

Meeting Minutes
NDACo Board of Directors
August 29, 2024
NDACo County Office Building
Microsoft Teams – 701-297-2863

President Tenneson called the meeting to order at 8:47 AM and declared a quorum based on the ILG roll call just taken.

Members Present:	Jayme Tenneson	Steve Lee
Trudy Ruland	Nick Moser	Steve Forde
Becky Hagel	Jamee Folk	Shirley Murray
Wanda Knutson	Kelly Palm	Erica Johnsrud
Dana Larsen	Kim Jacobson	Lori Hanson
Robert Wilson	Perry Turner	Joan Hollekim
Members Absent:	Chad Kaiser	Tony Grindberg
Scott Ouradnik	Beau Anderson	

Also Present:

Aaron Birst, NDACo Executive Director
Genny Dienstmann, NDACo Staff
Michelle Tabbert, NDACo Staff
Angie Wentland, NDACo Staff
Alisha Adolf, NDACo Staff
Jeff Eslinger, NDACo Staff
Donnell Preskey, NDACo Staff
Linda Svihovec, NDACo Staff
Michael Casey, NDACo Staff
Peter Halbach, NDACo Staff
Josh Frey, McHenry/Towner County State's Attorney
Aaron Mork, Nelson County Commissioner
Derek Flanagan, Eide Bailly
Michael Ablowich, three+one
Keith Pic, ND Insurance Reserve Fund
Derrick Hohbein, ND Public Employees Retirement System
Marcy Aldinger, ND Public Employees Retirement System

Tenneson asked if there were any requests for changes to the agenda. There were no suggested changes. Moser moved to approve the agenda as printed. The motion was seconded and passed on a voice vote.

The Board Warm-Up Question was proposed, and each Board member was given an opportunity to respond. The question was: "How did your county approach the budget this year with the potential initiated measure?" The comments included:

- McHenry is keeping everything at a minimum, don't want to have more than a 4% increase; max out mill levies

- Towner discussed the measure, but budgeted to what they are expecting for expenses
- McLean is doing budgets 'business as usual'. The budget did have an increase from prior years, budget cuts aren't completed until the final budget meeting. Because of legislative reporting requirements, they included a bright colored notice that the tax statement is not a bill.
- No big changes although the last couple of years, we have bought down some bills for some entities. Discussed resolution to amend the budget to use some reserve to offset funds if property tax measure passes.
- McKenzie County is similar as Mountrail County. We are really trying to educate people about the measure. Property tax is a small portion of revenue in our county but concerned oil revenues are at risk. Didn't see other political subs not changing their mills much either, most held the line.
- In a pickle, darned if you don't, darned if you do. We did have some entities that went from zero to 105, which was disappointing to see. Although overall tax affect is minimal.
- Cass County consistent with prior years; did have some challenges with new jail to staff, economic development programs require funding and fairgrounds infrastructure needs request. Stuck to basics in the budget process and overall came out pretty well.
- Cavalier worked off historical data, did a few increases, but planning to keep the budget flat. School taxes are high, but trying to educate public.
- Traill has highest out-of-pocket cost for health care for employees compared to all counties; for 2025 commission decided to prioritize employees and benefits and are planning to reduce employee contribution to 50% of costs.
- Ward County tries to hold or cut mills for each budget cycle. We have many open positions in a few departments. Initial budget had a 16 mill increase, but adjusted budgets and are currently brought it down to 6 mills. There are two commissioners in our county that are in support of the tax measure.
- McIntosh County doesn't plan to make changes to the budget. Trying to educate citizens. We have three fire districts and they are making some big asks for the next year, not sure we will be able to fund requests.
- Nelson County is business as usual. We faced a little more than a 2% increase, but the initiated measure was more in the background and budgeted for what we need. We provided a pie chart to show citizens where their tax dollars go, breaking it out by entity.
- Pie charts help, because it gives a visual to citizens that make sense and easy to understand where the funds go. So important to educate citizens on this.
- Griggs County has a 3% increase; mostly due to COLA increases, very conscious of spending. We have a few members that are supportive of the tax measure initiative.
- Mercer giving a slight increase in wages and budget is set up as spending as usual.
- Sheridan valuation went down 5% in ag, so mills went to the max mills to cover operating. Voted in 2022 to combine the road levies, so didn't have to use much of general fund reserve to balance budget. We are towing the line.
- Foster County discussed impact of the measure but had to deal with road levies. We put in to increase road levies and it passed in the primary. Highway

