initially began by helping counties purchase a tax software package. Mr. Stensrude added that each County had a delegate appointed to attend the Annual Meeting of the MCCC and that the total budget of the MCCC for 2009 was \$430,000.

Mr. Stensrude informed the Board that he was unable to make any further reductions in his 2009 budget, however, additional funds left in 2008 would roll back into the General Fund. He added that he had not purchased any printers and did not attend any training so there would be about \$10,000 to \$15,000 returning back into the General Fund.

Rob Naplin, DNR Wildlife, came to the Board and reminded them of the DNR’s purchase of 80 acres from the Sheriff in 2004 that was forfeited. He added that the previous owner had one remaining 40 acre plot and was in agreement to sell the property located in Huntersville Township.

Chairman Meyer questioned what the development goals were for this wildlife management area.

Mr. Naplin responded that it would be maintained as brush prairie for wild life, prairie chickens, sand hill cranes, and turkeys.

Motion by Harrison, seconded by Waldahl, to approve the following resolution:

RESOLUTION
Wadena County Board of County Commissioners
Review of Proposed State Land Acquisition

In accordance with Minnesota Statutes 97A.145, Subd. 2 the Commissioner of the

Department of Natural Resources on December 2, 2008 provided the county board with a description of lands to be acquired by the State of Minnesota for water, forestry, wildlife, and natural plant community conservation purposes.

Lands to be acquired are described as follows:

The Northwest Quarter of the southeast Quarter (NW ¼ of SE 1/4) of Section 32, Township 138 North, Range 33 West.

IT IS HEREBY RESOLVED, by the Board of County Commissioners of Wadena County on December 2, 2008 that the State's proposed acquisition of the attached described property be (approved) (disapproved).

If applicable, reasons for disapproval: None

This resolution was presented by Commissioner Harrison, seconded by Commissioner Waldahl and upon vote was duly adopted. I, Charleen West, County Auditor of the County of Wadena, State of Minnesota, certify that the foregoing resolution is a true and correct excerpt of the minutes of the Board of County Commissioners, County of Wadena, State of Minnesota held at Wadena, Minnesota, on the 2nd day of December, 2008.

Charleen West, Auditor
County of Wadena
State of Minnesota

Motion carried.

Deana Skov, Zoning/Parks Director, came to the Board and introduced Jason Burstag from Duinick Bros, Inc., who was requesting approval of a Conditional Use Permit.

Motion by Stearns, seconded by Harrison, to accept the November 20, 2008, Planning Commission Minutes, as circulated, motion carried.

Ms. Skov requested Board approval of a Conditional Use Permit for Duinick Bros., Inc. in Wing River Township to permit a mining, processing and stockpiling of gravel and granular materials and an operation of bituminous hot-mix plant on a periodic basis for 5 years.

Chairman Meyer questioned whether anyone in attendance was against the Conditional Use Permit. No response. Chairman Meyer questioned whether anyone in attendance was in favor of the Conditional Use Permit.

Mr. Burstag responded that he was in favor.

Chairman Meyer questioned Ms. Skov as to whether she had received any correspondence regarding this Permit.

Ms. Skov responded that she had not received any correspondence.

RESOLUTION

Commissioner Waldahl moved that the following Resolution be adopted:

RESOLVED: That the County Board approves issuance of the following Conditional Use Permit:

Duininck Bros, Inc. application for Conditional Use Permit to permit a mining, processing & stockpiling of gravel & granular materials, as well as the operation of a bituminous hot-mix plant on a periodic basis for five years with the following condition:

- 1) That the public roads be maintained to the satisfaction of those agencies governing those roads.

and with the following findings of fact:

- 1) The requested use will not create an unreasonable excessive burden on the existing roads or other utilities;
- 2) The requested use is compatible with the surrounding area and will not significantly depreciate nearby properties;
- 3) The structure and the use shall have an appearance that will not have an unreasonable adverse effect on nearby properties;
- 4) The requested use, in the opinion of the Planning Commission, is reasonably related to the existing land use and environment;
- 5) The requested use is consistent with the Wadena County Land Use Control Ordinance; and
- 6) The requested use is not in conflict with the Wadena County Comprehensive Plan.

