

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1056

2001 HOUSE POLITICAL SUBDIVISIONS

HB 1056

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1056

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date 01-11-01

Tape Number	Side A	Side B	Meter #
1	X		0.54--1650
Committee Clerk Signature <i>Ann Dever</i>			

Minutes: Chairman Froseth called the meeting to order with those present: Chairman Froseth, Vice-Chair Severson, Rep. Disrud, Rep. Grosz, Rep. Gunter, Rep. Herbel, Rep. N.Johnson, Rep. Kretschmar, Rep. Maragos, Rep. Tieman, Rep. Delmore, Rep. Eckre, Rep. Rep. Ekstrom, Rep. Fairfield, and Rep. Niemeier.

Sen. Solberg (129) testified in favor of HB1056 relating to audits of regional planning councils by the state auditor. I have served on the Legislative Audit & Fiscal Review Committee since 1991. During this time, we have found out some things that have happened and shouldn't have happened; and hope do not happen again. During our study three years ago, we came up with questions and concerns when the Lake Agassiz controversy surfaced. We think it will be more consistent and accountable to the taxpayers to have the audits done by the state auditor then having each council have a private one done. This would also assure a standard audit of all regional planning councils and also monitor with more discretion.

Rep. Maragos: 416 Do you know the amount of general fund dollars that these political subdivisions get from the state of ND?

Sen. Solberg: No, I can't tell you off hand. It varies from year to year. The vast majority of dollars going in are tax dollars not private.

Rep. Delmore: 495 I have always favor local control of political subdivisions and wonder why you think the state auditor is more qualified to do the audit than someone in the private sector.

Sen. Solberg: 559 I do favor local control, too, but I also think we need a consistent audit. He went on to give an example from 1997 in Higher Education. You need a verifiable audit, not bits and pieces of some pieces that are verified and some not, and then put into the finished audit. You want everything verified to get an absolute audit.

Rep. Delmore: I understand what you are saying, but as a legislative body we micro-manage. Don't you think that is what you are doing with this bill?

Sen. Solberg: Yes. There is a fine line. We took an oath of office to uphold the laws. We may not find anything at all. When there is smoke, there is fire. We saw a lot of smoke when we investigated; hence the bill.

Rep. Niemeier: Can you give us some sort of irregularities that have been detected in the regional audits?

Sen. Solberg: 757 This whole thing has come about because of the Lake Agassiz Council when they moved their money to a private corporation and said it's none of our business. We fought this thing for four years, along with the Attorney General's Office, to get an answer to why this was done and tell us it is none of our business. Hence, the fire. We think we have it all in shape now. We hope we don't find a thing any more. We have a responsibility to the taxpayers of ND.

Rep. Johnson: 899 What kind of audits are being done now?

Sen. Solberg: They each hire and pay for their own audit from the private sector. They don't have to have two audits. They are required to have an annual audit by accredited firm.

Rep. Maragos: Are they required to give these audit to anyone? Do they answer to anybody?

Sen. Solberg: Yes, it's a public document. The people on the board receive a copy.

Rep. Maragos: Are there lots of inconsistencies?

Sen. Solberg: We don't know. You don't know until you get an consistent audit.

Vice-Chair Severson: Have you visited with the regional councils to get their input?

Sen. Solberg: No. But I have never sponsored a bill that did not have some opposition.

Rep. Niemeier: 1177 Are there any sanctions that could be applied to this one council without involving all the others?

Sen. Solberg: By the recommendation of Attorney General's Office, not really.

Rep. Disrud: In this bill you state to have an audit every two years. Now they are auditing every year. How would this affect this in this bill?

Sen. Solberg: Good question. Maybe they can continue on with their regular audit and the state auditor do it every other year.

Chairman Froseth: Any more testimony for or against?

Rep. Maragos: 1500 Can we get more information to the committee before we debate this. Can we find out the breakdown of dollars provided to the councils. What is federal, state, local, and donated money, and whether the cost-benefit ratio is worth it.

Chair Froseth: Yes, and we won't act on this until later. Hearing on HB1056 is closed.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO.HB1056 b

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date 1-12-01

Tape Number	Side A	Side B	Meter #
1		x	2504-2944
Committee Clerk Signature <i>Pam Queen</i>			

Minutes: Chairman Froseth : Here is further information on HB1056. The copies you have are the breakdown of regional councils. It shows where the money comes from. Review and we will look at it next week.