Department reserves are so low, there is no way they can get by on twelve mills, so need it to pass. Budgeted 3% increase in wages and 1% increase in retirement. Biggest concern is funding the Highway Department, can't afford to keep all the paved roads in the county.

- With the two counties I represent, they are both conservative; understand the measure and are opposed to it except one commissioner who is for it.
- Roads are forever a task in our county; trying to fund to keep things even is difficult. Budgeting process has been frustrating, but hoping next year will be better. Our board members all agree on the property tax measure that we don't support it.

Past President Lee asked for consideration of the Consent Agenda. Tenneson did not request to have any reports pulled, but wanted to comment on the importance of getting involved with NACo and attend a national conference if you have the opportunity; it is valuable and worth your time. Lee also shared the WIR Conference will be hosted in Rapid City and the opportunity to attend a national conference with minimal travel costs may be another option for members. Lee moved to approve the Consent Agenda, including the Board Minutes from the April 25, 2024, meeting, NDACo General Fund checks #38198 through #38437 and DJS Fund checks #7904 through #7940 and ACH payments made from March through July 2024. The motion was seconded and passed on a voice vote.

Moving onto Personnel Services, Aaron introduced two new NDACo employees: Peter Halbach, Traffic Safety Resource Prosecutor who is housed in Devils Lake, and Michael Casey, CEG Underwriting & Loss Control Manager replacing Mike Wolf who is retiring at the end of the year.

Moving on to the 2023 Audit, Angie Wentland introduced Derek Flanagan of Eide Bailly, who presented the audit of FY2023 financials. Jayme asked for a motion to accept the 2023 audit. Johnsrud moved to accept the FY2023 audited financial statements as prepared by Eide Bailly. After receiving a second to the motion, the motion passed on a voice vote.

Genny was next asked to explain the federal 990 form required of not-for-profit corporations and respond to questions. It was moved by Lee to accept the 2023 NDACo form 990 as presented. The motion was seconded and passed on a voice vote. Genny also mentioned ILG's 990-N form was also filed with the IRS as their revenues are below the threshold to file an extended 990 Form.

Genny was asked to explain the proposed Investment Policy. Johnsrud made a motion to approve the Investment Policy as presented. The motion was seconded and passed on a voice vote. Aaron and Genny continued by introducing Michael Ablowich from three+one, which is a partner with NACo, assisting counties and associations with their investment plans. He discussed the Association's investment plan and shared investment strategies in place to maximize returns on investment. Aaron and Genny moved on to review the two investment schedule options to transition/close the NDACo Fund with the State Investment Board and work with Colliers to invest funds in accordance with the Investment Policy. The Finance Committee recommended Option 1

Investment Schedule. Moser made a motion to adopt Investment Schedule Option 1 and close the NDACo Fund with SIB and work with Colliers to invest the funds in accordance with the Investment Policy. The motion was seconded and passed on a voice vote. Aaron then presented the CEG Reserve Fund Guidance Policy. These guidelines have been in place for many years, but it was never formally adopted as a policy. Aaron requested the policy presented be adopted by the Board for the CEG Program. Folk made a motion to adopt the CEG Reserve Fund Guidance Policy as presented. The motion was seconded and passed unanimously on a voice vote.

After a short break, Aaron introduced newly-appointed CEO of the ND Insurance Reserve Fund, Keith Pic. Pic introduced himself and explained his vision going forward at NDIRF.

Derrick Hohbein from the ND Public Employees Retirement System next addressed the Board. He gave a high-level overview of the NDPERS plans and the changes that will be taking place in the coming year before it launches in January 2025. After answering questions, Tenneson thanked Derrick for meeting with the Board.

