

**TRANSCRIPT AND REPORT OF PROCEEDINGS**

**CASS COUNTY**

**COUNTY OF CASS**

**AUGUST 21, 2018**

1. Call to Order

Chair Robert Kangas convened the regular meeting of the Cass County Boards of Commissioners at 6:00 PM on Tuesday, August 21, 2018 with the flag pledge in the Blind Lake Twp., Pine River, MN.

1.a

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
Neal Gaalswyk	Commissioner	Present	5:45 PM
Robert Kangas	Chair	Present	5:45 PM
Jeff Peterson	Commissioner	Present	5:45 PM
Scott Bruns	Vice Chair	Absent	
Dick Downham	Commissioner	Present	5:45 PM

<u>NAME</u>	<u>REPRESENTING</u>	<u>NAME</u>	<u>REPRESENTING</u>
Joshua Stevenson	Administrator	Sandra Norikane	Chief Financial Officer
Jennifer Krecklau	Blind Lake Township	Mary Krecklau	Blind Lake Township
Darrick Anderson	Highway Department	Mardi Harder	UMN Extension
Greg Booth	Extension Committee	Susan Harrison	Extension Committee
Marion Linn Jr.	Blind Lake Cattle Co.	Gail DeBoer	Pilot Independent
Monica Lundquist	Brainerd Dispatch	Sandra Linn	Blind Lake Cattle Co.
Gloria Sawyer	Blind Lake Cattle Co.	Niki Ahyanehe	Blind Lake Cattle Co.
Cody Linn	Blind Lake Cattle Co.	Brent Moore	Blind Lake
Isaac Krecklau	Blind Lake	Dalton Middendorf	Blind Lake
Christina Linn	Blind Lake	Marion Linn	Blind Lake

1.b. Approval of agenda for discussion. (Any requests to be heard not on the proposed agenda are considered for inclusion at this time.)

Administrator Stevenson presented the agenda for Board consideration and asked for a motion to approve as presented.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Dick Downham, Commissioner
<b>SECONDER:</b>	Neal Gaalswyk, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

2. Josh Stevenson - County Administrator

2.a. Consent Agenda

Administrator Stevenson presented the consent agenda for Board consideration with the addition of the retirement notice of Curt Fisher in Central Services. He then asked for a motion to waive reading and approve as amended.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Neal Gaalswyk, Commissioner
<b>SECONDER:</b>	Jeff Peterson, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

Approve - Minutes of August 7th, 2018

Approve – Auditor Manual Warrants/Voids/Corrections (Batch 2) dated July 2018 in the amount of \$148,385.63

Receive & File – July 2018 Monthly budget reports.

Approve – Auditor Warrants dated August 2, 2018 in the amount of \$1,163,311.48

Approve – Auditor ACH (2018 State PILT & Wildlife Mgmt) dated August 16, 2018 in the amount of \$148,666.31

Approve – Auditor Warrants dated August 9, 2018 in the amount of \$736,174.03

Approve – Auditor Warrants dated August 9, 2018 in the amount of \$19,426.21

Approve – HHVS IFS- Manual Warrants/Voids/Corrections (Batch 1) dated July 2018 in the amount of (\$5,185.19)

Approve – HHVS IFS Auditor Warrants dated August 10, 2018 in the amount of \$90,451.90

Approve – HHVS IFS-SSIS Auditor Warrants dated August 10, 2018 in the amount of \$90,864.34

Approve – HHVS IFS Special Auditor Warrants dated August 10, 2018 in the amount of \$83.30

Receive & file - Notice of retirement of Curt Fisher, Maintenance Mechanic, effective August 31, 2018.

Receive & file - Notice of resignation of Janice Mehle, County Team Leader, effective August 17, 2018 and receive and file the notice of intent to fill budgeted County Team Leader position, Grade 35.

Receive & file - Notice of appointment of Nicole Davis to County Team Leader, Grade 35, Step 6 vacated by Janice Mehle, effective August 15, 2018.

Receive & file - Notice of appointment of Tonya Heldt to County Team Leader, Grade 35, Step 4 vacated by Karen Eischens, effective August 15, 2018.

Receive & file – Notice of intent to advertise and fill budgeted County Agency Social Worker – CPS, vacated by Nicole Davis.

