devils lake
North Dakota

CITY COMMISSION AGENDA

SPECIAL CITY COMMISSION MEETING
JUNE 25, 2025
12:00 PM

Location:
City Commission Chambers
423 6th St NE
Devils Lake, ND, 58301

Meeting Items

1. City Elected Official Public Information
2. State Blanket Bond
3. Mosquito Spraying Strategy
4. Cemetery Work Change Order – Project 250102 – Mill & Overlay of Original Townsite
5. General Fund Budget Review & Discussion

NORTH Dakota | Office of the Governor

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June 18, 2025

Re: Public official security and home addresses listed on websites

Dear fellow North Dakotan,

The safety and security of North Dakota citizens is a top priority of our administration. That concern extends to the elected officials and public employees who devotedly serve the communities of our state through county commissions, city councils, school, park and township boards, and other public boards and commissions.

In response to the recent shooting of two Minnesota legislators and their spouses in their homes, North Dakota Legislative Council has removed all legislator addresses from its website. We encourage your local jurisdiction to consider similar action for the safety of your members.

We understand transparency is important to your organization and the citizens you serve, and that the removal of any personal contact information from your websites is a local decision that must be weighed against public access considerations and may be affected by local policies, ordinances and charters. For the protection of your elected officials and staff, we urge you to begin these conversations immediately and determine how best to balance public access and transparency with safety and security.

For technical assistance, please contact your web administrator or website provider. North Dakota Information Technology (NDIT) is also available at (701) 328-4470 to answer additional questions and assist as needed. And, as always, please don't hesitate to contact the Governor's Office at (701) 328-2200 or governor@nd.gov.

Sincerely,

Kelly Armstrong
Governor of North Dakota

City of Devils Lake
423 6th St NE
PO Box 1048
Devils Lake, ND 58301
www.dvlnd.com

devils lake City Offices

RESOLUTION TO SET THE LIMIT OF LIABILITY ON THE COMMERCIAL BLANKET BOND OF THE CITY OF DEVILS LAKE, NORTH DAKOTA
JUNE 25, 2025

WHEREAS, The Board of City Commissioner of the City of Devils Lake, North Dakota (The "City") finds and determines that it is necessary to keep the current level of liability on the Commercial Blanket Bond at $2,000,000.

THEREFORE, Under ND Century Code #40-13-02, the bond must be an amount fixed by the governing body of the City, and set by resolution each year, normally in June. The amount should be at least equal to 25% of the average amount of money that has been subject to the auditor's control during the preceding fiscal year as determined by the total daily balances of the auditor for the calendar year divided by the figure three hundred or the sum of 250,000 whichever is least.

Signed this 25th day of June, 2025.

ATTEST:

CITY OF DEVILS LAKE

_____
Spencer Halvorson
City Administrator/Auditor

_____
Jim Moe, President
Devils Lake City Commission

The motion for the adoption of the foregoing resolution was duly made by Commissioner _____, seconded by Commissioner _____ and upon vote being taken thereon, the following voted in favor: Commissioners _____, the following voted against the same: _____, and the following were absent: _____; whereupon said resolution was declared duly passed and was signed by the President of the City Commission and by the City Auditor.

General Fund Review
City of Devils Lake
June 25, 2025

Briefing Objectives

- EXPLORE THE EXPENSE SIDE OF THE GENERAL FUND
- EXPLORE THE REVENUE SIDE OF THE GENERAL FUND
- CREATE UNDERSTANDING ON HB 1176 , MILL LEVY CALCULATIONS AND CAP CONSIDERATIONS