Rep. Maragos : (2795) Having served on a Legislative Audit and Fiscal Review Committee, I know a little about this whole issue. Personally, I feel it's a tempest in a tea pot. I think it should be resolved locally. The Lake Agassiz controversy was the impetus for this bill. I don't see the need to politicize this issue by having duplication of audits. This would be an additional expense to the councils.

Rep. Ekstrom : (2944) In addition to the fact that the councils have an annual audit which are done by professional CPA, the State Auditor's Office charges each \$200 to file those audits with the state. Any regions that received federal funds are subject to a federal audit on an annual basis, too.

Rep. Herbel: I feel we shouldn't try to fix something that is not broke. (Discussion ended)

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1056 c

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date 1-19-01

Tape Number	Side A	Side B	Meter #
I		xx	622 - 1200
Committee Clerk Signature <i>Pam Seever</i>			

Minutes: Chairman Froseth : Let's look at HB1056. Vice-Chairman Severson has some information to hand out that might help us decide.

Vice-Chair Severson : I don't know why the state would want to get so involved, and I just don't think we need this bill at all.

Rep. Maragos : (775) I agree. I don't think it's fair to single out the regional councils, and they don't need the added expense.

Rep. Niemeier : (1040) I also fully agree with Rep. Maragos.

ACTION: Rep. Maragos moved a DO NOT PASS and Vice-Chair Severson seconded.

VOTE: 14 YES and 1 NO. PASSED. Vice-Chair Severson will carry.

FISCAL NOTE

Requested by Legislative Council

12/14/2000

Bill/Resolution No.: HB 1056

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$45,600		\$51,300
Expenditures				\$45,600		\$51,300
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant your analysis.*

The amounts listed above are for the midpoint of the range. If all 8 regional planning councils had just one audit during the biennium, the total cost would be approximately \$30,400 and \$34,200 for the 2001-2003 and 2003-2005 bienia, respectively.

If all 8 regional planning councils wanted to have annual audits, the total cost would be approximately \$68,800 and \$68,400 for the 2001-2003 and 2003-2005 bienia, respectively.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Audit fees generated would be deposited into fund #246, State Auditor Operating fund.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures would be equal to audit fees and would be charged to fund #246.

Expenditures would be primarily for salaries.

There would not be any effect on the number of FTE positions needed by the State Auditor's Office.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Appropriation authority would not be affected by this bill.

Name:	Ed Nagel	Agency:	State Auditor's Office
Phone Number:	328-4782	Date Prepared:	12/19/2000

Date: 1-19-01

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1056

House POLITICAL SUBDIVISIONS

Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken DO NOT PASS

Motion Made By Rep. Maragos Seconded By Vice Chair Severson

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth		✓	Rep. Wayne W. Tieman	✓	
Vice-Chair Dale C. Severson	✓				
Rep. Lois Delmore	✓				
Rep. Rachael Disrud	✓				
Rep. Bruce Eckre	✓				
Rep. Mary Ekstrom	✓				
Rep. April Fairfield	✓				
Rep. Michael Grosz	✓				
Rep. Jane Gunter	✓				
Rep. Gil Herbel	✓				
Rep. Nancy Johnson	✓				
Rep. William E. Kretschmar	✓				
Rep. Carol A. Niemeier	✓				
Rep. Andrew G. Maragos	✓				

Total (Yes) 14 No 1

Absent 0

Floor Assignment Vice Chair Severson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 19, 2001 11:35 a.m.

Module No: HR-09-1282
Carrier: Severson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1056: Political Subdivisions Committee (Rep. Froseth, Chairman) recommends DO NOT PASS (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1056 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

