



Finance Office

Telephone: 701-241-5600

Fax: 701-241-5728

SMB-FIN@casscountynd.gov

August 1, 2023

Board of County Commissioners
Cass County Government
211 9th Street South
Fargo ND 58103

Re: 2024 Preliminary Budget

Dear Commissioners:

For consideration today is the 2024 Preliminary Budget and proposed hearing date of Monday September 18, 2023. Upon approval of the preliminary budget and the setting of the Final Budget hearing date, the Finance Office will publish the Preliminary Budget on the county's web site and publish the notice for the hearing date, time, and place in *The Forum*, in addition to sending notices to those taxpayers and entities that we are required to under North Dakota Century Code.

I want to thank each of you for your outstanding attention to detail and dedicated service in reviewing budgets with each Department Head and outside agency that has requested county funding. The decisions you make are of the utmost importance to county operations, programs offered by affiliated agencies, and the tax paying public.

Mill Levy

As a result of increasing property valuations, this budget includes a downward adjustment of 2 mills to the county's mill levy. A copy of the Budget/Levy Summary for 2024 is included as Attachment A.

Staffing

A summary of gross salaries and requested new positions will be included as Attachments B and C.

The 2024 preliminary budget includes a Cost-of-Living Adjustment (COLA) of 3%. Historically, Cass County follows the April-to-April CPI Index as a basis for the COLA. The 2023 April CPI Index for the Midwest Region was 5.1%. The CPI Index has retracted since April 2022, when it was 8.5%. The 2023 budget was approved with a 4% COLA increase, 4.5% lower than the CPI of 8.5%. May and June 2023 continued to retreat downward to 3.7% and 2.4% respectively. The effective cost of a 1% COLA increase is equivalent to approximately \$290,700.

The intention behind following the April CPI Index is to maintain Cass County's competitiveness as an employer between each 3-year salary analysis cycle. Cass County departments, specifically the Sheriff's department, continue to experience difficulty recruiting new employees and retaining current employees. Providing a fair and appropriate COLA for the Cass County workforce will assist the county make headway in offering competitive salaries in this rapidly changing marketplace.

There are 6 new employee requests included in the budget presented. These requests include 2.0 FTE's for the Finance Office and 1.0 FTE for each of the Admin Building & Grounds, State's Attorney, Highway, and Sheriff departments.

The county is currently assessing information pertaining to health or dental rates for 2024 so the county has budgeted for an assumed 12% increase in medical coverage and a 0% increase to dental plans. The county covers

\$40 for each dental plan with the employee responsible for the remaining cost of the plan. Health related expenses are anticipated to increase by 7%.

Capital Projects

The Capital Projects Fund is funded by a 4.50 mill levy. This Fund is intended to provide for the construction and remodeling of County buildings.

The preliminary budget 2024 includes \$7 million (2023 was \$10.4 million) towards county building initiatives. These initiatives include the Red River Regional Dispatch Center, an Election Warehouse Facility, IT Relocation, and a new secured courtroom.

ARPA

The COVID-19 pandemic highlighted a need in the Cass County Jail facility for additional bed capacity. This jail expansion project meets the “Public Health” criteria required to be funded through ARPA funding. Planning for the jail expansion began in 2022 and the project is expected to be completed in 2025. Total project cost is currently budgeted at \$31.8 million, which will utilize the remaining ARPA funds. CARES funding will be utilized for any costs exceeding available ARPA funds.

Human Service Zone Budget

The budget for the Human Service Zone is included in this budget at the dollar amounts approved by the North Dakota Department of Health. This budget is funded by grants and state allocation of resources.

Public Hearing

Estimated Tax Statements for each property that incurs more than \$100 in consolidated taxes will be mailed prior to the final budget hearing. All local governments are required to file their budgets with us on or before August 10th along with their meeting notices if they levy more than \$100,000 in property taxes. We will incorporate the notice of hearings on the Estimated Tax Statements for those jurisdictions required by law to provide the notice on the statement.

The Commission can still make changes to the budget after the Preliminary Budget is approved by adjusting line items up or down to reduce the amount of property taxes needed to support the budget. The only restrictions is that the Commission is prohibited from making changes that would increase the property tax effect on taxpayers after the approval of the Preliminary Budget.

I would like to take this time to express my sincere appreciation to county department heads and employees who worked on budgets during the last two months. Their cooperation and assistance are invaluable in preparing a budget for you to consider. I want to send out a special thank you to Sarah Heinle, Accounting Manager, in the Finance office. As with prior years, Sarah has done a remarkable job putting this budget book together and has been integral to the entire budget process.

Sincerely,

Brandy Madrigga
Cass County Finance Director

SUGGESTED MOTION:

Move to approve the 2024 Preliminary Budget of \$167,525,119 with a maximum mill levy of 52.55 and to set September 18, 2023, at 3:30 PM in the Cass County Commission Room at 211 9th Street South, Fargo, North Dakota as the time and place to consider constituent’s comments concerning the 2024 Preliminary Budget and the Mill Levy to support the 2024 Budget as required by Article 8, Section 4 of the County’s Home Rule Charter.