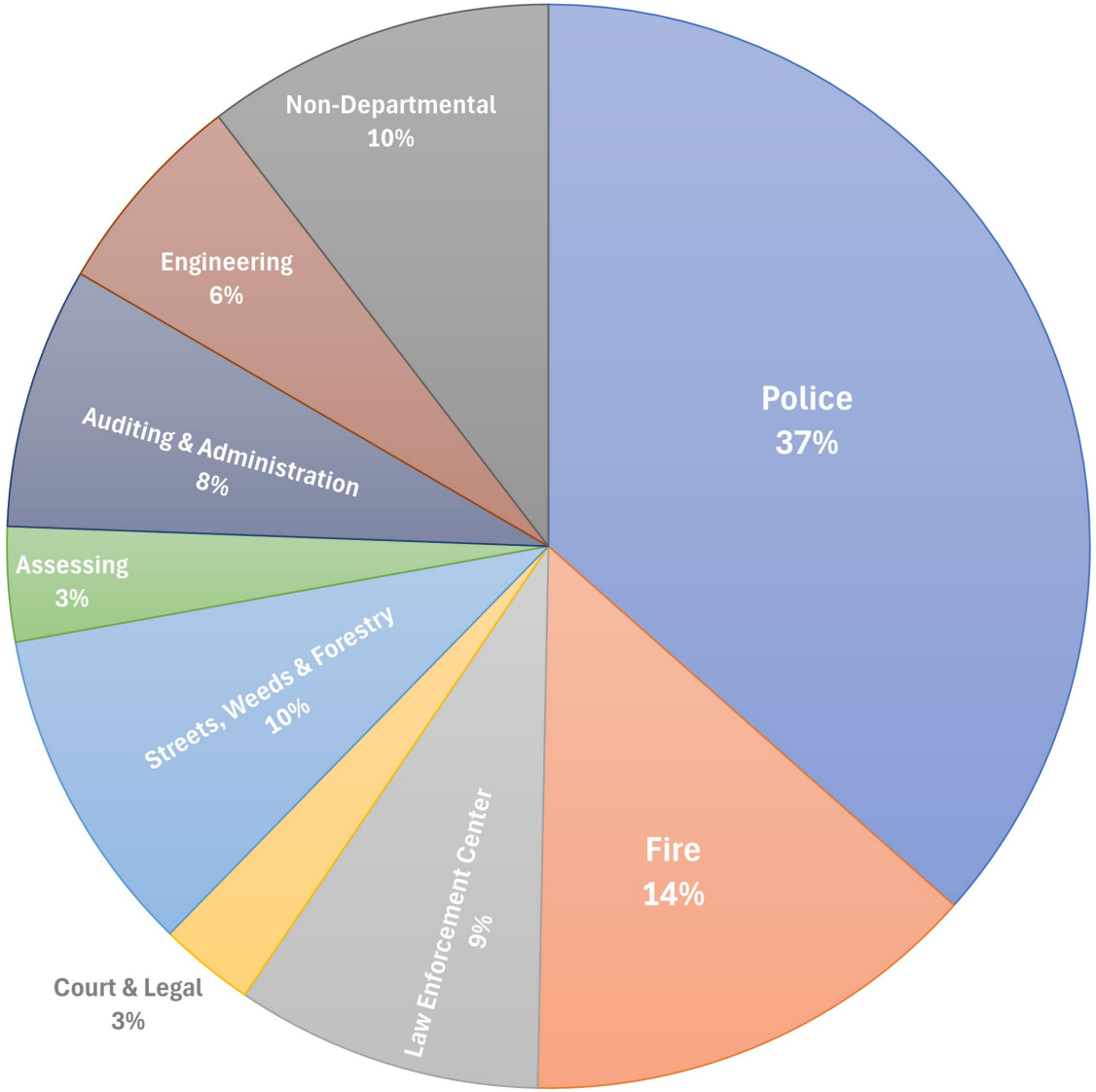
PASSTHROUGH FUNDS

		ACTUAL	ACTUAL	FORECAST	BUDGET
900	PASS THROUGH REVENUE	2022	2023	2024	2025
31400	LODGING TAX (2%)	91,467	134,591	144,000	139,975
31420	RESTAURANT/LODGING TAX (1%)	337,339	364,086	389,575	378,650
31430	PARK DISTRICT (.25%) SALES TAX	0	372,796	349,375	331,450
31440	STATE AID DISTRIBUTION (PARK BOARD 30%)	193,127	218,413	198,215	210,767
	TOTAL PASS THROUGH	**621,933**	**1,089,885**	**1,081,165**	**1,060,842**
	TOTAL REVENUE W/PASS THROUGH	**7,183,566**	**7,707,587**	**8,241,708**	**8,391,915**

