



## Finance Office

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July 31, 2024

Board of County Commissioners  
Cass County Government  
211 9<sup>th</sup> Street South  
Fargo ND 58103

Re: 2025 Preliminary Budget

Dear Commissioners:

For consideration today is the 2025 Preliminary Budget and proposed hearing date of Monday September 16, 2024. 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 and outstanding fiscal management, this budget holds the county mills steady at 45.00. A copy of the Budget/Levy Summary for 2024 is included as Attachment A. The maximum mill rate on any property remains stable at 52.55 mills.

### Staffing

There are 32 new employee requests totaling \$2.5 million included in the budget presented. These requests include 1.0 shared FTE between the Planning and Highway departments and 2 FTEs for the Sheriff department which will be partially funded by the City of Horace. Two jail nursing staff have been added following the recommendation of Family HealthCare as the county transitions nursing staff employment from Fargo Cass Public Health to the county. In line with the expected completion of the new jail pod expansion in the spring of 2025, 27 new FTEs have been budgeted with pro-rated start dates. This includes 10 B32's, 11 B31's, 4 C41's and 2 C51 (Jail Nurses). Summaries of requested new positions and gross salaries are included as Attachment B & C.

The 2025 preliminary budget includes a Cost-of-Living Adjustment (COLA) of 2.5%. Historically, Cass County follows the April-to-April CPI Index as a basis for the COLA. The 2024 April CPI Index for the Midwest Region was 2.5%. The CPI Index has retracted since April 2024, when it was 5.1%. The effective cost of a 2.5% COLA increase is approximately \$789,000 (\$315.5k per percentage).

Although the CPI index is not a direct indication of inflationary impacts specific to employees, it does provide a consistent and unbiased method for Cass County to maintain its 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.

## **Medical and Dental Coverage**

The county is still receiving incoming information pertaining to health or dental rates for 2025 so a 12.3% increase based on Brown & Brown recommendations has been budgeted for medical coverage and a 0% increase has been budgeted for dental coverage. The county covers \$40 for each dental plan with the employee responsible for the remaining cost of the plan. Health related expenses have been increasing higher than overall inflation, so the increase to the employee portion of the medical premium is capped at 2.5% or the equivalent of COLA.

## **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 for 2025 includes \$8.5 million (2023 was \$7 million) towards county building initiatives. These initiatives include the Red River Regional Dispatch Center, the renovation for the newly acquired RDJ building, a new secured courtroom, and a space needs study.

## **ARPA & CARES**

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 the spring of 2025. Total project costs are budgeted at \$31.8 million, which is utilizing the remaining ARPA funds. CARES funding will be utilized for any costs exceeding available ARPA funds. Following the completion of the jail expansion project, all remaining CARES funds (approx. \$1.8-\$2 million) have been budgeted to transfer into the General Fund.

## **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 10<sup>th</sup> 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. In particular, 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 2025 Preliminary Budgets totaling \$186,716,259 with a maximum county mill levy of 52.55 and to set September 16, 2024, at 3:30 PM in the Cass County Commission Room at 211 9<sup>th</sup> Street South, Fargo, North Dakota as the time and place to consider constituent's comments concerning the 2025 Preliminary Budget and the Mill Levy to support the 2025 Budget as required by Article 8, Section 4 of the County's Home Rule Charter.