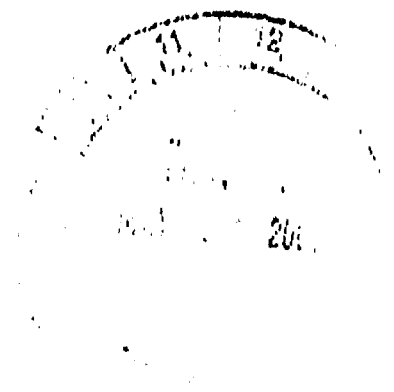
HB 1056

54001

TRI-COUNTY REGIONAL
DEVELOPMENT COUNCIL

AUDIT REPORT

December 31, 1999



TRI-COUNTY REGIONAL DEVELOPMENT COUNCIL

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 1999

	GENERAL FUND
REVENUES:	
Member Assessments	\$ 34,700
EDA Planning Grant	48,228
EDA Revolving Loan Fund Grant	193,600
Revolving Loan Fund Match	42,900
ED & F State Contract	16,340
ED & F Mini Grant	167
CDBG Program Admin	13,822
RC & D Contract for Services	14,400
CDBG Project Funds	23,982
CDBG Inspection Fees	2,645
Other Contracts	1,200
Miscellaneous Income	5,495
Interest Income	1,212
Revolving Loan Fund Interest Income	<u>3,911</u>
Total Revenues	402,602
EXPENDITURES:	
Salaries	101,348
Fringe Benefits	7,519
401(k) Employer Contribution	7,008
Health Insurance	17,532
Unemployment Insurance	3,743
Workers Compensation	389
Dues & Memberships	1,643
Audit	2,150
Advertising	503
Resource Materials	865
Equipment & Lease	5,862
Legal & Professional Fees	908
Office Supplies	3,067
Postage	1,378
Contract Services	5,494
Rent	5,880
Utilities	601
Vehicle Repairs	418
Telephone & Fax	4,640
Travel	14,057
Insurance	663
Technical Assistance	95
Miscellaneous	33
Interest Expense	72
Service Fees	41
Revolving Fund Loans Paid Out	<u>236,500</u>
Total Expenditures	<u>422,409</u>
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	(19,807)
Fund Balance - December 31, 1998	<u>22,696</u>
FUND BALANCE - DECEMBER 31, 1999	<u>\$ 2,889</u>

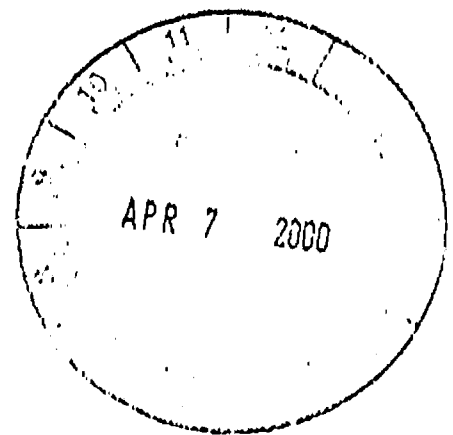
The accompanying notes are an integral part of these financial statements.

54002

SOURIS BASIN PLANNING COUNCIL

AUDIT REPORT

DECEMBER 31, 1999



SOURIS BASIN PLANNING COUNCIL

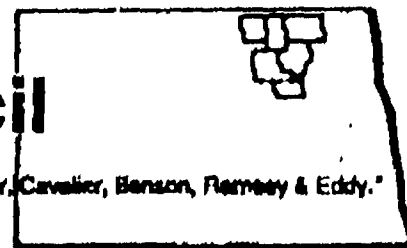
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE For the Year Ended December 31, 1999

	General	Special Revenue
REVENUES:		
Federal Sources:		
EDA Planning Grant	\$52,000.00	\$0.00
EDA Grants	25,600.00	110,554.00
Intermediary Relending Program	0.00	198,192.00
CDBG Administration	13,822.00	0.00
State & Local Sources:		
Economic Development & Finance	6,065.25	0.00
CDBG Projects - Administration	102,789.11	0.00
Joint Powers Agreements	22,031.98	0.00
Mileage Assessments	3,043.50	0.00
Interest Income	5,197.20	1,051.15
Upper Dakota RC&D	13,800.00	0.00
Miscellaneous Income	1,652.50	10,268.12
Magic Fund	0.00	47,961.00
Interest on Loans	0.00	59,639.54
Loans Paid Back	0.00	362,966.68
TOTAL REVENUES	246,001.54	790,632.49
EXPENDITURES:		
Salaries & Fringe	146,152.14	33,432.71
Travel	10,055.75	4,351.50
Inspection Fees	3,150.00	0.00
Legal & Audit	0.00	2,753.80
Rent	0.00	232.25
Memberships	0.00	480.00
Supplies	0.00	200.83
Miscellaneous	36.06	192.96
Indirect	41,229.93	6,789.88
Miscellaneous Projects	13,261.06	0.00
Loans Paid Out	0.00	571,420.80
Repayment to Rural Development - Interest	0.00	3,485.97
Repayment to Rural Development - Principal	0.00	133.67
TOTAL EXPENDITURES	213,884.94	623,474.37
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	32,116.60	167,158.12
Fund Balance - December 31, 1998	106,885.07	15,150.49
Adjustment to Prior Period	0.00	20,976.54
FUND BALANCE - DECEMBER 31, 1999	<u>\$139,001.67</u>	<u>\$203,285.15</u>

The accompanying notes are an integral part of these financial statements.

