

**WADENA COUNTY BOARD OF COMMISSIONERS SPECIAL MEETING**  
**AUGUST 11, 2009/9:00 A.M.**

The Wadena County Board of Commissioners Special Meeting was held on Tuesday, August 11, 2009, at the Wadena County Courthouse Auditorium, 415 South Jefferson St., Wadena MN 56482. The meeting was called to order at 9:00 a.m. by Chairman David Schermerhorn and the pledge of allegiance to the flag was said.

Also present: Commissioners William Stearns, Lane Waldahl, Ralph Miller, Rodney Bounds, Auditor/Treasurer Char West, Social Services Director Paul Sailer, Zoning/Parks Director Deana Skov, Veterans Service Officer Dave Anderson, Public Health Director Karen Nelson, Extension Director Jim Carlson, Highway Engineer Joel Ullring, Todd Wadena Community Corrections Director Kathy Langer, Sheriff Mike Carr, County Attorney Kyra Ladd, Building Services Director Sean Uselman, County Recorder Sole Henriksen.

Motion by Waldahl, seconded by Miller to approve the day's agenda as presented, motion carried.

Paul Sailer, Social Services Director, informed the Board that the Management Team had met and discussed an early Retirement Incentive Program that was put in place in Crow Wing County the beginning of 2009. He stated that a Sub-Committee was appointed and on August 10, 2009, they had a phone conference call with the Human Resource person in Crow Wing County to learn more about the program. Mr. Sailer reported that Crow Wing County had informed them that the Program provided an opportunity for the County to reduce budget costs; it had some financial incentives for the person to consider an early retirement; Department Heads had to show a 50% savings by offering the Early Retirement Incentive. He added that Early Retirement Incentive Program information was recently received from Mille Lacs, Goodhue, and Olmstead Counties. Mr. Sailer stated that if this was an area of interest to the Board, they would continue researching it and come back to the Board with a proposal within the next 30 days or so, if not, they would discontinue their research.

Commissioner Stearns stated that while in attendance of the Management Team Meeting he recommended that the Sub-Committee receive some preliminary information from Crow Wing County as to whether the Program was working and what legal assistance was needed; the Program seemed to work so that was the reason for bringing it to the Board at this time.

Board consensus was for the Management Team Sub-Committee to continue researching an Early Retirement Incentive Program.

Mr. Sailer stated that at some point the Sub-Committee would have to talk with a Labor Attorney as there were some aspects that required some legal research; the Sub-Committee did have the name of the Attorney who helped set the Program up in Crow Wing County.

Commissioner Stearns recommended an outline of the different counties that had enacted an

Early Retirement Incentive Program within the previous two years comparing the difference between each of their Programs.

The Preliminary 2010 Budgets were reviewed before the Board with Department Heads pointing out the changes in their respective Budgets.

Mike Carr, Sheriff reported that the bottom line of his Preliminary 2010 Budgets were the same, however, some line-items had to be changed around. Also present were Jail Administrator Tom Speed, Administrative Assistant Jean Birch and Emergency Management Services Director Scott McKellep.

Mr. Speed reviewed the Preliminary 2010 Jail Budget reporting that they had lowered the Out of County prisoner boarding budget by \$10,000. He pointed out that the State would be taking back the short term offenders which would help on the Boarding costs; currently they had three short term offenders, however, once they finished their sentence, the County would no longer have any housed in Wadena County. Mr. Speed added that he hoped to have the Pay for Stay Program implemented within the next month or two, which would create revenue for the County.

Sheriff Carr reviewed the Preliminary 2010 County Sheriff's Budget pointing out that they had reviewed the salary budget; part-time salaries went up by \$10,000. He also pointed out that he had a young staff which resulted in employee absence due to maternity leave; call time reduced by \$1,000; overtime increased \$9,000 to \$14,000; the \$9,000 had not been raised in his time of service, however it was always over, hence the increase; this had to do with union contracts due to Holiday pay and working on Holidays. Sheriff Carr added that the gas allowance had been reduced by \$10,000 due to lower gas prices. Sheriff Carr reviewed the Boat and Water Safety Budget, Snowmobile Safety Budget and the ATV Grant Budget which reflected grant revenues off setting expenditures.