		ACTUAL	BUDGET	BUDGET	BUDGET
900	PASS THROUGH	2022	2023	2024	2024
58100	STATE AID DISTRIBUTION (PARK BOARD)	193,127	218,413	198,215	210,767
58805	PARK DISTRICT (.25%) SALES TAX	0	375,796	349,375	331,450
58810	LODGING TAX (2%)	120,167	134,591	144,000	139,975
58840	RESTAURANT/LODGING TAX (1%)	308,819	364,086	389,575	378,650
	TOTAL PASS THROUGH	**622,113**	**1,092,885**	**1,081,165**	**1,060,842**
	TOTAL EXPENDITURES (WITH PASSTHROUGH)	**7,815,004**	**7,933,812**	**8,328,371**	**8,626,514**

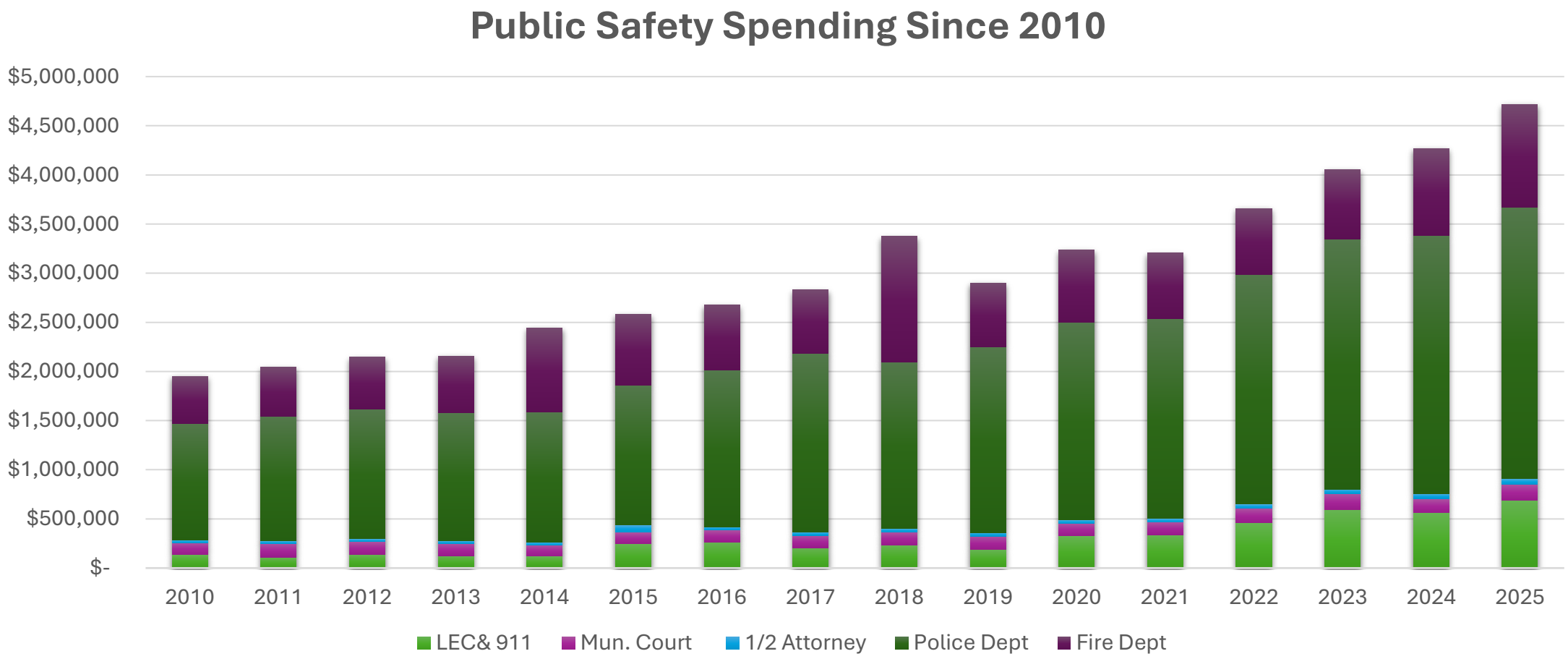
EXPENSES

2025 City of Devils Lake Budget
General Fund Expenses



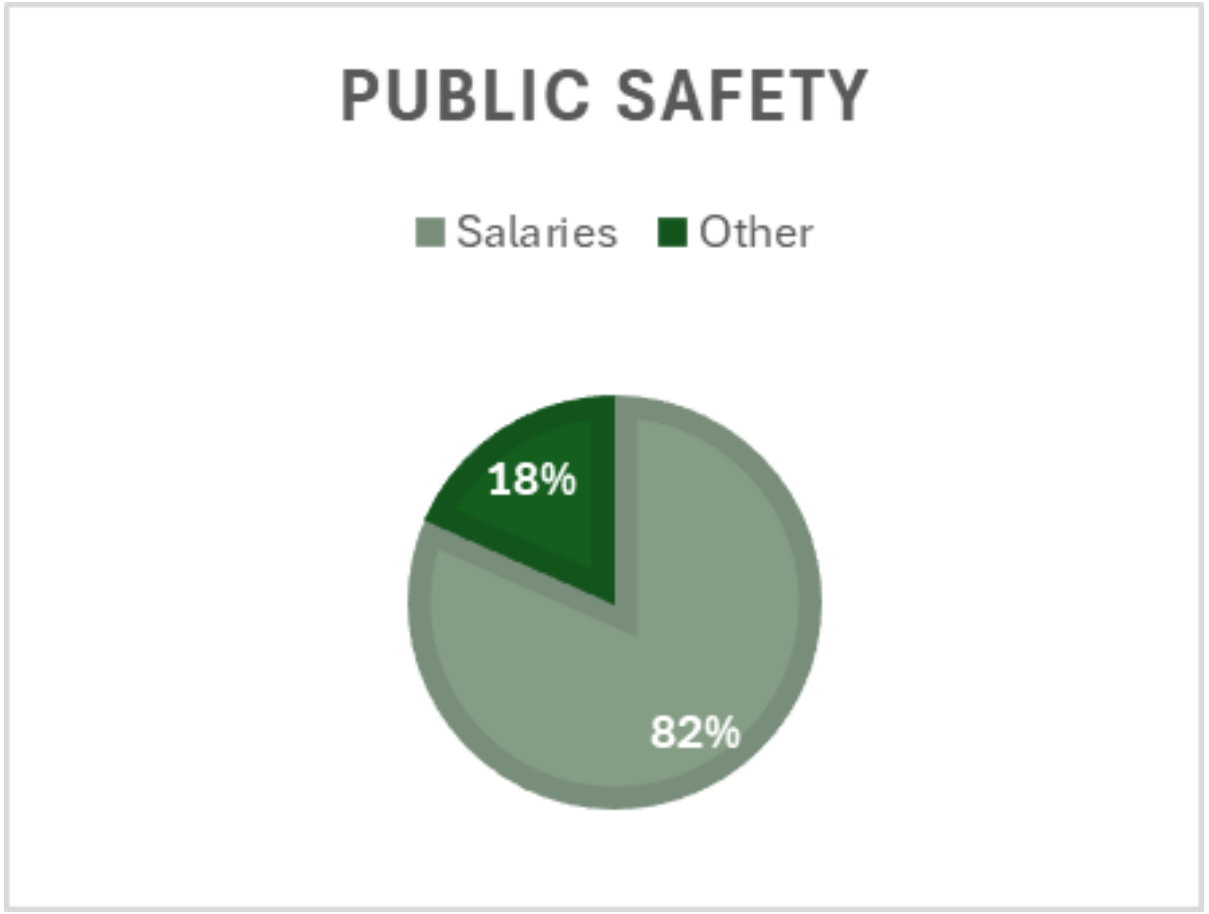
- Public Safety = 63%
  - PD, FD, LEC, Court & Legal
- General Govt = 17%
  - Auditing, Engineering, Assessing
- Streets/Weeds/Forestry = 10%
- Other = 10%

