2019 Annual Report

NDACo
NORTH DAKOTA ASSOCIATION OF COUNTIES
What a watershed year this has been, both for counties and for your Association!

For counties, the year saw a tremendous turnover in leadership. Between planned retirements and the 2018 election, counties welcomed 14 new Sheriffs, 28 new Commissioners, 12 new Recorders, 12 new Auditors and/or Treasurers and a host of others. We have talked for years about the coming demographic shift, and I guess you could say it is here.

In addition, the 2019 Legislative Session brought a wholesale change in how Human Services will be administered and funded, as well as an infrastructure funding formula. That’s right, a FORMULA instead of just another battle for dollars! You can read more about that later in this report.

Meanwhile here at your Association, we said goodbye to two long-time employees and took it as an opportunity to rethink how we can use the talents of our new employees to serve you better, and build on the reorganizing we did last year.

I hope you’ll find this Annual Report helpful and handy, as a way to see that our organization is strong and our service to you, our county members, is always at the forefront of our minds in everything we do.

County Employer Group

All county employees are covered for workplace insurance “under one roof” rather than as employees of individual counties. That “roof” is the County Employer Group (CEG). CEG saves money and lives in three important ways:

1 Safety Training to prevent workplace injuries

Over the past year, CEG trained approximately 7,000 employees on claims management, drug-free workplace, bloodborne pathogens, ergonomics and specialized safety topics.

We have 56 risk managers to assist with CEG program compliance ranging from root cause analysis/accident investigations, safety inspections, timely reporting, incident reporting and injury prevention, among other duties.

Counties received 27% workers comp premium discounts through CEG.

County employees in 21 counties took over 3,300 computer-based safety training courses.

2 County Risk Managers are local heroes

Risk managers and supervisors in every county are trained to conduct an in-depth analysis after each injury to determine the cause and seek safety improvements to prevent future injuries. They are the unsung “boots-on-the-ground” heroes in preventing injuries and minimizing costs to the counties.

3 Transitional Work Program gets county employees back to work

CEG administered over 350 workplace injuries in 2018 – 43 fewer injuries than the previous year. According to ND Workforce Safety and Insurance, the average cost of a CEG indemnity claim (lost time) is less than half of the average cost of other North Dakota employers.
The Institute of Local Government continued a strong schedule of popular training webinars. With the past election and Legislative Session, ILG has been responsive to new officials’ training requirements and keeping you informed of need-to-know legislative matters. Most topic areas are requested by members, and often we learn of valuable content provided from our members as well. The online library of recorded webinars offers a variety of training opportunities and keeps expanding.

Professional Development Manager Alisha Adolf reports that in 2019, ILG will honor nearly 50 hour-level award recipients at the NDACo Annual Conference and Expo. Again, we are proud to recognize milestone award levels, all the way up to Level VI (400 hours) that very few have accomplished!

In addition to webinars, ILG offered trainings at numerous member events and on site by request. ILG has continued to offer numerous HR training opportunities in partnership with the HR Collaborative for Local Government. ILG trainings are listed on the NDACo website at www.ndaco.org/ilg.

Juvenile Justice Services

Counties face many challenges in meeting the requirements of state and federal regulations for juvenile justice. To assist with those challenges and provide funding for best practices as it relates to at-risk youth, the Division of Juvenile Services (part of the ND Dept. of Corrections) contracts with NDACo to employ North Dakota’s Juvenile Justice Specialist, a federally-mandated position pursuant to the Juvenile Justice and Delinquency Prevention Act.

In addition to overseeing compliance with federal mandates, NDACo staff work with state and local officials on best practices and policies, administer federal funding and coordinate the activities of the Governor’s Juvenile Justice Advisory Group. North Dakota’s Juvenile Justice Advisory Group identified three main priority areas to focus resources, with an emphasis on delinquency prevention:

1. **Locally-operated attendant care programs** that assist the counties with the supervision of youth who have been picked up by law enforcement. These services were supported with additional community-based services such as screening, diversion and family reunification services. The goal is to minimize future placements into detention, foster care or juvenile corrections.

2. **Addressing the disproportionate involvement of minority youth** in the juvenile justice system. $120,000 in funding was awarded by the Advisory Group to those counties that have higher rates of disproportionality as well as a higher number of minority youth involved in the juvenile justice system. The funding was awarded for mentoring services, diversion programs and law enforcement-community engagement, with the goal of reducing minority youth’s involvement with the justice system.