Mr. McKellep reviewed the Preliminary 2010 Civil Defense/Emergency Services Budget pointing out that the bottom line was the same as the 2009 Budget. He added that all expenses, except wages, were covered by grants.

Sheriff Carr informed the Board that he was eliminating the Administration Citation Program as of August 1, 2009 due to State legislation; this would reflect a loss in revenue of approximately \$15,000.

Kyra Ladd, County Attorney, stated that the new legislative change relating to Administrative Citations was that citations could only be written for speed violations under 9 miles per hour or an equipment violation.

Deana Skov, Zoning/Parks Director, reviewed the Preliminary 2010 GIS Budget pointing out that it reflected a slight increase over the 2009 Budget as she had miss calculated the wages due to longevity for the Assistant Zoning/Parks Director who worked with GIS; her Assistant also lost her health care benefits through her husband and had to change her health care directive.

Ms. Skov added that the Training Budget had to increase as it was very expensive but she did reduce the amount spent on Computer Support. She pointed out that revenues had reduced for services, as an example; only 50 E-911 signs were issued over the previous year due to the decrease in new buildings sites.

Ms. Skov reviewed the Preliminary 2010 Parks Budget pointing out that over the past several years camping fee revenue had increased; had received a donation in 2009 but did not budget this revenue for 2010 as a donation may not be received; added a line item for Unemployment but with the increase in camping fees and being able to reduce expenses on other line items, she was able to come up with \$4,800 for the Park employee's unemployment expense.

Ms. Skov reviewed the Preliminary 2010 Planning and Zoning Budget pointing out that the bottom line had increased 30% as one-half of her wages in 2010 would not be paid out of the Solid Waste Fund as previously done. She added that health care benefit expenses also increased due to her Assistant's change in health care directive.

Commissioner Stearns questioned whether the inspections were down because Building Permits were down.

Ms. Skov responded that this was correct. She pointed out that she had however budgeted the revenue for the ISTS Grant and Shoreline Grant they receive.

Karen Nelson, Public Health Director, reviewed the Preliminary 2010 Public Health Budget pointing out the changes in the revenues and expenditures; anticipate a slight increase in license fees for Food, Lodging and Beverage – approx 1% increase in license fees; \$1,000 increase in Immunization Protection Inspection; no funding for RAP; Levy 0 increase and plan to spend \$13,641 from Public Health cash balance in 2010; In-kind – Countywide costs had been reduced; Radon Grant – do not have enough housing construction to qualify; H1N1 fees would be added when fees were set; Misc Revenues – SHIP Grant increased to \$5,000; Stimulus Funding for H1N1; Furlough time – decrease; Workers Comp, Liability, etc. budgeted same as 2009 as 2010 expense was unknown; MCCC fee - \$10,000 per year and always paid with sales but no sales for 2010; Professional and Technical Services \$67,000 was Chemical Health and \$24,600 was EFC.

Discussion was held regarding Public Health expenses covered by grant revenues

Jim Carlson, Extension Director, reviewed the Preliminary 2010 Extension Budget pointing out that the Extension Committee was requesting an increase in the 4-H Coordinator's time from 50% to 75% time. He distributed a handout to the Board which included statements from several Extension Committee members as well as statistical information supporting the Committees request for increased 4-H Coordinator time. Mr. Carlson stated that researched done by Tufts University indicated that 4-H participants had higher scores in Community involvement, better grades, school attendance was better, work habits were better. He pointed out that all other line-items were the same as the previous year.

Commissioner Stearns questioned what the number of Clubs and the number of Kids in Wadena County 4-H were for the past four years.

Mr. Carlson responded that there were several new clubs and thought the membership had increased somewhat pointing out that it was hard to increase participation with only a 50% time 4-H Coordinator position.

The Board recessed at 10:13 a.m.

The Board reconvened at 10:30 a.m.

Ms. West informed the Board that Kevin Stensrude, MIS Director, had completed a 2010 Budget prior to his leave of absence. Also present was Carol Tabery, MIS Support Specialist. Ms. West pointed out that she did have to adjust the 2010 Budget he had provided as, at the time he completed the Budget, he was unaware of the June 2, 2009 Amended Budget that the Board had directed Department Heads to follow for their 2010 Budgets. She also pointed out that Mr. Stensrude had received Board approval to amend his 2009 Budget to reflect the reduction of expenses while he was gone so his 2010 Budget did reflect the increase in expenses due to his return in 2010. Ms. West informed the Board that Ms. Tabery had additional budget information and was also available to answer questions.