PUBLIC SAFETY SPENDING SINCE 2010



Public Safety
2024 Actuals

Police, Fire, Mun. Court, Legal (1/2)



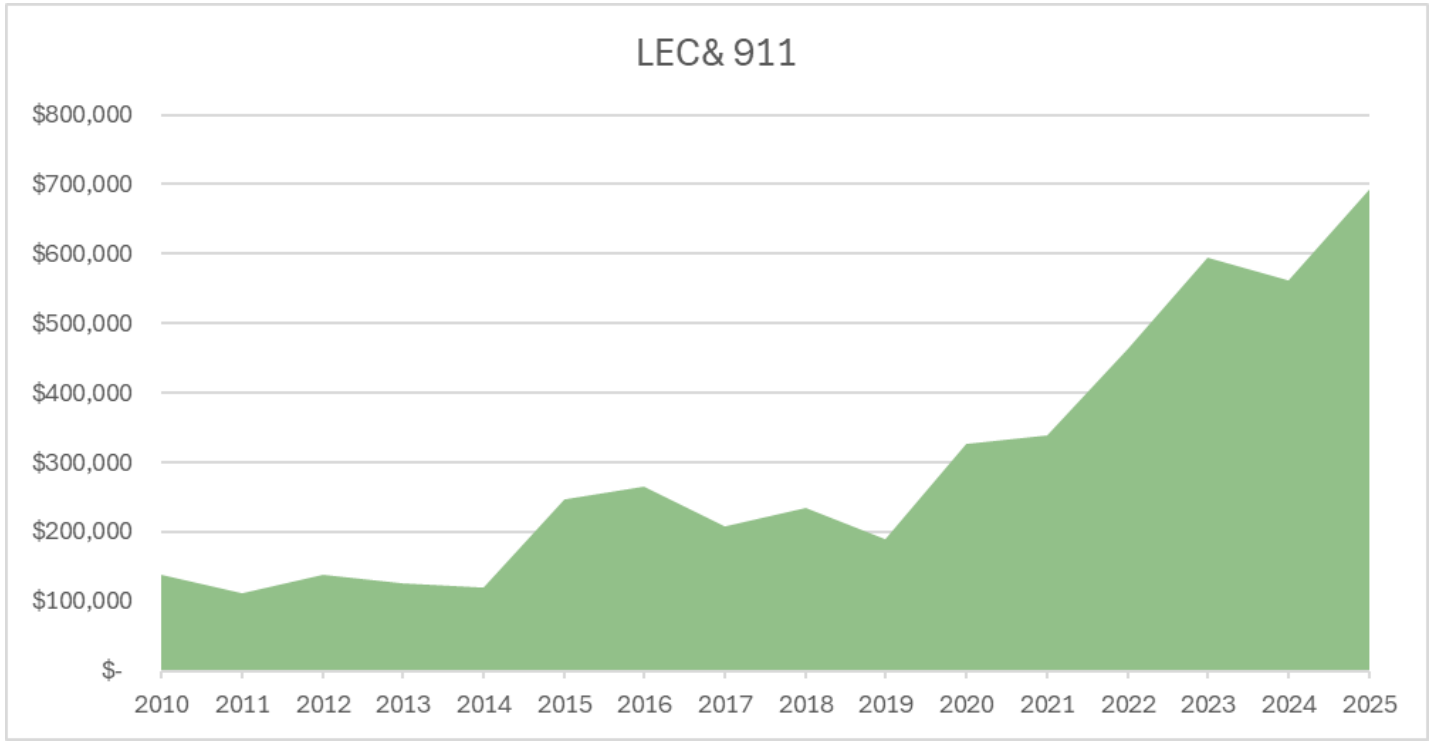
Police & Fire Departments 2010-2025

- POLICE DEPT
  - 2010 – 16 Officers and 10 Vehicles
  - 2025 – 20 Officers and 14 Vehicles

- FIRE DEPT
  - 2010 – 5 Full-time Firefighters
  - 2025 – 7 Full-time Firefighter
    - ARFF Mission Assumption and provides fully staffed fire station 24/7