Receive & file – Notice of appointment of Austin McAllister, Motor Equipment Operator, Grade 21, Step 1, effective August 25, 2018.

Receive & File – Notice of appointment of Dillon Bruns, Deputy Sheriff, Grade 27, Step 1, effective July 16, 2018.

Receive & File – Notice of appointment of Brad Rittgers, Lieutenant, Grade 34, Step 9, effective August 21, 2018.

Tobacco:

Mule Lake Store, LLC – Judy A. Leeds - Wabedo

Approve – Capital Projects Fund Activity:

Anderson Heating and Air Conditioning \$7,740 (Voter Storage)

Arrowhead Builders Supply \$172.97 (Longville HWY)

Mark Beard \$6,250 (various capital)

Leech Lake Lumber Co \$109.45 (Voter Storage)

Lucachick Architecture \$2,290 (Longville HWY & Pine River Station)

Walker Pipe and Supply \$508.40 (Longville HWY)

Widseth Smith Nolting \$390 (Longville HWY)

Young Excavating \$11,549.75 (Longville HWY)

Authorize – 2<sup>nd</sup> quarter Longville Ambulance Subordinate Service District in the amount of \$122,750.00

Adopt – Resolution 43-18 approving FY2019 CVSO Grant agreement with required documentation as identified on Operation Improvement Grant Program Checklist for use to enhance the operations of the Grantee's CVSO under Minnesota Statutes §197.608, Subdivision 4(a) and should not be used to supplant or replace other funding.

Commissioner Gaalswyk offered Resolution No. 40-18 and moved its adoption, Commissioner Peterson seconded:

BE IT RESOLVED by Cass County that the County enter into the attached Grant Contract with the Minnesota Department of Veterans Affairs (MDVA) to conduct the following Program: County Veterans Service Office Operational Enhancement Grant Program. The grant must be used to provide outreach to the county's veterans; to assist in the reintegration of combat veterans into society; to collaborate with other social service agencies, educational institutions, and other community organizations for the purposes of enhancing services offered to veterans; to reduce homelessness among veterans; and to enhance the operations of the county veterans service office, as specified in Minnesota Laws 2017 Chapter 4, Article 1, Section 38, Subdivision 2. This Grant should not be used to supplant or replace other funding.

BE IT FURTHER RESOLVED by the Cass County Board Commissioners that Jeff Woodford, the County Veterans Service Officer, be authorized to execute the attached Grant Contract for the above mentioned program on behalf of the County.

Resolution No. 40-18 was declared adopted upon the following vote Ayes: Gaalswyk, Peterson, Downham, Kangas Nays: None Absent: Bruns

Approve- 2019-2021 PH-DOC Maintenance and Support Agreement with Board Ratification Statement between Conduent State & Local Solutions Inc. and Minnesota Counties Computer Cooperative (MnCCC) on behalf of the Community Health Services (CHS) User Group for the maintenance and support of the PH-DOC Software.

Approve- Pine River/Backus and Pillager Early Childhood Collaborative Agreements to provide research-based Early Childhood curriculum aligned with the State Early Learning Standards and other comprehensive Early Childhood Services for Cass County children ages 0-5 and their families.

Award - Contract to Herzog Roofing for replacement of Cass County Law Enforcement Center roof for a bid price of \$107,000, plus Alternate #1 of \$1700 per roof drain, as needed, and \$1.25/Board foot to remove and replace any damage or wet roof insulation. Source of funds is from the approved 2018 Capital Plan. Authorize Central Services Director to approve necessary replacement of insulation, replacement of roof rock, and any addition of insulation to meet current R value energy standard for public buildings not to exceed \$50,000.

Award – Contract for fence removal project to Todd Sawyer not to exceed \$7,200.00 and contract for debris removal project to Holmvig Excavating not to exceed \$2,950.

Award – Concrete contract on County Longville Highway Garage and Ambulance 2018 Building Project to Hytec Construction of Brainerd for \$115,500.00.

Award – Contract for the Bull Moose forest road repair project to Sawyer Timber not to exceed \$6,500.00 and contract for the Crooked Lake forest road repair project to Holmvig Excavating not to exceed \$9,700.00.

Approve – Family Planning Special Project (FPSP) Sub-Grantee Contract with Mahube-Otwa Community Action Partnership, Inc. to provide pre-pregnancy family planning services to the residents of Cass, Todd and Wadena Counties.