3. **Addressing factors** that tend to drive a youth’s disengagement with school and possible involvement in the juvenile justice system. In an effort to increase youths’ engagement with school, the Advisory Group is supporting schools in developing positive behavioral interventions. More specifically, $80,000 in funding was awarded by the advisory group to assist schools in implementing Restorative Justice practices and the Multi-tiered Systems of Support framework. Both work to build capacity to decrease exclusionary discipline practices.

$80,000 in funding was awarded by the advisory group to assist schools

NDACo’s involvement in juvenile justice programs and the extensive work with local service providers and county government makes for beneficial relationships on behalf of at-risk youth.
The Human Resources Service Program for our counties has been well received. Human Resources Coordinator Chuck Horter has been working with many counties on a variety of projects including updating employee handbooks, assisting counties with interviewing/hiring and training on HR topics through ILG, just to name a few. Some other service areas offered to counties include job description development, grievance/discipline process development and employee policy drafting/review.

The HR Collaborative for Local Government will continue to be an important element in NDACo’s HR effort. The Collaborative has a number of resources to use in assisting counties with their HR needs and questions, including the online HR Reference Guide and HR Checklist. There are currently 315 subscribers that have joined the HR Collaborative email group to receive updates on HR guidelines/law changes, training opportunities and other important HR information. The HR Collaborative also offers many HR training opportunities each year, including the HR Hot Topics Regional Training sessions, held each odd-numbered year and the statewide HR Conference for Local Government held each even-numbered year. This year there were over 150 attendees at the regional training sessions representing all facets of local government. Bookmark this website: www.HRNDGOV.org.

NDACo’s highest legislative priorities were accomplished, with many wins coming in the closing hours of the 2019 Session. Among the highlights:

<table>
<thead>
<tr>
<th>Social Service Redesign approved and progressing</th>
<th>NDSU Extension funding restored</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Creates 19 administrative zones – Preserves local service delivery</td>
<td>• After significant cuts in 2017</td>
</tr>
<tr>
<td>• Replaces 20 mills in property taxes</td>
<td>• $870,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Upper Great Plains Transportation Institute study funded</th>
<th>“Prairie Dog” bill passed</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Critical to local transportation efforts</td>
<td>• Established new funding formulas for local infrastructure</td>
</tr>
<tr>
<td>• $875,000</td>
<td>• Permanent, long-term funding</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Public Guardianship Program funding increased</th>
<th>New election equipment approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>• $400,000 to $1.95 million</td>
<td>• $12 million, including $3 million in federal funds</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local Public Health Funding</th>
<th>SIRN (emergency radio) funding authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Averted significant cuts proposed in Executive Budget</td>
<td>• $40 million in state funds</td>
</tr>
<tr>
<td>• $5.25 million, including $525,000 from tobacco prevention &amp; control trust fund</td>
<td>• $209 million total project</td>
</tr>
</tbody>
</table>
MAMAs and Other Support Services

NDACo staff continues to support 6 Member Associations with services that include:

- Legislative Advocacy
- Event Planning
- Financial Management

Member Communication Efforts

We are keeping in touch with our members through:

- County News - Bi-monthly newspaper
- Leader Letter - County Officials newsletter
- Common Ground - Legislative newsletter
- County Officials Directory - Pocket-sized phone book
- Facebook – facebook.com/ndcounties
- Legislative blog - ndcounties.blogspot.com
- Twitter - @ndcounties
- YouTube - youtube.com/ndcounties
- Website – www.ndaco.org

Next Generation 911

North Dakota is among the nation’s leaders in NG9-1-1 statewide deployment. During the 2018 calendar year, the PSAPs of North Dakota handled roughly 255,600 emergency calls.

The busiest PSAP averages a 9-1-1 call every six minutes, while the state collectively receives a 9-1-1 call every 30 seconds – 24 hours a day, 7 days a week, 52 weeks a year.

1. We continue to work on a statewide NG9-1-1 Geographic Information System (GIS).
   Approximately one-half of our state is presently using GIS data to update the 9-1-1 database. Completion of the database will ultimately allow a full transition to an end-state NG9-1-1 architecture.

2. We have started our plan of establishing and migrating 9-1-1 exchange carriers, landline, wireless and VoIP providers from an analog circuit to a digital IP connection. The IP aggregation project will provide an alternative for telecommunications service providers who are equipped and prepared to deliver their 9-1-1 calls through IP connectivity. This will complete our IP backbone network build out, preparing our state for new media types and data from the public in the future.

