

Logan County Commissioners Work Session

July 18, 2023

Present: Jerry Sonnenberg, Joe McBride, Mike Brownell, Alan Samber, Kristan Lange, Debbie Unrein, Pam Bacon, Rick Cullip, Tom Kiel, Dave Conley, Darlene Carpio, Scott Szabo, Jennifer Johnson-Seltzer, Patty Bartlett, Jeff Rice, and Jennifer Crow.

Chairman Sonnenberg called the meeting to order at 9:07 a.m.

APPROVAL OF MINUTES FROM PREVIOUS SESSION – Commissioner Brownell moved to approve the minutes of July 5, 2023 with the correction that the title for the property known as the former landfill at Fleming, has been transferred, therefore the last sentence in that paragraph needs to be struck. Commissioner McBride seconded, and the motion carried, 3-0.

REVISIONS TO WORK SESSION AGENDA – Commissioner McBride added the approval of the publication of June gross salaries to the agenda.

REVIEW AND APPROVE SCHEDULE OF COUNTY BILLS – Kristan Lange met with the Board to review the Logan County schedule of bills dated July 18, 2023. The Board approved all bills as presented.

REVIEW BUSINESS MEETING AGENDA – None.

CONGRESSMAN KEN BUCK UPDATE – Darlene Carpio met with the Board to discuss Congressman Ken Buck's recent accomplishments. Congressman Buck voted no on the National Defense Authorization Act a couple of days ago. He did not go along with his party. He is an extremely conservative fiscal person and doesn't like to spend his money or his taxpayers' money. Ms. Carpio read a statement from Congressman Buck: "Today I voted against the NDAA for one simple reason, spending. While I fully support funding our national defense and agree with several amendments to this bill, I can't in good conscience vote for its \$875.4 billion price tag. Our country is careening toward fiscal ruin, and Congress continues to turn a blind eye by passing these massive spending packages with no attention to their cost or distances."

Ms. Carpio reported that about three weeks ago, they found just over 1,100 government programs that at one time were authorized but no longer are that we continue to fund. He is on a mission to look into those a little bit more closely and see if there is a better place that they need to be placed.

The dryland farmable CREP program has been approved. Congressman Buck has introduced the Enhancing Dryland Farmable Credit Program. This would be an amendment to that program. There's five parts to the amendment to make it a little more user friendly. They need to look at the formula that they base the rental rates on, now there is a cap of \$50,000 for conservations programs that any one entity can access, they want to get that changed to \$150,000. If a farmer retires a circle, that pretty much met the cap. If they're really going to make headway in that area against irrigated acres, they've got to have more "tools in their toolbox" to do that. Senator Bennett is carrying that in the Senate. This was put together with a lot of input from the Republican River folks. The agriculture tax reform Water Act four years ago was originally

introduced by Cory Gardner is being carried by Ken Buck again. Senator Bennett is carrying this in the Senate. It allows nonprofit water and ditch irrigations companies. To be nonprofit, only 15% of their revenue can come from non-member sources. This allows if they have additional revenues beyond that 15%, as long as they put it back into the infrastructure of their irrigation ditch companies, they can remain nonprofit status.

Jeff Rice commented that Congressman Buck has introduced this bill for six straight years and asked Ms. Carpio why it has not passed. Ms. Carpio explained that it is other state legislators and mostly California where the pushback is preventing the bill from passing. Buck has the support of irrigation companies in District Four and throughout Colorado on the bill.

Last March Congressman Buck held a virtual roundtable where decommissioning of wind turbines was discussed. Because of conversations in that roundtable, the Congressman has introduced legislation called the Production Tax Credit Reform Act. The bill requires that energy companies receiving federal dollars for renewable energy projects designate part of those funds for removing decommissioned wind turbines at the end of their lifespan. Counties and landowners should not be getting stuck with the bill for taking down decommissioned wind towers. Federal dollars must be appropriated for that. The burden for removing them needs to be paid by the energy companies.