**Cass County Government
Budget/Levy Summary 2024**

| | 2023 | | | 2024 | | 2024 | 2022 | 2023 |
|--|--------------------|------------------------|------------------------|--------------------|--------------------|------------------------|--------------|--------------|
| | Adjusted Budget | Projected Expenditures | Projected Fund Balance | Board Revenues | Final Budget | Projected Fund Balance | Mill Levy | Mill Levy |
| 101 General Fund | 47,349,117 | 46,660,874 | 16,918,042 | 47,560,136 | 50,505,567 | 13,972,611 | 30.00 | 28.00 |
| Special Revenue Funds | | | | | | | | |
| 202 Human Service Zone | 11,875,924 | 11,751,628 | 1,543,549 | 13,610,030 | 13,610,030 | 1,543,549 | - | - |
| 211 Road and Bridge | 27,020,714 | 30,782,944 | 4,875,893 | 25,666,196 | 27,413,254 | 3,128,835 | 10.00 | 10.00 |
| 214 Flood Fund | - | - | (306) | - | - | (306) | - | - |
| 216 COVID Fund | - | - | 7,391,371 | 800,000 | - | 8,191,371 | - | - |
| 217 Flood Fund | - | - | 39,843 | - | - | 39,843 | - | - |
| 219 Parenting Workshop | 22,000 | 10,000 | 45,028 | 14,080 | 10,000 | 49,108 | - | - |
| 220 24/7 Sobriety Program | 425,357 | 425,445 | (8,477) | 330,800 | 330,594 | (8,271) | - | - |
| 221 Sheriff Asset Forfeiture | 290,100 | 258,100 | 155,748 | 115,726 | 138,800 | 132,674 | - | - |
| 222 Senior Citizens Fund | 2,137,179 | 2,137,179 | (3,909) | 2,214,936 | 2,146,934 | 64,093 | 1.00 | 1.00 |
| 224 911 Service Fund | 5,024,076 | 5,024,076 | - | 5,392,802 | 5,392,802 | - | - | - |
| 225 Asset Forfeiture (States Atty) | 2,000 | 3,500 | 360,461 | 44,000 | 8,000 | 396,461 | - | - |
| 226 JAIBG Fund (Sheriff) | 4,000 | 4,000 | 63,421 | 2,800 | 4,000 | 62,221 | - | - |
| 228 Civil Asset Forfeiture | 40,000 | 40,000 | 9,209 | 40,000 | 40,000 | 9,209 | - | - |
| 229 Emergency/Flood Mitigation Fund | - | - | 4,934,462 | 60,000 | - | 4,994,462 | - | - |
| 235 Jail Commissary Fund (Sheriff) | 171,442 | 171,530 | 836,377 | 443,680 | 191,307 | 1,088,750 | - | - |
| 236 Hazardous Plan/Response Fund (EM) | 9,300 | 21,300 | 19,234 | 8,200 | 9,300 | 18,134 | - | - |
| 237 Valley Water Rescue Fund (Sheriff) | 43,500 | 43,500 | 11,381 | 42,931 | 43,500 | 10,812 | - | - |
| 238 NDRIN Fund (Recorder) | 1,084,000 | 1,084,000 | 1,339,609 | 1,064,000 | 1,092,300 | 1,311,309 | - | - |
| 239 Document Preservation (Recorder) | 285,629 | 286,084 | 436,525 | 70,640 | 117,600 | 389,565 | - | - |
| 241 Swat Vehicle Replacement | - | - | 22,766 | 7,140 | - | 29,906 | - | - |
| 242 ARPA Fund | 10,000,000 | 10,000,000 | 18,680,860 | - | 8,000,000 | 10,680,860 | - | - |
| 246 Pass through Grants | 125,000 | 125,000 | - | 125,000 | 125,000 | - | - | - |
| 247 Public Safety Communications Ops Fund | 430,030 | 617,641 | 331,144 | 609,549 | 617,641 | 323,052 | 0.50 | 0.50 |
| 248 FM Diversion | 922,311 | 922,311 | - | 1,065,822 | 1,065,822 | - | - | - |
| 249 Opioid Abatement | - | - | 41,966 | - | - | 41,966 | - | - |
| 250 LATCF | - | - | 50,000 | 50,000 | - | 100,000 | - | - |
| Total Special Revenue Funds | 59,912,562 | 63,708,238 | 41,176,156 | 51,778,332 | 60,356,884 | 32,597,604 | 11.50 | 11.50 |
| Total General and Special Revenue Funds Mill Levy | | | | | | | 41.50 | 39.50 |
| Debt Service Fund (Special Assessment) | | | | | | | | |
| 303 Grey Hawk Estates Sub | - | - | - | - | - | - | - | - |
| 311 Wild Rice River Estate Sub | 15,493 | 15,493 | 3,591 | 15,009 | 15,233 | 3,367 | - | - |
| 318 Grandberg/Amber Plains Subdivision | - | - | 1,942 | - | 1,942 | - | - | - |
| 319 Courthouse Debt Service | - | - | 39,835 | - | 39,835 | - | - | - |