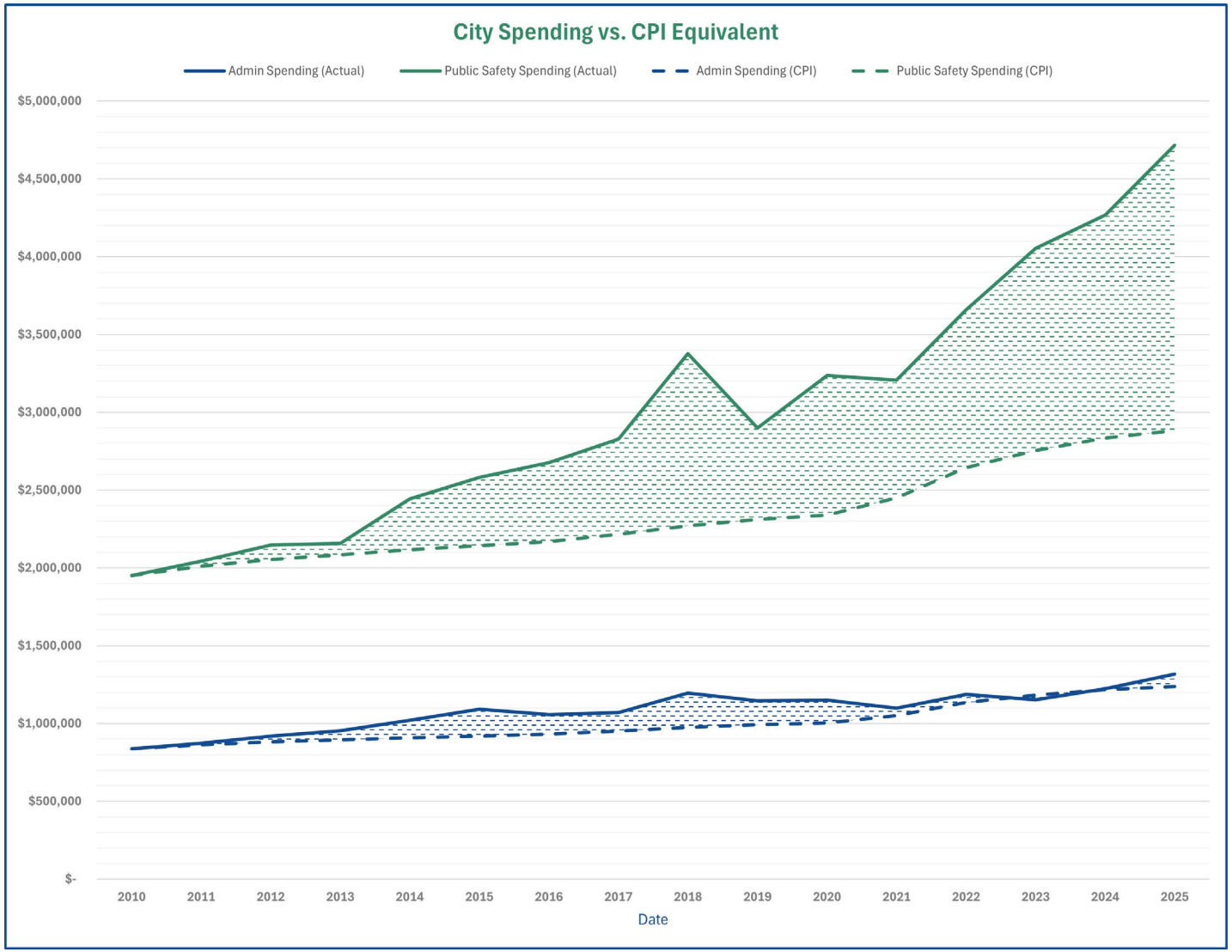
    - *Population of Devils Lake today relatively the same as it was in 2010*

