Official Proceedings of the Stutsman County Commission—July 27, 2023

At 9:00 a.m., Chairman Klose called the special meeting of the Stutsman County Commission to order. Jerry Bergquist, Chad Wolsky, Joan Morris, and Mark Klose answered the roll call. Steven Cichos was absent.

The Pledge of Allegiance was recited.

The first and only agenda item is discussion on the 2024 budget.

Joan Morris, County Commissioner, questioned where the increase for food service in the correctional department was. Shannon Davis, HR Director, clarified that the increase she mentioned was for last year's budget. Jessica Alonge, Auditor/COO, explained there is a 5% increase built into the current food service contract. Ryan Deleon, Deputy Jail Administrator, explained that the Summit service contract was more cost effective than some of the other agencies they reached out to, so they kept the service with Summit. The service contract line item for Corrections was increased from $40,000 in 2023 to $50,000 for 2024.

Alonge discussed other service contract increases. IT increased due to the new GIS position which includes ESRI costs for licensing and the online portal and Adobe Acrobat DC licensing for the courthouse first floor. The Human Service Zone IT expenditures dropped by $5,000 due to migrating their contracts to the state. The Sheriff's Office service contracts increased due to adding drone service and body and dash camera service. Alonge stated that due to inflation many service contracts have increased, especially those with gas-related expenses.

Jamestown Ambulance and Jamestown Rescue Squad each requested an increase of $2,000.

The Jamestown Regional Airport requested a levy increase from .78 mills to 1.59 mills as well as the loan previously requested. Morris questioned if this was something able to be taken out of the JSDC allocation. Alonge recommended leaving the levy request at the higher amount due to being able to decrease the amount between August 10 and October 10.

The Weed Board's budget increased by $51,000 due to chemicals going up by $20,000 and gas price increases. Chairman Klose suggested levying the minimum amount to qualify for state grants. The local match would be equivalent to 3 mills. Alonge mentioned two other areas have that option which are the Senior Citizens Center and the Library. The library's request was based on a 3-year average and was lower than what it would need to be, making the state grant portion 0.

Klose mentioned that salaries and the Airport levy will need to be revisited. Alonge recommended leaving the airport's request at what it is because the commission can decrease the higher amount requested between the preliminary and final budget but are unable to increase. Bergquist informed the board that the airport is currently trying to leverage several million dollars in grants with a 5% match and that the JSDC cooperation does not sound hopeful due to the grants being for maintenance, not creating jobs.

There was discussion as to whether the airport's loan would be classified as forgivable. The airport request is to increase their levy for repayment of the loan at $27,500 per year over 10 years, with the loan being paid out of the revolving loan fund. The airport does not currently the have money in their budget, so they're requesting a higher levy from the county to pay back the loan for the next year with a $50,000 match. The board would like more clarification on this loan and levy request.

The JSDC budget was discussed, operating expenses are included as an agency request. Alonge stated that JSDC typically stays relatively close to the same dollar amount each year. Klose mentioned that JSDC has a very healthy reserve but that will depend on economic projects. To calculate how much property tax the county needs, the property taxes need to be subtracted from the total estimated revenues, but the fund balance started the year with over $1 million. The ending fund balance cannot be more than 75% of the current year appropriation which is currently at approximately $577,000. Klose inquired about JSDC having a larger reserve being an exception to Century Code and if that would affect the city's sales tax partnership that Stutsman County has with JSDC. Alonge stated she would visit with Fritz Fremgen, State's Attorney about how to interpret the sections in Century Code pertaining to this issue and revisit this at a later date.

Morris questioned the Emergency Fund Balance being 0. Alonge clarified that in the fund the county is only allowed to have 10 mill max in that fund balance and has remained at zero mills since 2018 due to reaching the max fund balance. The county used the fund in 2019 and 2020 disasters, but last year the commission voted to use the Road and Bridge fund money instead of emergency funds due to a 4 mill increase to that fund.

Three townships currently have FEMA-related loans which are projected to be paid back in 2023. Alonge is anticipating approximately $100,000 by the end of the year in repayments, and one payment of $2,000 due in December. Interest income is credited to the revolving loan fund. Interest earnings for 2024 were increased, generating approximately $15,000.

Jerry Bergquist, County Commissioner, inquired about equipment needed for maintenance capital projects. Mark Attleson, Maintenance Supervisor, stated that the only equipment he added was the pickup for snow removal and the fire alarm system for the extension building. There was question about whether the installation of the fire alarm system would lower insurance premiums.