Approve – Buscho reclassification as recommended by the Cass County Planning Commission at their August 13, 2018 regular meeting.

Approve – Sheldon reclassification as recommended by the Cass County Planning Commission at their August 13, 2018 regular meeting.

Approve – Williams reclassification as recommended by the Cass County Planning Commission at their August 13, 2018 regular meeting.

Receive & File - Annual disclosure reporting for Tax Increment Financing for the year ended December 31, 2017 for the Cass County HRA, Cities of Backus, Cass Lake, Hackensack, Pillager, Remer and Walker.

Receive and File – July 2018 Interest Report

2.b. Approve Public Comment Letter for Gull Lake Dam Road

Administrator Stevenson provided a draft letter to Colonel Sam Calkins noting two minor edits for Board consideration. The edits included a spelling and county road number error correction. It was noted that the letter is being sent in response to a request for public comment by the US Corp of Engineers. It was noted in the letter that leaving the road in its current location may be the least disruptive to this culturally sensitive area, prevents the re-alignment of two existing county roads, and will avoid increased traffic on other local roads. It was also noted in the letter that the County Board would like input from the Leech Lake Band of Ojibwe Council before any decisions are made. He then asked for a motion to approve public comment letter to Colonel Sam Calkins from Chairman Kangas regarding the potential closure of the roadway crossing the Army Corp of Engineers Dam on the Gull River in East Gull Lake.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Neal Gaalswyk, Commissioner
<b>SECONDER:</b>	Dick Downham, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

2.c. Property Assessed Clean Energy (PACE) Joint Powers Agreement

Administrator Stevenson provided a resolution to enter into a Joint Powers Agreement with the Port Authority of the City of St. Paul for the Property Assessed Clean Energy program for Board consideration. It was noted that the agreement would allow the Port Authority to enter into agreements with local businesses to borrow money for clean energy projects and have the amount added to their property taxes as a special assessments. It was also noted that if the property owner could not make payments the property would forfeit to the State of MN for non-payment of taxes and special assessment. It was also noted that the Board did not want to support a program that may compete with local lending institutions. After a brief discussion, Commissioner Downham made a motion to disregard Resolution 33-18 entering into a Joint Powers agreement with the Port Authority of the City of Saint Paul.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dick Downham, Commissioner
<b>SECONDER:</b>	Jeff Peterson, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

3. Susan Harrison and Greg Booth - Cass County Extension Committee

3.a. 2018 Farm Family of the Year

Greg Booth and Susan Harrison from the MN Extension Committee explained that each year the local County Extension Committee selects a farm family and submits their recommendation to the University of Minnesota. The criteria for nomination is that the farmer is a Minnesota food producer that is actively involved in agricultural production with one or more agricultural enterprises and have some involvement in their communities. They informed the Board that the selected 2018 Cass County Farm Family is the Bind Lake Cattle Company of Pine River, MN. Accepting the award was Marion and Christina Linn. It was noted that Marion Linn III's family is the fourth generation of farmers on the property. The Board congratulated Christina and Marion Linn III and family as the 2018 Farm Family of Cass County.

4. Sandra Norikane - Chief Financial Officer

4.a. Cass County Assigned Fund Balances

Chief Financial Officer Sandra Norikane provided information on the County's uninsured losses account from unassigned fund balance. She explained that the tort limit for uninsured claims in Minnesota is set at \$1,500,000. She noted that the current assignment for this account is \$1,300,000. She recommended that the County increase their uninsured claims to this amount as certain risks and liabilities are not covered by existing insurance plans. It was also noted that this assigned fund balance can be used to offset claims coming against the County for which the Board feels the use of fund balance is appropriate. She then asked for a motion to adopt Resolution 41-18, increasing the County's assigned fund balance for uninsured claims to \$1,500,000.

Commissioner Downham offered Resolution No. 41-18 and moved its adoption, Commissioner Peterson seconded:

Resolution to Increase Uninsured Losses Account from Unassigned Fund Balance

WHEREAS, The Cass County Board has adopted Governmental Accounting Standards Board Statement 54, Fund Balance Reporting Governmental Fund Type Definitions (GASB 54), and

WHEREAS, Cass County maintains membership in the Minnesota Counties Intergovernmental Trust for its insurance and risk management needs, and

WHEREAS, Certain risks and liabilities are not covered by existing insurance plans, and

WHEREAS, Litigation costs and settlement costs continue to increase, and

WHEREAS, the County's ability to generate additional revenue to pay for uninsured losses is limited.