Alisha was invited to present the Professional Development Report, providing attendance numbers on various trainings and explaining multiple partnerships that have been developed. She highlighted the strong demand for webinar recordings and ended the report announcing approximately 100 hour-level award recipients will be honored at the conference.

Jeff next reported on the Conference Planning Report, highlighting important changes in 2024, the various workshop topics and the keynote speaker. He announced the EICG award winners and continued with an update on the number of exhibitors and sponsors that are confirmed. Michelle followed by reminding the Board of the room block at the Radisson for Board members and that, as Board members, they are automatically voting delegates at the conference. She encouraged Board members to make phone calls to the counties they've been assigned to encourage new officials to attend the conference. Lastly, she reminded commissioners who represent regions on the Board to be present at the NDCCA Annual Business meeting on Monday, October 21st to give their region's report. Aaron finished the report with an update on the pre-conference caucus meetings that will be held in the coming weeks.

The Legislative Services Report was moved up on the agenda. Donnell began by highlighting property tax data. She gave a summary of interim committee activities and concluded with an update on the work of the Keep It Local Coalition and its efforts to defeat Measure 4 that would eliminate property tax. The Board supports NDACo staff to continue efforts in educating the public on Measure 4.

Aaron finished the report by noting that the NDCCA Resolutions Committee would be meeting in September to discuss resolutions to be shared with the various regions when their regional caucus meetings are held prior to the annual conference.

Jayme, Joan and Aaron discussed the County Tours that have taken place this summer and noted that a Tour of the southeast part of the state is planned for September.

President Tenneson called on Lee to give the Governance Report in Committee Chair Kaiser's absence. Lee began with explaining the process to identify a candidate for NDACo 3rd Vice President. He announced that they are recommending Agassiz Valley Human Service Zone Director Kim Jacobson for 3rd Vice President. Turner moved approval of the nomination. The motion was seconded and passed on a voice vote.

Lee then indicated that the Governance Committee is recommending a few changes to the Constitution and By-Laws to reflect the ND County Auditors Association and the ND County Treasurers Association becoming one combined organization. Aaron explained the changes as follows.

- In Article V, State Council, Section C, Makeup of State Council, Subsection 3, those two associations would be removed and a new Subsection 4 would be added that would give them four county official members as the ND County Auditors' and Treasurers' Association. Subsection 5 in that same Section would change the wording of "Section C1-C3" to "Section C1-C4."
- The next change would be to Article V, State Council, Section E, Officers of the State Council. The wording of "Section C2 and C3" would be changed to "Section C2-C4."
- The next change would be to Article V, State Council, Section F, where a new Subsection 4 would be inserted that would allow two county official members from the ND County Auditors' and Treasurers' Association.
- The last change would be to the Bylaws, Section 6, Association Representatives to County and Board of Directors. Two sentences would be added directing the ND County Auditors' and Treasurers' Association to elect six of its members to represent them at the annual State Council meeting. Two of those representatives would be designated to serve on the Board of Directors.

It was moved by Lee to accept the recommended amendments to the NDACo Constitution and Bylaws as presented by the Governance Committee and forward them to the Delegate Council. The motion was seconded and passed on a voice vote. Johnsrud stated for clarification the combining of the Auditors/Treasurers Associations was to create efficiencies with their governance and not to encourage combining of offices within individual counties, as that is an independent county decision. There was also discussion to have the Governance Committee discuss topics relating to the board.

Lee finished the Governance Committee Report by mentioning that the Individual Board Member Self-Evaluation is included in the meeting materials and asked all Board members to complete and turn it in before leaving today's meeting.

President Tenneson continued by explaining the process to have the Board evaluate the Executive Director now that Aaron has served in his position for two years.

Under New Business, the next Board Meeting date of December 12, 2024, was announced with a quick reminder of the conference schedule, particularly to participate in the Board Gathering on Sunday, October 20 and Delegate Council Breakfast and Meeting on Tuesday, October 22. The President instructed the members to complete their Board meeting evaluation.

There was no further business, so the meeting was declared adjourned at 1:05 PM.

Approved by: _____

Date: _____