Ms. Tabery reported that the wages should reflect \$149,286 instead of \$143,900, and that there was also some savings under health care benefits as the other Support Specialist was able to obtain health insurance elsewhere.

Commissioner Stearns question the decrease in Rental and Service Agreements.

Ms. West responded that the decrease reflected the difference between the increase in the Morris Electronic's Service Agreement in 2009 and then the return to their normal Service Agreement expense in 2010 upon Mr. Stensrude's return.

Commissioner Stearns questioned the decrease in Fees and Services.

Ms. West responded that previously she would review these revenues with Mr. Stensrude, which she would do with Ms. Tabery and include them in the 2010 Budget.

Soledad Henriksen, County Recorder, reviewed the Preliminary 2010 County Recorder Budget pointing out that her total budget reflected a decrease. She stated that she did not feel 2010 would be much different from 2009; she had received a lot of refinancing documents but not a lot of property transfers; housing sales were down all over. Ms. Henriksen added that passport sales were still strong and that she also had one employee who had a status change in her health insurance which accounted for the increase in health insurance benefits.

Kathy Langer, Todd Wadena Community Corrections director, informed the Board that she had reduced their budget, as requested for the 2009 Budget, and would be able hold to that

adjustment for 2010. She noted her concern of not knowing what the cuts to the CCY Grant would be until September. Ms. Langer pointed out that they were looking at salary freezes for 2010 and 2011 with no COLA and that those eligible for a step would receive one subject to their performance. She also pointed out that they had previously switched to the Envoy Telephone System/Voice Over IP which provided them with a major savings. Ms. Langer stated that she was looking for a staff person that would provide to the Board information needed to decide if their programs were saving the County money; this staff person would be at no extra expense to the County and would be under a two year grant.

Kyra Ladd, County Attorney, reviewed the Preliminary 2010 County Attorney Budget noting a correction that would move the \$6,000 fee revenue from the Forfeiture line item to the Fees line item; Forfeitures could not be budgeted for as per Statute. She added that Cost of Prosecution fees had not been charged by the County prior to her coming to Wadena County in 2006; she further explained Cost of Prosecution fees. Ms. Ladd added that it was felt that these financial consequences were deterrents to future criminal activity as well as not having their criminal activity on their record. She stated that she had essentially changed nothing from her 2009 Budget except if the \$6,000 could be collected it would benefit the County as an increase in revenues.

Commissioner Stearns questioned what was included under Miscellaneous Expense as the amount spent was less than what was budgeted for; what kind of things were anticipated that had to be paid some years and not others.

Ms. Ladd responded that would be primarily for Trial expenses; if the County had a high profile case; a coroner had to come from out of the County, i.e. Hennepin or Ramsey, to testify, their fee and all their travel expense would be paid from the Miscellaneous Expense budget.

Commissioner Stearns questioned whether the expense would be more appropriately budgeted within another line item instead of Miscellaneous Expense.

Ms. Ladd and Ms. West will review possible line items that the expense may be more appropriately budgeted for.

Dave Anderson, Veterans Service Officer, review the Preliminary 2010 Veterans Services Budget pointing out that the only change in his Budget would be to add back in the \$500 expense for Computer Support; in 2009 a Software grant was received but in 2010 the expense would have to go towards the Maintenance Agreement. He added that the State was looking at going to electronic mailings, which would reflect some savings.

Sean Uselman, Building Maintenance Director, reviewed the Preliminary 2010 Safety Officer Budget pointing out that there was no change from 2009 and that there were sufficient funds available to cover safety training expenses.

Mr. Uselman also reviewed the Preliminary 2010 Building and Grounds Budget also pointing out that there were no changes for 2010 Budget from the amended 2009 Budget. He stated that he

would review why there was a difference in where the Fees for Service were being deposited versus where they were being budgeted for.

Commissioner Stearns questioned whether Mr. Uselman anticipated any increases in utilities.