NOW, THEREFORE, BE IT RESOLVED: That the Board of Commissioners do hereby increase the assignment for uninsured losses from \$1,300,000 to \$1,500,000 from existing unassigned fund balance within the County's General Fund. This will allow the County's assignment for uninsured claims to be the maximum liability for tort claims arising out of a single occurrence, in accordance with Minnesota Statute §466.04.

Resolution No. 41-18 was declared adopted upon the following vote: Ayes: Downham, Peterson, Gaalswyk, Kangas Nays: None Absent: Bruns

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dick Downham, Commissioner
<b>SECONDER:</b>	Jeff Peterson, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

4.b. Cass County Committed Fund Balance

Chief Financial Officer Sandra Norikane provided information on the Health, Human, and Veterans Services (HHVS) out of home placement committed fund balance. It was noted that in 2017, the HHVS fund was able to generate a surplus of revenue over expenditures. It was also noted that due to the surplus, it is recommended that the fund balance commitment related to the costs of out of home placements is increased from \$3,000,000 to \$3,500,000. This is in response to unfunded mandates that have been placed upon the County with unknown results. She then asked for a motion to adopt Resolution 42-18 increasing the County's committed fund balance for out of home placements to \$3,500,000.

Commissioner Peterson offered Resolution No. 42 -18 and moved its adoption, Commissioner Gaalswyk seconded:

Resolution to Increase Commitment for Out of Home Placement Costs

WHEREAS, The Cass County Board has adopted Governmental Accounting Standards Board Statement 54, Fund Balance Reporting Governmental Fund Type Definitions (GASB 54), and

WHEREAS, Cass County has significant Out of Home Placement Costs, and

WHEREAS, State programs and special projects have aided the County in managing those costs, and

WHEREAS, State revenues, in general, have been reduced and County cost shares have been increased, and

WHEREAS, Out of Home Placement Costs are unpredictable and can vary significantly by year, and

WHEREAS, the County's ability to generate additional revenue to fund this mandate is limited.

WHEREAS, the Cass County Board of Commissioners has the authority to commit fund balance for specific purposes.

NOW, THEREFORE, BE IT RESOLVED: That the Board of Commissioners do hereby increase the commitment to \$3,500,000 from \$3,000,000 of existing fund balance at December 31, 2017, in the Health, Human and

Veteran Services Fund for the funding of future increased Out of Home Placement Costs.  
Resolution No. 42 -18 was declared adopted upon the following vote: Ayes: Downham, Peterson, Gaalswyk, Kangas Nays: None Absent: Bruns

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Jeff Peterson, Commissioner
<b>SECONDER:</b>	Neal Gaalswyk, Commissioner
<b>AYES:</b>	Neal Gaalswyk, Robert Kangas, Jeff Peterson, Dick Downham
<b>ABSENT:</b>	Scott Bruns

4.c. 2017 Audited Financial Statement Recap

Chief Financial Officer Sandra Norikane provided a summary to the Board on the Minnesota Office of the State Auditor's audit for the year ended December 31, 2017. She reported that the 2017 Audited Financial Statements and the Management and Compliance Report will be posted on the County's website soon and will be published in the newspaper in the coming days. She also noted that there were no changes to the audited financial statements from the presentation to the County Commissioners on July 18, 2018.

<b>RESULT:</b>	<b>RECEIVED AND FILED</b>
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5. Confirm Upcoming Meeting Schedule

- 5.a. Commissioner's Board Meeting on Tuesday, September 4, 2018, beginning at 9:00 a.m., Board Room, 1st Floor Crtse. Annex, Walker, MN.
- 5.b. Commissioner's Board Meeting on Tuesday, September 18, 2018, beginning at 6:00 p.m., Remer City Hall, 106 Spruce St. NW, Remer, MN.

6. Adjourn

Chairman Kangas adjourned the meeting at 6:31pm.

SIGNED: \_\_\_\_\_  
Robert Kangas, Chair  
Cass County Board of Commissioners

ATTEST: \_\_\_\_\_  
Joshua Stevenson  
Cass County Administrator