3. We are working on the development of a statewide Recommended Minimum Training Guideline Curriculum for the 9-1-1 Public Safety Telecommunicators. The goal of our training project will be to prepare our call-taker community for the challenges of today and tomorrow.

North Dakota is fortunate to have a pulse on the direction of Next Generation 9-1-1 across the nation, with NG9-1-1 Program Manager Jason Horning sitting on multiple National Emergency Number Association (NENA) committees. The leadership taken by NDACo and Jason’s involvement has established North Dakota as one of the leaders in the advancement of NG9-1-1 in the nation.

<table>
<thead>
<tr>
<th></th>
<th>Statewide Total</th>
<th>Largest PSAP</th>
<th>Smallest PSAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-1-1 Calls per Month</td>
<td>21,302</td>
<td>7,099</td>
<td>58</td>
</tr>
<tr>
<td>9-1-1 Calls per Year</td>
<td>255,619</td>
<td>85,190</td>
<td>696</td>
</tr>
</tbody>
</table>
NRG has become a leader on the forefront of network security. In 2018, they completed a project with the state’s Information Technology Department (ITD) to completely overhaul network security for every county in the state. Every county has been firewalled at their “front door” and network traffic has been limited to what is necessary. NRG is currently working on Phase 2 of the project, which focuses on their internal network environments and helps counties build better internal controls for their systems.

In 2019 they have been extremely busy because of changes with Microsoft. Two of their products—Windows 7 and Server 2008 are going end of life in early 2020. They have been working with all of their customers in going through their inventory and notifying them of the work that needs to get done.

Another primary focus for NRG has been in moving more clients to cloud-based environments when it makes sense. For some smaller clients, NRG has been able to eliminate the need for them to have their own server and utilize only cloud-based options. This ultimately results in a cost savings to the client without making concessions in reliability or performance.

What differentiates NRG from any other IT company is that ND counties are their main focus. If they weren’t providing a quality and affordable service to ND counties, they wouldn’t exist. They don’t just care about computers, they care about counties!

NRG manages around 2500 workstations and over 150 servers statewide.

The tagline Stress-Free IT means their customers let them worry about managing their ever-changing and complex IT infrastructures.

NRG provides full-service IT support, procurement, planning and implementations to over 70 clients statewide.

Traffic Safety Outreach Program

The Traffic Safety Outreach Program (TSOP) continues to work on keeping North Dakota roadways safe.

TSOP Program Manager Ryan Gellner continued to develop strong partnerships with colleges across North Dakota, the ND High School Activities Association, along with professional teams and others to bring awareness to occupant protection, distraction and impaired driving.

NDACo continues to support the ND Department of Transportation’s (NDDOT) launch of Vision Zero as the state’s primary traffic safety initiative. The goal of the comprehensive, multi-agency effort is to continually work toward zero motor vehicle fatalities and serious injuries on North Dakota roads. NDACo holds a key voice in this initiative among its members across the state, and its strong work in the legislative process.

The TSOP continues to be a leader in working with both counties and businesses across the state. Our free one-hour Impact Teen Driver course remains highly popular in high school settings.

Over 7,000 students reached.
The Traffic Safety Resource Prosecutor (TSRP) is a joint effort between NDACo and ND Department of Transportation (NDDOT). NDDOT funds the position through federal government grants, while NDACo provides the facilities and equipment for the TSRP program. The program was developed as a direct response to the tragic loss of life on America’s highways.

In 2018 alone, TSRP trainer Aaron Birst was involved in providing over 100 hours of training to more than 500 law enforcement officers and prosecutors.

We believe we are making a difference

2017
116 lives lost in traffic crashes in ND
47% due to impaired driving

2018
105 lives lost in traffic crashes in ND
32% due to impaired driving

Financials

NDACo 2018 Year End & 2019 Budget General & Special Fund Comparison
Audited Figures as of December 31, 2018 by Eide Bailly