Mr. Uselman responded that, as far as he knew at this time, the City of Wadena was not proposing any increase in water, sewer or electricity charges.

Joel Ulring, Highway Engineer, reviewed the Preliminary 2010 Highway Department Budget pointing out a correction to where the budgeted Wage and Benefit amounts should be reflect as they had not been broken down. He distributed a summary of his 2010 Budget changes, which he reviewed. Mr. Ulring reported that State Aids had been reduced 1.5 million for County Program Aid, State Aid Construction, State Park Road Account, Bridge Bonding and LRIP which resulted in the reduction of projects; had increased budgeted expenditures to update their survey equipment which would be off set by State Aid reimbursement; currently had a staff vacancy in the Maintenance Department which he was not planning to fill, which would result in a decrease of \$68,000 in wages; he was proposing to use this amount to contract for Maintenance Services as there was work that needed to be done; reduction in fuel budget; increase for Pavement Marking expenditures – received a Federal HSIP Grant to strip all CSAH roadways.

Paul Sailer, Social Services Director, reviewed the Preliminary 2010 Social Services Department Budget and presented the Board with a summary of the 2009 and 2010 Budget comparisons, Social Services employee age groups and a Quarterly Vehicle Report. He stated that the Levy base remained unchanged for 2010; the Special Levy amount for 2010 would be reduced from the 2009 Special Levy amount. Mr. Sailer noted that IV Reserve in the amount of \$26,900 was from Federal Stimulus funds in 2010 as was the Social Services Reserve in the amount of \$90,020. He pointed out that these funds would go directly into reserves and would not need to be used to offset expenditures in 2010, which would be used to rebuild the reserves in the Social Services Fund. Mr. Sailer reminded the Board that in 2008 funds were transferred to South Country Health Alliance (SCHA) and that the Social Services Fund was trying to restore the reserves to protect the Fund from any future problems at SCHA. He reviewed the Employee Age Group handout reporting that as employees retire expenses would reduce as wages were approximately 55% of the Social Services budget. Mr. Sailer added that Out of Home Replacement costs would also be lower for 2010. He reviewed the Vehicle Report; a new vehicle was budgeted for approximately \$16,000 which would be reimbursed through Federal and State Administration Aid in the amount of approximately \$7,000 to \$8,000. Mr. Sailer reviewed the following revenue reductions the Social Services Fund would experience in 2010: \$65,000 -Reduced Program Aid; \$84,000 - Child & Community Services Grant; \$12,500 - Family Investment Grant; \$37,000 - Temporary Assistance in Aiding Needy Families (TNAF). He concluded that this loss in revenue was being offset by savings in Out of Home Placements, increased Care Coordination, and savings in labor.

Char West, Auditor/Treasurer, reviewed the Preliminary 2010 Auditor/Treasurer Budget pointing out that, seeing as the Board had approved a one year reduction in Liquor License Fees,

she did not reduce the 2010 Budget for the Fee revenue. She stated that salaries and benefits reflected no change except for reflecting the PERA rate increase in 2010; increase in Advertising and Legal Notice expense due to increase in size of the Delinquent Tax Notice that had to be published; reduced Training and Small Equipment budget to offset other increases in expenditures. Ms. West stated that Computer Professional Unlimited who provided maintenance and support for the Tax Software had informed her that, due to the financial condition counties were currently facing, they were sending an Amended Contract for their services which reflected the change of their charging the same rates for 2010 and 2011 as in 2009 in exchange for the County extending the existing Contract to 2012 and 2013. She pointed out that the freezing of the 2010 and 2011 computer maintenance and support expense to 2009 rates would reflect a \$15,000 savings to Wadena County.

Ms. West reviewed the Preliminary 2010 Elections Budget pointing out that there was an increase in the budget due to 2010 being a Primary and General Election year.

Ms. West reviewed the Preliminary 2010 Central Service/Unallocated Budget pointing out that there was no change but noting that the actual postage expenses were down, which she credited to employees e-mailing and faxing documents, which was cheaper than mailing.

Ms. West informed the Board that she had inserted budget numbers, based on actual expenditures, into the Preliminary 2010 County Commissioners Budget and requested Board input on such. She noted that she had, based on actual expenses, increased the 2010 Conference and Travel budgets; however the total 2010 Budget reflected a decrease in expenditures.

