# Valley City Special Commission Budget Proceedings

*Wednesday, July 26, 2023*

7:00 AM City Hall

President Carlsrud called the meeting to order at 7:00 AM.

Members present: Commissioner Magnuson, Commissioner Bishop, Commissioner Erickson, Commissioner Gulmon

Members absent: None

Others Present: City Administrator Crawford, Finance Director Richter, Deputy Auditor Klein, City Attorney Martineck, Police Chief Hatcher, Assessor Current.

**New Business**

**Remove Avis Richter as an Authorized Signer on Dacotah Bank Accounts Effective August 1, 2023.**

Commissioner Bishop moved to approve removing Avis Richter as an authorized signer on the Dacotah Bank Accounts effective August 1, 2023. Seconded by Commissioner Magnuson. Motion carried.

**Discuss and Approve the 2024 Preliminary Budget**

Deputy Auditor Klein reported that at this time we do not have an estimated value of a mill. The 2024 Preliminary Budget has a 5% increase in dollars levied compared to the 2023 Budget. Last year’s increase from the 2022 Budget to the 2023 Budget was 7%. Department heads were diligent with keeping their operational expenses at a minimal increase. The increase in expenditures in the General Fund is 2.7%. The 2024 Transfers In are $218,000 less than last year. This included $108,000 from Fund 105 City Financed Special Assessment Projects and $110,000 from Fund 241 Property Tax Relief. Cash reserves of $1,127,303 is 27% of expenditures, which is within the guidelines set in the City’s Fund Balance policy (30% to no lower than 21%, with 20% needing corrective action by the Commission).

The proposed salaries in the 2024 budget includes a 4% cost of living allowance (COLA) increase and a step increase in the 0-24-year salary schedule. Cost of Living Adjustment (COLA) is calculated using the Consumer Price Index, in the U.S. Department of Labor, Bureau of Labor Statistics report for the Midwest Region from July 2022 to June 2023. The increase in the transfer from the utility fund is $362,000, this includes an increase of $262,000 to the General Fund and $100,000 to Fund 231 Street Renew and Replacement.

NDPHIT has not released information regarding health insurance premium increases for 2024. A 5% increase to be picked up by the City is currently budgeted. If the premium increase is more than the estimated 5%, the Commission will re-evaluate. The City’s contribution to the employee’s HSA accounts would remain the same, with the employees matching a portion of the contribution in order to receive the full amount. Percentages for NDPERS contributions will increase in 2024, the budget reflects the 1% increase required by the employer.

Commissioner Bishop moved to approve the 2024 Preliminary Budget as presented which includes the proposed salary structure and 4% COLA, seconded by Commissioner Gulmon. Motion carried.

**ADJOURN**

Meeting Adjourned at 7:45 A.M.

Attested to by:

Brenda Klein, Deputy Auditor Dave Carlsrud, President of the

City of Valley City City of Valley City Commission