on property described as: That part of the Northwest Quarter (NW1/4) described as follows: Commencing at a point on the East line of said Northwest Quarter (NW1/4) 1,700 feet South of the Northeast corner of said Northwest Quarter (NW1/4) as the point of beginning, thence Northwesterly on a course of North 45 degrees West, with the East North-South quarter line as reference, a distance of 1,275 feet, thence South and parallel to the East Quarter line a distance of 700 feet, thence Southeasterly on a course of South 45 degrees East a distance of 1,275 feet, thence North along the East quarter line a distance of 700 feet to the point of beginning and that part of the Northwest Quarter (NW1/4) described as follows: Commencing as the Northeast corner of said Northwest Quarter (NW1/4); thence on an assumed bearing of South along the East line of said Northwest Quarter (NW1/4) for a distance of 1,700 feet to the Northeast corner of a tract conveyed to Duininck Bros. & Gilchrist (Deed Book 107, Page 581, Wadena County Recorder's office); the point of beginning of the tract herein described; thence North 45 degrees 00'00" West along the Northeast line of said tract conveyed to Duininck Bros. & Gilchrist for a distance of 900.04 feet; thence North 89 degrees 13' 06" East for a distance of 636.48 feet to a

point in the East line of said Northwest Quarter (NW1/4); thence South along the East line of said Northwest Quarter (NW1/4) for a distance of 645.11 feet to the point of beginning; and that part of the Northwest Quarter (NW1/4) described as follows: Commencing at the Northeast corner of said Northwest Quarter (NW1/4); thence on an assumed bearing of South along the East line of said Northwest Quarter (NW1/4) for a distance of 2,400.00 feet to the Southeast corner of a tract conveyed to Duininck Bros. & Gilchrist (Deed Book 107, Page 581, Wadena County Recorder's office), the point of beginning of the tract herein described; thence South along the East line of said Northwest Quarter (NW1/4) for a distance of 141.42 feet; thence North 45 degrees 00' 00" West for a distance of 1275 feet; thence North for a distance of 141.42 feet to the Southwest corner of said tract conveyed to Duininck Bros. & Gilchrist; thence South 45 degrees 00' 00" East along the Southwest line of tract conveyed to Duininck Bros. & Gilchrist for a distance of 1275 feet to the point of beginning and that part of the Northwest Quarter (NW1/4) described as follows: Commencing at the Northeast corner of said Northwest Quarter (NW1/4); thence on an assumed bearing of South along the East line of said Northwest Quarter (NW1/4) for a distance of 2541.42 feet to the Southeast corner of a 2.927 acre tract conveyed to Duininck Bros. Inc. (Instrument # 218957), the point of beginning of the tract herein described; thence South along the East line of said Northwest Quarter (NW1/4) for a distance of 47.05 feet; thence North 89 degrees 18' 55" West for a distance of 672.09 feet; thence North for a distance of 50.00 feet; thence North 89 degrees 18' 55" West for a distance of 379.54 feet; thence North for a distance of 1456.66 feet; thence North 89 degrees 13' 06" East for a distance of 150.01 feet to the Southwest corner of a tract conveyed to Daniel G. Schmitz & Diane E. Schmitz (Instrument # 218956); thence South along the West line of the tract conveyed Duininck Bros. Inc. (Instrument # 218955) for a distance of 431.25 feet to the Southwest corner of said tract (Instrument # 218955) and said corner is also the Northwest corner of the 2.927 acre tract conveyed to Duininck Bros. Inc (Instrument # 218957); thence South along the West line of said 2.927 acre tract (Instrument # 218957) for a distance of 141.42 feet to the Southwest corner of said 2.927 acre tract (Instrument # 218957); thence South 45 degrees 00' 00" East along the Southwest line of said 2.927 acre tract (Instrument # 218957) for a distance of 1275 feet to the point of beginning; Subject to an easement for the purpose of ingress and egress, Section 29, Township 135 North, Range 34 West, Wing River Township, located in an A-3 General Agriculture District.

Commissioner Stearns seconded the motion and the same carried unanimously.

Adopted this 2nd day of December, 2008.

Attest: _____
Charleen West, Auditor/Treasurer _____
Chairperson

Ms. Skov requested the Board rescind the Conditional Use Permit issued to Edward A. Bruns on land located in Leaf River Township for the sale of used farm machinery. She pointed out that this property had transferred ownership, the current owners were contacted and do not intend to ever use the property in this manner and have also approved removal of the CUP from the property.

Bob Johnson, State Auditor's Office, came before the Board to present them with the 2007 Audit Report. He referred to the Entrance Conference held on May 22, 2008, to discuss the State Auditor's and the County's responsibility pertaining to the Audit.

Mr. Johnson reviewed the "Analysis of Major Funds and Governmental Wide Activities" handout. He pointed out that the County's Government wide net asset increased about 3.3% or \$1,115,000 over 2006 and added that the main reasons contributing to this were Federal highway projects, however, it did not reflect cash that was available to spend. Mr. Johnson added that the unrestricted assets actually declined by about \$376,000, which actually reflected \$376,000 less in expendable resources.

Mr. Johnson reviewed the County's 2007 cash balance for the Major Funds (General Revenue, Social Services and Road & Bridge). He pointed out the County's General fund only had about 51% of the State Auditor's recommend 6 month reserve for a cash balance, which was in comparison, far below surrounding counties. Mr. Johnson stated that the 6 month reserve only applied to the General Fund, but for comparison purposes the Road & Bridge fund reflected 27% of the 6 month reserve, which was comparable to surrounding counties and the Social Services fund reflected 30% of the 6 month reserve, which was about half of what surrounding counties had available for that fund. He also reviewed fund balances for each Major Fund.