North Central Planning Council

"Professional planning staff serving citizens and their governments in the counties of Rolette, Towner, Cavalier, Benson, Ramsey & Eddy."



FACSIMILE COVER SHEET

TO: *Paul Sanderson*
Company:
Phone:
Fax: *701-328-3615*

FROM: **Richard M. Anderson**
Company: **North Central Planning Council**
Phone: **701-662-8131**
Fax: **701-662-8132**

DATE: *1/12/01*
Total pages: *2*

COMMENTS:

Rob

NORTH CENTRAL PLANNING COUNCIL**2001 BUDGET
DRAFT****REVENUES**

Economic Development Administration 2001 (F)	\$52,000
EDA CONAC (F)	\$12,500
EDA - Dakota Aero (F)	\$5,000
EDA Maddock (L)	\$2,500
EDA - TMC (L)	\$5,000
County Contributions 2001 (L)	\$13,000
Transportation Administration (F & L)	\$25,000
NCPC-Revolving Loan Fund Admin. 2001 (F)	\$20,000
Benson County Strategic Plan (F & L)	\$4,835
BTR Farmers Coop (F)	\$30,000
Cavaller County CDBG ED - Dahl 2000 (L)	\$4,922
Devils Lake CDBG ED - Connection 1999 (L)	\$125
Devils Lake CDBG ED - Dakota Aero 1997 (L)	\$1,000
Devils Lake CDBG H - Roundhouse 1999 (L)	\$6,324
Devils Lake CDBG ED - Joe's 2000 (L)	\$75
Eddy County CDBG ED - NABC 1999 (L)	\$7,500
Langdon CDBG ED - Boyd 2000 (L)	\$450
Langdon CDBG H - Housing 2000 (L)	\$12,117
Leeds CDBG H - Park Vue 2000 (L)	\$4,350
Maddock CDBG ED - Hometown 2000 (L)	\$175
Minnewaukan CDBG PF - Sewer 2000 (L)	\$4,303
Miscellaneous (L)	\$1,000
Munich CDBG PF - Ambulance Bldg 1999 (L)	\$450
New Rockford CDBG PF - Lift Station 2000 (L)	\$435
Ramsey County CDBG DF H U - Unmet Needs (L)	\$1,500
Ramsey County Housing Buyout (F)	\$22,500
Rolette County Strategic Plan (F & L)	\$10,800
Towner County Strategic Plan (F & L)	\$2,503
2001 CDBG Administration - Housing & PF (L)	\$25,000
2001 CDBG Administration - CDLF & Reserve (L)	\$25,000
2001 CDBG Delivery (F)	\$13,500
2001 CDLF Repayments (L)	\$3,964
In-Kind Ramsey County 2001 (L)	\$9,600

TOTAL REVENUES	\$327,428
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KEY:

F = Federal

S = State

L = Local

RURAL AND COMMUNITY DEVELOPMENT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 For The Year Ended December 31, 1999

ED A GRANT #05-05- 11081-99	RD-MP Misc Grants	RLP/ Capital Fund	CDMG	IRP Capital B Fund	Recap RLP	Vocational Rehab	CHDO	Self Help CHDO	Council	PROJECT TOTALS
\$52,000.00	\$0.00	\$0.00	\$33,822.00	\$80,000.00	\$207,287.51	\$10,000.00	\$0.00	\$0.00	\$6,123.04	\$368,232.62
17,334.00	0.00	248,723.91	0.00	94,685.92	79,854.02	3,322.00	60,633.85	2,943.33	152,146.48	665,663.51
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,131.40	6,131.40
0.00	97,318.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	97,318.32
69,334.00	97,318.32	248,723.91	13,822.00	174,685.92	287,121.60	13,322.00	60,633.85	2,943.33	170,400.92	1,159,325.85
37,619.66	0.00	17,153.96	7,744.13	9,644.89	5,317.57	0.00	31,959.44	1,548.36	89,880.25	200,888.26
11,322.22	0.00	5,565.21	2,385.10	3,075.81	1,674.02	0.00	9,231.07	487.51	24,976.41	51,717.43
3,026.11	0.00	891.79	413.96	375.05	242.15	0.00	2,194.25	346.20	5,007.31	12,331.76
0.00	0.00	74.80	0.00	0.00	0.00	0.00	23.00	0.00	287.53	383.33
0.00	0.00	0.00	0.00	0.00	218.32	0.00	0.00	0.00	2,087.24	2,903.64
0.00	0.00	355.78	0.00	220.37	6.40	21.00	0.00	0.00	72.00	674.75
20.00	0.00	437.65	9.95	263.05	336.96	0.00	546.00	0.00	4,027.40	5,741.01
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,847.88
310.00	0.00	0.00	60.00	0.00	0.00	0.00	2,275.91	0.00	397.31	3,063.22
19.00	0.00	2.98	0.00	0.00	0.00	0.00	0.00	0.00	60.50	82.48
47.51	0.00	71.67	0.00	66.67	170.79	0.00	127.47	0.00	433.83	918.34
635.10	0.00	197.10	0.00	109.50	581.90	0.00	628.50	0.00	887.90	3,050.00
16,334.00	0.00	7,172.96	3,308.86	4,082.90	2,549.79	0.00	13,628.27	561.19	36,084.80	83,226.77
0.00	97,318.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	97,318.32
0.00	0.00	217,000.00	0.00	133,000.00	276,383.44	13,300.00	0.00	0.00	0.00	639,683.44
69,334.00	97,318.32	248,723.91	13,822.00	174,685.92	287,121.60	13,322.00	60,633.85	2,943.33	164,289.52	1,152,194.43
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,131.40	6,131.40
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	146,396.13	146,396.13
20.00	97,318.32	97,318.32	80.00	80.00	80.00	80.00	80.00	80.00	80.00	812,272.55
20.00	97,318.32	97,318.32	80.00	80.00	80.00	80.00	80.00	80.00	80.00	812,272.55