| Total Debt Service Funds | 15,493 | 15,493 | 45,368 | 15,009 | 57,010 | 3,367 | - | - |
| Capital Projects Funds | | | | | | | | |
| 401 Building Fund | 10,429,012 | 10,429,012 | 4,213,730 | 5,592,070 | 7,000,000 | 2,805,800 | 4.50 | 4.50 |
| 402 Round Hill Subdivision | - | 29,000 | 288 | - | - | 288 | - | - |
| 413 Forest River Subdivision | - | - | 31,562 | - | - | 31,562 | - | - |
| 418 Grandberg Amber Plains | - | - | 7,428 | - | - | 7,428 | - | - |
| 420 Flood Control Sales Tax | 22,297,600 | 22,297,600 | 10,609,436 | 22,400,000 | 23,000,000 | 10,009,436 | - | - |
| 422 Career Workforce Academy | 1,000,000 | 1,000,000 | 148,513 | 1,228,098 | 1,000,000 | 376,611 | 1.00 | 1.00 |
| Total Capital Project Funds | 33,726,612 | 33,755,612 | 15,010,957 | 29,220,168 | 31,000,000 | 13,231,125 | 5.50 | 5.50 |
| Internal Service Funds | | | | | | | | |
| 501 Health Insurance Fund | 6,962,204 | 7,047,862 | 3,943,358 | 7,423,800 | 7,541,300 | 3,825,858 | - | - |
| 502 Technology Service Fund | 1,104,547 | 1,104,547 | 398,092 | 1,139,877 | 1,113,647 | 424,322 | - | - |
| 504 Motor Pool Service Fund | 53,240 | 53,240 | 77,320 | 71,800 | 71,000 | 78,120 | - | - |
| 505 Dental Insurance Fund | 385,000 | 385,000 | 565,828 | 399,092 | 411,950 | 552,970 | - | - |
| Total Internal Service Funds | 8,504,991 | 8,590,649 | 4,984,598 | 9,034,569 | 9,137,897 | 4,881,270 | - | - |
| Total "County" Mill Levy | | | | | | | 47.00 | 45.00 |
| Other County Agencies | | | | | | | | |
| 231 Weed Control Fund | 611,083 | 611,083 | 185,165 | 595,311 | 676,846 | 103,630 | 1.20 | 1.20 |
| 232 Vector Control Fund | 1,531,781 | 1,544,759 | 370,449 | 1,553,553 | 1,646,600 | 277,402 | 0.85 | 0.85 |
| 233 County Park Fund | 54,345 | 54,900 | 103,731 | 41,000 | 54,110 | 90,621 | - | - |
| Southeast Cass WRD | 27,250,000 | 72,500,000 | 12,198,169 | 5,622,395 | 10,173,245 | 7,647,319 | 2.19 | 1.40 |
| Rush River WRD | 425,000 | 1,125,500 | 1,129,923 | 781,185 | 491,685 | 1,419,423 | 4.00 | 4.00 |
| Maple River WRD | 2,350,000 | 4,525,000 | 2,081,498 | 2,256,335 | 2,877,435 | 1,460,398 | 3.00 | 2.10 |
| North Cass WRD | 105,000 | 225,000 | 1,971,319 | 435,990 | 547,840 | 1,859,469 | 4.00 | 3.50 |
| Red River Joint WRD | - | - | - | - | - | - | 1.50 | 1.50 |
| Total Other County Agencies | 32,327,209 | 80,586,242 | 18,040,254 | 11,285,769 | 16,467,761 | 12,858,262 | 16.74 | 14.55 |
| Total All County Funds | 181,835,984 | 233,317,108 | 96,175,375 | 148,893,983 | 167,525,119 | 77,544,239 | 63.74 | 59.55 |
| Maximum County Mill Rate on any Property | | | | | | | 54.55 | 52.55 |

**County General Fund
Budget Summary
Fund Number 101**

| | Two Year's Ago Actuals | Last Year's Actuals | 2023 Adjusted Budget | 2023 Projection | 2024 Department Request | 2024 Commission Budget |
|---------------------------------------|------------------------------|------------------------|----------------------------|--------------------|-------------------------------|------------------------------|
| Revenues | 42,170,538 | 43,563,033 | 45,433,909 | 44,411,123 | 48,640,192 | 47,560,136 |
| Expenditures | 36,953,045 | 42,914,482 | 47,349,117 | 46,660,874 | 53,014,337 | 50,505,567 |
| Revenues Over (Under) Expenditures | 5,217,493 | 648,551 | (1,915,208) | (2,249,751) | (4,374,145) | (2,945,431) |
| Beginning Balance | 13,301,749 | 18,519,242 | 19,167,793 | 19,167,793 | 16,918,042 | 16,918,042 |
| Ending Balance | 18,519,242 | 19,167,793 | 17,252,585 | 16,918,042 | 12,543,897 | 13,972,611 |
| | | | | 36.26% | 23.66% | 27.67% |