Discussion was held regarding what was included in the fund balance dollar amounts.

Mr. Johnson reviewed the "Changes in Cash and Fund Balances and Trends" handout and pointed out the revenues and expenditures that affected the changes in cash and fund balances for the three major County funds. He stated that the cash balance for the three major funds reflected a decrease and that the fund balance also reflected a decrease in the General Revenue and Social Services fund, mainly due to funds directed to South Country Health Alliance (SCHA), and an increase in the Highway fund.

Commissioner Stearns pointed out that several years earlier the Highway Department was in the red and since the cash had increased. He also stated that the Steele County Auditor had indicated that the funds provided by the counties to SCHA were suppose to be reflected as an asset on the County's balance sheet. He questioned whether these dollars were in the County's balance sheet as it was money that was not expended but an investment in the SCHA fund.

Mr. Johnson responded that he would review the audit detail and inform the County Auditor of his findings.

Commissioner Stearns also questioned whether the "Budgetary Comparison Schedule" was a good reflection of where some of the County's problems were regarding spending.

Mr. Johnson responded that it was a good comparison with the County budget, which reflected the expenditures exceeded the budget in excess of what the actual revenues exceeded the budget.

Chairman Meyer questioned whether there was any single item that stood out in his mind that exceeded the budget.

Mr. Johnson responded that Public Safety/Law Enforcement was one area that exceeded the budget partly due to the E-911 equipment that was purchased.

Chairman Meyer pointed out that the Law Enforcement budget comparison did not provide a true picture as there possibly were grant funds coming in to offset the expense.

Ms. West pointed out that the Sheriff's Department E-911 expenditure was over budget but that the incoming grant funds were shown as a revenue on the previous page of the Audit.

Discussion was held as to the necessity for Department Heads to request budget amendments, which would help clarify the figures.

Mr. Johnson reviewed the Trends of Major Funds. He pointed out that the General fund expenditures increase more than the revenue for the past five years adding that the County had \$1,218,000 less cash than it did 5 years earlier; Road & Bridge fund revenue had increased more than expenditures by \$336,000 which resulted in more cash than it had 5 years earlier; Social Services fund expenditures increased faster than the revenues by \$633,000 which resulted in less cash than it had 5 years earlier.

Mr. Johnson reported that the Schedule of Findings reflected a good opinion on the financial statements and that there were no incidents of incompliance on the Financial Statements or matters involving internal control. He added that everything looked good in regard to the County's Federal Programs.

Mr. Johnson pointed there were only four findings, which was very good. He stated that the first Finding was pertaining to the Departmental Segregation of Duties, which was common in small counties as there generally was one person taking care of the receiving and recording of cash. Mr. Johnson pointed out that this was a higher risk area but there were certain things the County could do, such as internal monitoring.

Commissioner Stearns questioned Mr. Johnson as to the need to make deposits more often.

Mr. Johnson responded that there were no specific areas in Wadena County in which the collections were deposited untimely.

Mr. Johnson stated that the second and third Finding addressed notes to the Financial Statements which stated that the State Auditors Office was the County's external Auditors and that the County could not rely on them to be a part of the County's internal controls on financial recording.

Mr. Johnson reported that the fourth Finding pertained to Wadena County's establishment of the Health Reimbursement Employee Trust Fund in 2004. He pointed out that the Fund currently

reflected \$6,000 less in expenditures than income compared to the spreadsheet. He recommended that this be reviewed and reconciled, as it was a possibly of just some expenditures not being recorded.

Mr. Johnson called for any questions from the Board regarding the Audit report stating that Wadena County staff were very cooperative in preparing information for the Audit.

The Board recessed at 12:08 p.m.

The Board reconvened at 12:20 p.m.

Chairman Meyer closed the Board of Commissioners Meeting at 12:21 p.m. for the purpose of discussing 2009 Negotiation Strategy and a Personnel Issue.

Chairman Meyer opened the Regular Board Meeting at 1:12 p.m.

Commissioners Reports:

Commissioner Stearns	Perham Resource Recovery Center. There was a problem due to the fluctuation in gas prices. The possibility of increasing the tipping fee was discussed. No decisions were made at this point.
Commissioner Schermerhorn	None
Commissioner Meyer	None
Commissioner Harrison	None
Commissioner Waldahl	CHAMPS

Motion by Waldahl, seconded by Harrison, to approve payment of the Board of Commissioner bills in the amount of \$106,775.12, motion carried.

Motion by Schermerhorn, seconded by Harrison, to adjourn the Board of Commissioners Meeting at 1:30 p.m.

Charleen West, Auditor/Treasurer

Orville Meyer, Chairman