Post-It brand fax transmittal memo 787 # of pages 1

To	Paul Sanderson
From	Paul Recklin
Co	Leg. Council
Co	CCADC
Dept.	
Fax #	328-3615
Fax #	255-4591
Fax #	255-7228

The accompanying notes are an integral part of this statement.



OFFICE OF ATTORNEY GENERAL
STATE OF NORTH DAKOTA

Heldi Helkamp
ATTORNEY GENERAL

April 14, 1999

CAPITOL TOWER

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600 E. Boulevard Ave.
Dept. 125
Bismarck, ND 58505-0040
701-328-2210
701-328-3408 (TDD)
FAX 701-328-2228

Honorable Edward T. Schafer
Governor
State Capitol
Bismarck, ND 58505

Consumer Protection
and Antitrust Division
701-328-3404
800-472-2800
Toll Free in North Dakota
FAX 701-328-3535

Honorable John Dorso
State House of Representatives
State Capitol
Bismarck, ND 58505

Gaming Division
701-328-4848
FAX 701-328-3535

Honorable Ken Solberg
State Senate
State Capitol
Bismarck, ND 58505

Licensing Section
701-328-2329
FAX 701-328-3535

CAPITOL COMPLEX

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FAX 701-328-4300

Ms. Dina Butcher
Director
Office of Intergovernmental Assistance
State Capitol
Bismarck, ND 58505

Civil Litigation
701-328-3640

Mr. Kevin Cramer
Director
Economic Development and Finance
1833 E Bismarck Expy
Bismarck, ND 58504-6708

Natural Resources
701-328-3640

Wetland Commission
701-328-4290

Bureau of Criminal
Investigation
P.O. Box 1054
Bismarck, ND 58502-1054
701-328-5500
800-472-2185
Toll Free in North Dakota
FAX 701-328-5510

Mr. Doug Friez
Director
Division of Emergency Management
PO Box 5511
Bismarck, ND 58502-5511

Fire Marshal
P.O. Box 1054
Bismarck, ND 58502-1054
701-328-5555
FAX 701-328-5510

Enclosed please find a copy of a letter dated April 7, 1999, from Robbie Quick, Chair of the Cass County Board of Commissioners with attachments; a copy of a March 18, 1999, letter from Wayne P. Jones, Ransom County State's Attorney; and a copy of a resolution by the Sargent County Board of Commissioners dated April 6, 1999.

Fargo Office
P.O. Box 2665
Fargo, ND 58108-2665
701-230-7128
FAX 701-230-7128

April 14, 1999
Page 2

As you are aware, the state's attorneys for the counties within that area have been negotiating with Lake Agassiz Regional Council regarding actions necessary to correct the prior transfers of staff, money, and programs to Lake Agassiz Regional Development Corporation. It is my understanding that the state's attorneys are satisfied with the actions which Lake Agassiz Regional Council and Lake Agassiz Regional Development Corporation have taken and which are documented in the attachments to Ms. Quick's letter and the attachments to the February 26, 1999, letter to the "Region 5 County State Attorneys."

Sincerely,

Beth Angus Baumstark
Assistant Attorney General

vkk
Enclosures