The total mill increase for the 2024 proposed budget is at 11.23 mills, totaling 86.04 mills for county and state levies for 2024. Shannon Davis, HR Director, informed the board that this includes higher than anticipated insurance premium increases to prepare for a similar situation as 2023. Davis has been communicating with NDPHIT to check progress on insurance premiums and expects to hear back around August 1. Workforce safety premiums were included at a 42% increase, which is the amount it increased for 2023. The mandatory NDPERS increase of 1% was not included in the county portion, but rather included in the employee portion. Davis stated that she will provide a breakdown of costs at the next meeting. There was discussion of moving law enforcement and correction officers to NDPERS Law Enforcement plan. Davis will bring information to the board at a later date to decide when to implement that plan.

Morris presented a spreadsheet she prepared showing incremental adjustments. She created the base amount and then included the difference in the current scale with the 2.5% increase between steps and a step increase for 2024. Her calculations show the increase would be $400,000 on base salaries and adding 25% figure for fringe benefits to that would be a 6.2% increase in salaries. The next calculation she presented was to add a 5% COLA, which she calculated would be 11.51% increase. She then added the suggested grade changes, which would be a 13.44% increase. Morris added the budgeted increase of 15% in health insurance costs to be approximately $327,000. When the total additions to the budget are calculated, it brings the total increase in salary and benefits in the budget to 17.5%.

Bergquist questioned the step increases. Davis explained that annual step increases are based on a satisfactory evaluation, the first step increase is awarded on the month following their hire anniversary date. After the first year, a step increase would be implemented on January 1. Bergquist asked if the changes are made, would the payscale be more comparable to the City of Jamestown and the State of North Dakota. Davis also explained some state departments are being increased up to 16% due to the legislature awarding increases and appropriating additional money to various state departments. Davis explained the largest increase the county will see is due to the increase of 0.5% between steps. Fixing the payscale will cost more in the first year after implementing it.

Morris has a concern with the starting salaries that are advertised and asked how to increase those wages. The recommended 5% increase will work its way through which would give the county a higher starting wage. Davis recommended that the 5% scale adjustment be implemented to increase the starting wages. The 2.5% increase in between steps does not increase the starting wages. Increasing the payscale is important not only for starting wages in order get applicants and keep the positions filled, but also for retention, especially when considering other entities are increasing salaries in similar positions. Wolsky believes the Board needs to implement the recommendations Davis has presented. Davis believes if the amounts are lowered from her recommendations, the county will be extremely behind in comparison with other counties in the state.

Bergquist asked the department heads if they had thoughts they would be willing to share on the salary and wage issues. Morris mentioned other entities offering sign on and retention bonuses.

Andrew Kirking, Emergency Manager/9-1-1 Coordinator, addressed starting wages within his department. He mentioned local businesses that have competitive wages, but that's not considering the stress-levels of said job. Kirking believes the increased stress that comes with the job should be financially rewarded.

Chad Kaiser, Sheriff, addressed a sign-on bonus. He believes that wages need to be up to par before offering a bonus. Kaiser stated the bonus alone would not be a good enough incentive to get applicants and keep them employed. Davis agreed and stated that the State's Attorney's office quit doing sign-on bonuses due to them not being effective.

Jim Wentland, Road Superintendent, spoke about his employees having CDL requirements which makes his candidate pool smaller. Wentland does not believe starting wages within his department are competitive enough to pull interest from other surrounding hire opportunities.

Kaiser also mentioned that the majority of people he is hiring are unlicensed and obtain their license during their employment. If the applicant does not pass their licensing exam, they are not kept on staff meaning the Sheriff's department is spending money in wages upfront for employees they aren't certain they'll be able to keep. Increasing wages could potentially draw in more applicants who are already licensed.

Morris asked Davis for a comparison on benefit packages between surrounding competitors. The county's direct competitor is the state who has a similar benefit package, but the county's wages have always been lower. What Davis has recommended for next year is still a little low in comparison to the state because of the benefit package being accounted for.

A special meeting for a continued budget discussion was scheduled for 2 p.m. on Tuesday, August 1, 2023.

A motion to adjourn the meeting was made by Bergquist, seconded by Morris. Motion carried.

At 10:32 a.m., the Special Stutsman County Commission meeting adjourned.

ATTEST:

Jessica Alonge	Mark T. Klose
Auditor/COO	Commission Chairman