Commissioner Sonnenberg asked if there will be a fund for decommissioning or where will the money be set aside. When an energy company goes bankrupt what happens? The energy company must remove the retired turbines from the leased land themselves and not leave a costly problem for the landowners to solve. Logan County requires a separate bond, perhaps the bond would cover the decommissioning.

Ms. Carpio mentioned that she attended the Veterans' Town Hall meeting in Sterling last week. The District Director was here and the lady that handles most all of the veterans' issues came out and met a lot of veterans. They also talked to Director Roberts from the Cheyenne VA Health Care System and asked about the needs of the veterans. The Sterling clinic has reopened with minimal hours and minimal services. The VA would like it to be full-time but can't find the staff to do it. The VA needs nurses, a nurse practitioner, and doctors that would spend time in the clinic.

Congress is coming up on their August recess. Congressman Buck will have some district time available. August 7-9 will be a staff retreat with all the Washington, DC staff coming out to Loveland for a few days. There will be one day spent in the northeast.

LOGAN COUNTY 2022 AUDIT – Scott Szabo of Lauer and Szabo and Associates met with the Board to review the Logan County 2022 Audit. Mr. Szabo prepared a brief summary of the cash and investments of each of the funds. The summary compares the 2022 numbers in the first column, the 2021 numbers in the second column and the third column is the amount of change. The fourth column is the prior year change giving the Board two years' worth of data to look at.

Mr. Szabo explained that the Ambulance Fund has seen a decrease in the last three or four years. This has been discussed for the last couple of years. The Board may need to start bringing dollars in from the General Fund to subsidize the cost of that as the City's costs go up. Last year, there was a \$50,000 transfer in from the General Fund. Even with that \$50,000 transfer, that

fund balance still went down \$70,000. There was a \$200,000 transfer budgeted in 2022. There may be a need to get to a point where that occurs annually. This will be in the IGA negotiations with the City of Sterling.

Debbie Unrein noted that ambulance fees were increased this year, however the fund has not seen a big increase from the fees. The Ambulance Fund balance is still only just a little over \$100,000. The City is good about getting grants for replacing ambulances. The county budgets for items like this from the Capital Expenditures Fund.

The majority of the Ambulance funds go to the City for operation of the ambulance, for wages and employees. There are five employees, with benefits, expenses, training, Wakefield manages billing and collections. A doctor is paid for a quarterly review. Logan County Ambulance fees are well under Ft. Morgan ambulance. The consensus of the Board at the time of the increase was to increase fees just enough to cashflow. The reason why the fund has dropped is the ambulance service no longer does transports between facilities. Costs stayed the same with the city, but the revenue went down.

Mr. Szabo went on with the audit review. On page 113 in the audit report, total cash at the end of the year was \$35.7 million, obviously a very healthy fund balance. There are no concerns overall, just the Ambulance Fund. The summary has more trend information on fund balance for the General Fund and other larger funds.

A compliance audit was done this year which is required any time over \$500,000 to \$750,000 in federal money is spent, a compliance audit kicks in. The recovery funds were one of the two programs that were looked as well as TANF at Human Services. There were no concerns, the staff here does a remarkable job for the audit as does DHS staff. DHS would be a nightmare to run without the staff that they have. They make the auditor's job very easy with Karen, Dave and all the staff that they work with.

JUNE 2023 SALARY PUBLICATIONS- Commissioner McBride moved to approve the June 2023 Salary Publication. Commissioner Brownell seconded and the motion carried, 3-0.

COMMISSIONERS PROCEEDINGS - Commissioner McBride moved to approve the Commissioners Proceedings for the month of June 2023. Commissioner Brownell seconded and the motion carried, 3-0.

LOGAN COUNTY AMBULANCE COLLECTIONS ACCOUNTS – Commissioner McBride moved to send the following Logan County Ambulance accounts to Wakefield Collections: account numbers ending in 0023, 9032,2015, 8063, 5004 and allow the Chairman to sign. Commissioner Brownell seconded and the motion carried, 3-0.

FEMA – Nothing new to report on FEMA.