Ms. West reviewed the Preliminary 2010 Law Library Budget pointing out that, due to a decrease in revenue from Fines, the County would be paying more for the Law Library than in previous years.

Ms. West informed the Board that she had inserted the same budget numbers into the Preliminary 2010 County Coordinator Budget. She requested guidance from the Board on how to address this Budget.

Ms. West reviewed the Preliminary 2010 Court Appointed Attorney Budget pointing out that she had not had an opportunity to discuss the CHIPS Attorney budget with Ms. Ladd. She also reported that she had not received a 2010 Budget proposal from Attorney Harry Taves or Attorney Ryan Ries for the Public Defender and Juvenile Delinquent Contracts. Ms. West questioned Ms. Ladd as to what she could see for future CHIPS case expenditures.

Ms. Ladd responded that they did have a Termination Trial coming up within the next 45 to 60 days. She added that she was advised by Judge Robertson that they felt the fees were not high enough, however, unless they could show that the fee was unreasonable, she did not make a recommendation to change the current fee structure as it was consistent across the State.

Mr. Sailer stated that the Sexual Psychopathic Personality Reserve needed to be kept in place as

the County currently was paying for one person at St. Peter; the Fund also covered the \$1,250 evaluation expense and that there were usually three or four a year; some other situations coming in the near future that would be paid for out of this Reserve.

Ms. Ladd clarified that the DOC identified certain offenders that qualified under the Civil Commitment Statute; they were not a County expense as they served out their prison sentence but an evaluation would be done for a Screening Committee which would be a County expense of \$1,250 per evaluation.

The Board recessed at 12:10 p.m.

The Board reconvened at 12:52 p.m.

Ms. West reviewed the Preliminary 2010 County Buildings/Repair and Maintenance Budget pointing out that she was unable to review this Budget with the Building Maintenance Director. She added that she did not make any changes between the 2009 and 2010 Budget.

The Board requested Lee Brekke, County Assessor, to present his Preliminary 2010 Budget at the August 20, 2009 Board Meeting due to his absence from the current day's Meeting.

Ms. West stated that she had not made any changes from the Amended 2009 Budget to the Preliminary 2010 County Building Fund Department Budget. She requested Board direction on this Budget.

Discussion was held regarding the proposed Jail roof replacement in one to two years.

Ms. West informed the Board that the Weed Inspector duties were being contracted out through the Wadena Soil and Water Conservation District; pointing out that they had not proposed any change in the 2009 \$15,000 price for 2010.

Ms. West informed the Board that the Preliminary 2010 Non-Departmental Budget only included the Appropriation requests from the various Agencies and that she would not received Levy Base certification from the Department of Revenue until the end of August; thus she was unable to calculate a Preliminary Tax Levy. She pointed out that there were no changes in the Appropriation requests except for the Wadena Soil & Water Conservation District who had requested a slight increase for the Water Plan and then also a \$2,000 funding increase request from the Wadena Historical Society. Ms. West reported that she had not received a 2010 Appropriations request from the Wadena Ag Society or the Old Wadena Society.

Board discussion was held regarding the need for Agencies to submit Appropriation requests in order to include it in the 2010 Budget.

Commissioner Waldahl questioned how much the 2010 County Program Aid Unallotment was and whether there would be funds available, following the \$500,000 Budget reductions, to cover this cut.

Ms. West responded that she remembered it to be approximately a \$203,000 reduction in County Program Aid, which would be covered by the Budget reductions. She added that the Department of Revenue had referred to the possibility of the Governor doing an additional Unallotment in December 2009, which would also have to be addressed if it occurred.

Mr. Sailer stated that he felt everyone needed to recognize that the County had had a very difficult past 12 months and that what was accomplished that day, few would predict could have been accomplished. He added that he appreciated the leadership from the Board and what had been done by Department Heads and all County staff.

Chairman Schermerhorn agreed that everyone had worked as a Team.

Sheriff Carr reported that he had been informed that FEMA would be reimbursing the County for all spring flooding expense.

Chairman Schermerhorn adjourned the Special Board of Commissioner Meeting adjourned at 1:15 p.m.

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Charleen West, Auditor/Treasurer

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David Schermerhorn, Chairman