

**SPECIAL CITY COMMISSION MEETING
VALLEY CITY, NORTH DAKOTA**

Monday, July 28, 2025

President Carlsrud called the meeting to order at 8:00 AM.

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

Members absent: None

Others Present: City Administrator Crawford, Finance Director Klein, Deputy Auditor Johnson, Fire Chief Magnuson, Police Chief Horner, Assessor Current, Executive Assistant Bodine, Intern Krista Nord.

New Business

Discuss and Approve the 2026 Preliminary Budget

Finance Director Klein reported that we are expecting to have the value of a mill the first part of August. HB 1176 puts a cap on the dollars the City can levy. The cap of 3% plus new growth sets the maximum amount the City can levy for the General Fund at \$1,630,697 (3.62% increase from 2025). The City’s Share of Specials Fund 203 is not subject to the 3% cap. The dollars levied for Fund 203 increased due to properties the City has acquired through delinquent taxes. The amount to levy in Fund 203 is \$32,300. The Library Fund is subject to the 3% cap plus new growth which brings the amount to \$199,149. The increase in expenditures in the General Fund is 4.7%. The 2026 Transfers In are the same as 2025 with \$260,000 being transferred in from Fund 241 Property Tax Relief. Transfers Out total \$361,608: Fund 225 Building Reserves \$146,500, Fund 230 Renew & Replacement \$215,108, Cash reserves are at \$1,300,597 which is 28% of expenditures, this is within the guidelines set in the City’s Fund Balance policy.

The transfer from the Utility Fund to General Fund is \$1,358,600. This brings the % of transfer compared to Public Works Revenues to 12.3%.

The proposed salaries in the 2026 Budget includes a 4.5% cost of living allowance (COLA) increase and a step increase in the 0-24-year salary schedule.

The increase in health insurance premiums for 2026 is 7.26%. We have budgeted for the City to pay 85% of the health insurance premium. In 2026 the City will also pay a \$3,000 insurance incentive to those employees who are not on the City’s Health Insurance Policy through NDPHIT. 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.

Commissioner Gulmon moved to approve the 2026 Preliminary Budget as presented which includes the proposed salary structure and 4.5% COLA, seconded by Commissioner Bishop. Commissioners Gulmon, Bishop, Magnuson and President Carlsrud voted Aye, Commissioner Erickson voted Nay. Motion carried.

ADJOURN

Meeting Adjourned at 8:40 A.M.

Attested to by:

Brenda Klein, Finance Director
City of Valley City

Dave Carlsrud, President of the
City of Valley City Commission