The meeting recessed at 9:30 a.m. and reconvened at 9:51 a.m.

COLORADO BOER GOAT ASSOCIATION FAIRGROUNDS RENTAL FEES – Jennifer Johnson-Seltzer of the Colorado Boer Goat Association (CBGA) met with the Commissioners to discuss fees for use of the Logan County Fairgrounds for September 1-3, 2023 for the CBGA Show. CBGA held several shows at the fairgrounds this year and last year and has also

requested funds from the Logan County Lodging Tax Board to help with advertising the regional show. CBGA is hosting the Junior Regional Boer Goat Show in September at the Logan County Fairgrounds. The show is estimated to have \$100,000 worth of impact to the local community through restaurants, hotels, gas stations, etc. Kids will come from Texas, Oklahoma, Nebraska, Kansas, Iowa, Wyoming, New Mexico, Utah and of course Colorado. They are competing in a number of events, they are not only showing their livestock, but they will also be doing speech contests, judging contests, etc. Jennifer is requesting a reduction from the non-resident commercial rate to the resident adult rate. She lives in Briggsdale, Colorado which is why she is being charged the non-resident commercial rate.

They are expecting between 40-50 youth exhibitors, adults will also be exhibiting that weekend with somewhere between 100-150 entries. There are not a lot of Colorado youth members within the organization. This is one of the ways of trying to increase that membership. The national organization has been trying to get them to host a regional show for about five years. There are about one hundred adult livestock breeders and supporters who will be bringing their livestock to the show to show to prospective buyers as well. There is not a livestock sale included. The CBGA charges the exhibitors a membership fee of \$30 and the show charges \$15 per class entered. A large portion of that money goes back to the kids either in awards or premium money. Exhibitors also pay \$5 per pen. The NJC judging team will be cleaning pens for the show.

Commissioner Sonnenberg commented that the County is trying to cover its costs to operate the fairgrounds during the events. Commissioner Sonnenberg asked Rick Cullip to join the meeting. Rick commented that if the county does not charge what facility is worth, the facility never gets better. Rick also stated that the last CBGA event held at the fairgrounds, there was some miscommunication on some things, be that was ironed out. There was more stuff added to the rental that wasn't on the contract, which added a little bit more of a demand on Jennifer's organization.

Commissioner Sonnenberg stated that there has been somewhat of a change of philosophy since the previous Board, where we only want to charge what it actually costs us. This Board's philosophy is that the improvements be made through the tax base vs. charging vendors.

Commissioner McBride does not have a problem with the County breaking even for the cost of the staff for the positive impact on the community. It is hard to quantify the value for the community. He was in favor of at least adjusting the fees down to the resident commercial rate for the agricultural purpose of it. He calculated it to be a \$440 discount to go to the resident commercial rate and then if the resident adult fee it would be about \$1,090.

Commissioner Sonnenberg dislikes the fact that the county charges commercial outfits differently than resident outfits. He is supportive of charging more for non-residents that don't pay taxes here than actual Logan County residents that pay taxes. He struggles with having a resident commercial charge to business more than somebody else. Because it doesn't cost our team any more to provide those services. This event is being held on a holiday weekend and it is likely that Rick Cullip will be the one working during the event because it will be a struggle to have staff out there. Commissioner Sonnenberg supports dropping the rate to the non-resident adult price which would be the \$555 discount for the three days.

Rick stated that he is OK with the rate for the CBGA fees. He thinks that we need to review the rates from the commercial standpoint. Some people come through and pay, some people don't pay. The CBGA representative, Jennifer Johnson-Seltzer is a non-resident, and most of the teams are going to be non-residents, but it's not necessarily a commercial based event.

Commissioner Brownell commented that there are some architectural drawings and long-range improvements plans in the works for the fairgrounds. The Board has discussed new and expanded livestock facilities for the future which will be helpful and could attract more organizations like the Boer Goat Association to schedule events. He asked Ms. Johnson-Seltzer if she had checked with Weld County or any other counties about their facilities. Ms. Johnson-Seltzer said she had checked with Weld County, the Colorado State Fairgrounds and The Ranch. These venues' rental fees are three to four times higher than Logan County's fees and way more than she can afford to pay.