**Cass County Government  
Budget/Levy Summary**

	2024			2025		2025	2023	2024
	Adjusted Budget	Projected Expenditures	Projected Fund Balance	Board Revenues	Final Budget	Projected Fund Balance	Mill Levy	Mill Levy
<b>101 General Fund</b>	<b>51,146,954</b>	<b>50,008,257</b>	<b>26,074,581</b>	<b>53,457,506</b>	<b>59,337,468</b>	<b>20,194,619</b>	<b>28.00</b>	<b>29.00</b>
<b>Special Revenue Funds</b>								
202 Human Service Zone	13,610,030	12,227,987	1,662,356	13,756,194	13,756,194	1,662,356	-	-
211 Road and Bridge	28,018,611	26,496,117	5,576,173	27,883,084	24,697,044	8,762,213	10.00	10.00
212 Sheriff Grant	-	62	426,844	74,806	-	501,650	-	-
214 Flood Fund	-	-	-	-	-	-	-	-
216 COVID Fund	800,000	800,000	4,855,149	-	4,855,149	-	-	-
217 Flood Fund	-	41,839	-	-	-	-	-	-
219 Parenting Workshop	10,000	10,000	56,774	18,200	10,000	64,974	-	-
220 24/7 Sobriety Program	329,828	240,691	44,910	330,700	302,783	72,827	-	-
221 Sheriff Asset Forfeiture	170,800	140,550	308,191	300,700	156,650	452,241	-	-
222 Senior Citizens Fund	2,146,934	2,146,934	188,813	2,403,469	2,195,920	396,362	1.00	1.00
224 911 Service Fund	5,392,802	5,392,802	10,511	4,734,300	4,734,300	10,511	-	-
225 Asset Forfeiture (States Atty)	8,000	8,000	419,605	44,000	8,500	455,105	-	-
226 JAIBG Fund (Sheriff)	4,000	2,100	68,046	1,950	2,125	67,871	-	-
228 Civil Asset Forfeiture	40,000	40,000	41,588	40,000	40,000	41,588	-	-
229 Emergency/Flood Mitigation Fund	-	-	5,418,763	200,000	-	5,618,763	-	-
233 County Park Fund	54,110	54,110	112,124	47,000	50,380	108,744	-	-
235 Jail Commissary Fund (Sheriff)	190,966	371,867	632,848	493,680	376,084	750,444	-	-
236 Hazardous Plan/Response Fund (EM)	9,300	9,300	35,024	8,000	9,300	33,724	-	-
237 Valley Water Rescue Fund (Sheriff)	43,500	22,000	48,243	47,195	40,530	54,908	-	-
238 NDRIN Fund (Recorder)	1,092,300	1,092,300	1,425,304	1,089,540	1,277,700	1,237,144	-	-
239 Document Preservation (Recorder)	117,600	117,600	673,563	80,640	129,610	624,593	-	-
241 Swat Vehicle Replacement	-	7,000	11,122	400	7,140	4,382	-	-
242 ARPA Fund	8,000,000	8,000,000	12,719,056	-	12,719,056	-	-	-
246 Pass through Grants	125,000	125,000	-	125,000	125,000	-	-	-
247 Public Safety Communications Ops Fund	617,641	559,752	739,332	641,208	686,683	693,857	0.50	0.50
248 FM Diversion	1,054,198	1,236,565	-	1,542,514	1,542,514	-	-	-
249 Opioid Abatement	-	201,840	-	50,000	50,000	-	-	-
250 LATCF	-	100,000	-	-	-	-	-	-
<b>Total Special Revenue Funds</b>	<b>61,835,620</b>	<b>59,444,416</b>	<b>35,474,339</b>	<b>53,912,580</b>	<b>67,772,662</b>	<b>21,614,257</b>	<b>11.50</b>	<b>11.50</b>
<b>Total General and Special Revenue Funds Mill Levy</b>							<b>39.50</b>	<b>40.50</b>
<b>Debt Service Fund (Special Assessment)</b>								
311 Wild Rice River Estate Sub	15,223	15,233	20,380	13,750	14,973	19,157	-	-
318 Grandberg/Amber Plains Subdivision	1,942	-	-	-	-	-	-	-
319 Courthouse Debt Service	39,835	45,268	-	-	-	-	-	-
320 Special Asses Deficiency	-	-	11,013	-	-	11,013	-	-
<b>Total Debt Service Funds</b>	<b>57,000</b>	<b>60,501</b>	<b>31,393</b>	<b>13,750</b>	<b>14,973</b>	<b>30,170</b>	<b>-</b>	<b>-</b>
<b>Capital Projects Funds</b>								
401 Building Fund	7,000,000	7,000,000	11,715,796	6,274,182	8,500,000	9,489,978	4.50	4.50
402 Round Hill Subdivision	-	-	30,756	-	-	30,756	-	-
413 Forest River Subdivision	-	-	33,143	-	-	33,143	-	-
418 Grandberg Amber Plains	-	-	9,793	-	-	9,793	-	-
420 Flood Control Sales Tax	23,000,000	23,000,000	11,148,098	23,300,000	23,000,000	11,448,098	-	-
422 Career Workforce Academy	1,000,000	1,441,932	-	-	-	-	1.00	-
<b>Total Capital Project Funds</b>	<b>31,000,000</b>	<b>31,441,932</b>	<b>22,937,586</b>	<b>29,574,182</b>	<b>31,500,000</b>	<b>21,011,768</b>	<b>5.50</b>	<b>4.50</b>
<b>Internal Service Funds</b>								
501 Health Insurance Fund	7,541,300	8,240,500	3,573,596	8,358,000	8,207,800	3,723,796	-	-
502 Technology Service Fund	113,647	1,113,647	314,535	1,151,877	1,144,377	322,035	-	-
504 Motor Pool Service Fund	71,000	71,000	99,256	71,000	71,000	99,256	-	-
505 Dental Insurance Fund	411,950	411,950	569,297	418,000	418,600	568,697	-	-
<b>Total Internal Service Funds</b>	<b>8,137,897</b>	<b>9,837,097</b>	<b>4,556,684</b>	<b>9,998,877</b>	<b>9,841,777</b>	<b>4,713,784</b>	<b>-</b>	<b>-</b>
<b>Total "County" Mill Levy</b>							<b>45.00</b>	<b>45.00</b>
<b>Other County Agencies</b>								
231 Weed Control Fund	674,403	673,107	130,517	579,255	667,732	42,040	1.20	1.20
232 Vector Control Fund	1,716,886	1,706,903	667,946	1,747,052	1,876,427	538,571	0.85	0.85
Southeast Cass WRD	50,000,000	53,000,000	38,701,710	6,674,179	10,673,890	34,701,999	1.40	1.00
Rush River WRD	935,185	590,000	1,399,401	772,060	840,255	1,331,206	4.00	4.00
Maple River WRD	2,500,000	2,750,000	2,402,050	1,748,545	3,121,920	1,028,675	2.10	2.00
North Cass WRD	500,000	450,000	2,042,526	457,680	1,069,155	1,431,051	3.50	4.00
Red River Joint WRD	-	-	-	-	-	-	1.50	1.50
<b>Maximum County Mill Rate on any Property</b>							<b>52.55</b>	<b>52.55</b>