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>Audited Year End 2018</th>
<th>Budget 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>County Dues</td>
<td>646,607</td>
<td>646,600</td>
</tr>
<tr>
<td>Other General Income</td>
<td>60,904</td>
<td>65,800</td>
</tr>
<tr>
<td>Building Income</td>
<td>224,368</td>
<td>227,250</td>
</tr>
<tr>
<td>Service Area Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Publication Services</td>
<td>61,639</td>
<td>60,200</td>
</tr>
<tr>
<td>Conference Services</td>
<td>224,397</td>
<td>263,000</td>
</tr>
<tr>
<td>Cooperative Services</td>
<td>1,009,129</td>
<td>1,064,140</td>
</tr>
<tr>
<td>Other Special Services</td>
<td>2,846,471</td>
<td>2,991,100</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>5,073,515</strong></td>
<td><strong>5,318,090</strong></td>
</tr>
</tbody>
</table>

| EXPENDITURES |                        |             |
| Staff, Board & Indirect Costs |           |             |
| Salaries, Fringe & Payroll Tax | 2,310,194  | 2,510,915   |
| Travel               | 94,273     | 113,000     |
| Supplies & Operating | 14,272     | 14,200      |
| Fees & Services      | 56,642     | 77,070      |
| Equipment & Maintenance | 319,027    | 301,240     |
| Other Expenses       | 57,292     | 57,650      |
| Direct Service Area Costs |          |             |
| Legislative Services | 81,955     | 41,000      |
| Publication Services | 22,971     | 32,060      |
| Conference Services  | 150,115    | 185,000     |
| Cooperative Services | 122,008    | 173,000     |
| Other Special Services | 1,613,461  | 1,799,730   |
| **TOTAL EXPENDITURES** | **4,842,210** | **5,304,865**|

NDACo Consolidated Balance Sheet General & Special Funds
Audited Figures as of December 31, 2018 by Eide Bailly

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>cash</th>
<th>investments</th>
<th>accounts receivable</th>
<th>prepaid expenses</th>
<th>land</th>
<th>buildings</th>
<th>capital improvements</th>
<th>furniture, equip., fixed assets</th>
<th>accumulated depr.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,725,487</td>
<td>6,663,648</td>
<td>88,793</td>
<td>25,845</td>
<td>178,559</td>
<td>3,181,189</td>
<td>1,472,166</td>
<td>568,984</td>
<td>(1,824,452)</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>14,080,219</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; FUND BALANCES</th>
<th>liabilities</th>
<th>accounts payable</th>
<th>accts payable-next generation 911 fund</th>
<th>payroll withholding payable</th>
<th>accrued payables</th>
<th>deferred revenues</th>
<th>due to other funds</th>
<th>compensated absences payable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>385,146</td>
<td>2,232,814</td>
<td>(44)</td>
<td>595,781</td>
<td>503,852</td>
<td>140,131</td>
<td>140,131</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES &amp; FUND BALANCES</strong></td>
<td><strong>14,080,219</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NDACo 2019 Budgeted Revenues
76.3% Cooperative Services
12.2% County Dues
5.5% Building & Other
4.9% Conference Services
1.1% Publication Services

NDACo 2019 Budgeted Expenses
47.3% Staff/Board Costs
37.2% Cooperative Services
10.6% Operating Costs
3.5% Conference Services
0.8% Legislative Services
0.6% Publication Services
Board of Directors

Executive Committee

Scott Ouradnik
President
Slope County Commissioner

Kevin Fieldsend
1st Vice President
Ramsey County Highway Superintendent

Stanley Dick
2nd Vice President
Cavalier County Commissioner

Carrie Krause
3rd Vice President
Wells County Recorder

Devra Smestad
Past President
Ward County Auditor/Treasurer

Darbie Berger
ND Treasurers Association
Mercer County Treasurer

Kevin J. Glatt
ND County Auditors Association
Burleigh County Auditor/Treasurer

Becky Hagel
Region 6
Foster County Commissioner

Kim Jacobson
ND Social Service Directors Association
Director of Social Services, Agassiz Valley Social Services District

Jodi Johnson
ND County Superintendents of Schools Association
Ward County Superintendent of Schools

Chad Kaiser
ND Sheriffs & Deputies Association
Stutsman County Sheriff

Wanda Knutson
ND County Clerks of District Court Association
Mercer County Clerk of District Court

Steve Lee
Region 7
McLean County Commissioner

Maynard Loibl
Region 4
Nelson County Commissioner

Linda Morris
ND County Tax Directors Association
Morton County Tax Director

Trudy Ruland
Region 2
Mountrail County Commissioner

Mary Scherling
Region 5
Cass County Commissioner

Jayme Tenneson
ND State’s Attorneys Association
Griggs/Nelson County State’s Attorney

Gene Veeder
Region 1
McKenzie County Commissioner

Reinhard Hauck
ND County Commissioners Association President
Dunn County Commissioner

Daryl Dukart
NACo Board Representative
Dunn County Commissioner

Marcia Lamb
NACo Board Representative
Billings County Auditor/Treasurer

Ex Officio Members