Ms. Johnson-Seltzer explained that the Topsy Cow mobile food trailer will provide food for the event. This is another way that the event money will stay in the community. The association does a show in Montrose where their rates are comparable, however they do not use their indoor arena because of the setup involved.

Rick Cullip noted that more diligence will be needed in booking events, such as noting when tables and chairs and panels, etc. are needed.

LOGAN COUNTY TREASURER CHANGING FINANCIAL SOFTWARE – Patty Bartlett and Debbie Unrein joined the Board to discuss the Treasurer's Office dropping the CIC software vendor contract and going back and contracting with Tyler, the previous Treasurer's software vendor due to the CIC software not performing as it promised to perform.

Commissioner Sonnenberg is in support of the change. He asked if there was potential grant money that Patty could apply for. Patty was not aware of any grant funds available. Commissioner Sonnenberg asked Patty to check with other County Treasurers to see if there would be any source of grant money available and asked Debbie Unrein if any of the Covid relief funds would be available to help fund the change. Debbie noted that the previous Boards' resolution dedicated the Covid relief funds for the HVAC upgrades that are currently taking place in county buildings. The only funds remaining are obligated elsewhere for the Department of Human Services.

The cost of the Tyler contract is approximately \$26,000. Patty stated that she has approximately \$15,000 left in her IT budget. Debbie asked if Patty would need that to pay the remaining amount on the CIC contract. Patty plans to use that to pay Tyler and needs an additional \$10,000 to pay the rest of the contract.

Commissioner Sonnenberg commented that we can't afford to have a Treasurer's Office that cannot function. Patty's office is having to spend a lot of time collecting money that was overpaid to other entities due to poor reports provided by CIC. Debbie told the Board the place to take the funds to pay for the Tyler contract would be the Contingency Fund.

Patty told the Board that she brought in \$15,000 in extra Public Trustee funds last year. Debbie explained that those funds have been appropriated in the 2023 budget for other things this year.

Commissioner Brownell suggested that it could potentially create leverage with CIC to explain to them that the County may be transferring the whole County account to another vendor. The County should not have to pay the remaining \$15,000 for the Treasurer's software because the Treasurer's software did not work. Commissioner Brownell mentioned one specific incident when the CIC servers and software were down, the entire County was down for 8 ½ days. Employees could not do their work. Brownell noted that we need to send them a bill.

Patty is not sure if Tyler is going to convert previous data or if they will move forward from this point in time. She thinks that they are trying to figure out how to bring the data over.

Commissioner McBride moved to allow the Treasurer to change back to the Tyler software and have Patty check with her counterparts on potential funding. Commissioner Brownell seconded and the motion carried 3-0.

Commissioner Brownell suggested that CIC be contacted to notify them that the County Treasurer does not intend to continue with the Treasurer's system and that the County will not be paying the remaining \$15,000 on the contract. Debbie will contact CIC to invite them to attend a work session to discuss the contract. Peggy Michaels will be invited to attend as well for input, although she has expressed that she does not feel that her office can change back to the old software.

Patty told the Board that the cost of the Assessor/Treasurer software package will drop substantially next year from \$200,000 to \$50,000 next year. The Treasurer's software is the heart of the package. The Assessor has implemented the CIC software; however, the office has had to hand calculate every parcel's value due to problems with the software.

Alan Samber will review the Tyler contract and have it ready for the August 1st agenda. The contract amount is \$28,025.81 which includes bringing the Treasurer back on. The annual fee will be due at this time of year next year instead of the beginning of each year.

Commissioner Brownell suggested a fine in the Tyler if the software is down for a day. Debbie commented that moving data to our own on-site server should eliminate most of this problem. We will have more control of the data on our own servers. Debbie was told that the meeting with CIC did not have to be scheduled on a Tuesday, it could be scheduled on another day of the week.

There being no further business, the meeting was adjourned at 10:38 a.m.