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

	Two Year's Ago Actuals	Last Year's Actuals	2024 Adjusted Budget	2024 Projection	2025 Department Request	2025 Commission Budget
Revenues	43,566,733	52,316,513	47,560,137	49,207,189	53,457,506	53,457,506
Expenditures	42,914,482	44,612,357	51,146,954	50,008,257	64,563,968	59,337,468
Revenues Over (Under) Expenditures	652,251	7,704,156	(3,586,817)	(801,068)	(11,106,462)	(5,879,962)
Beginning Balance	18,519,242	19,171,493	26,875,649	26,875,649	26,074,581	26,074,581
Ending Balance	19,171,493	26,875,649	23,288,832	26,074,581	14,968,119	20,194,619
				52.14%	23.18%	34.03%

**Cass County, North Dakota  
New Positions  
2025**

Department	Position	Start Date	Gross Salary	Total Cost
Tax Director	Convert C41 to C42	Jan-25	5,537	6,641
Planning	.5 C41 Planner/Highway	Jan-25	31,306	61,999
Highway	.5 C41 Planner/Highway	Jan-25	31,306	61,998
Sheriff	2 - B32 Horace	Jan-25	118,708	196,708
Jail	10 - B32	Mar-25	445,155	786,616
Jail	11 - B31	Mar-25	445,220	770,039
Jail	4 - C41	Mar-25	187,833	328,884
Jail	2 - C51 Nurses	Jan-25	220,980	249,468
		Jul-25	73,660	124,734
			<u>1,486,045</u>	<u>2,462,352</u>

	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>2024 Budget</b>	<b>2025 Without COLA</b>	<b>2025 2.5% COLA</b>
Salary/step	23,879,258	25,317,013	26,323,512	28,915,854	28,915,854
Benefits	8,919,052	9,620,050	10,700,963	12,340,113	12,340,113
COLA				-	648,486
Benefits (COLA)				-	140,276
	<b>\$ 32,798,310</b>	<b>\$ 34,937,063</b>	<b>\$ 37,024,475</b>	<b>\$ 41,255,967</b>	<b>\$ 42,044,729</b>
Total Increase		\$ 2,138,753	\$ 2,087,412	\$ 4,231,492	\$ 788,762
Percentage Increase		6.5%	6.0%	11.4%	1.9%

**Notes**

Employee Groups not affected by COLA: On call, Seasonal Pay, Temporary Workers, and Overtime

Medical Benefits projected increase at 12%

This include diversion employees