LEC & 911 Contributions



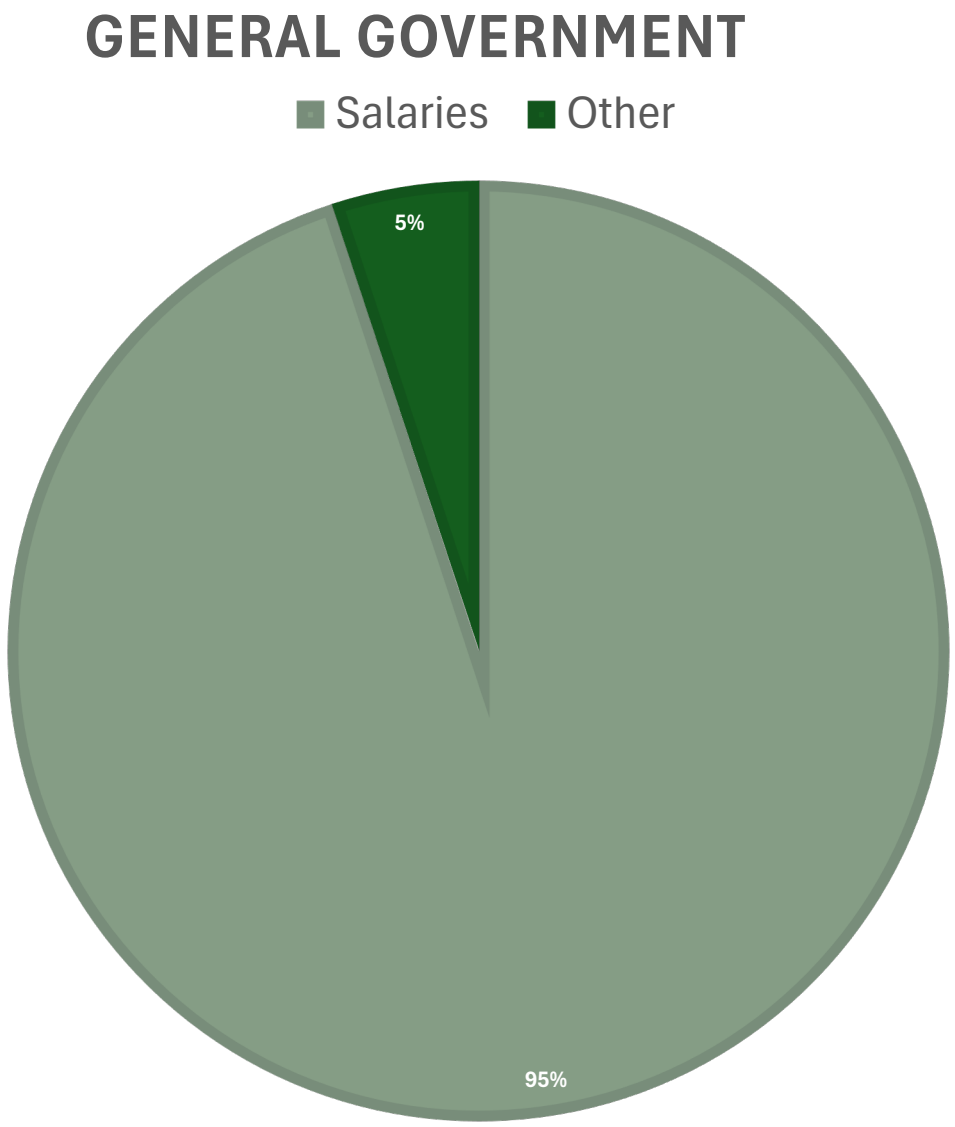
Public Safety & Administration Spending

CPI 2010-2025



General Government
2024 Actuals

Auditing, Engineering, Assessing, Planning, City Commission, HR, Legal (1/2)



		ACTUAL	ACTUAL	FORECAST	BUDGET		
141	AUDITING DEPARTMENT	2022	2023	2024	2025	(All SF + 25%)	
41100	PERMANENT SALARIES (4 FT)	327,774	278,902	280,492	312,660	126,837	
41110	ADDITIVE TO SALARY	11,650	1,800	1,800	1,800		
41300	OVERTIME TO SALARY	27	0	0	0		
41400	COMPENSATED ABSENCES	0	0	0	0		
42100	HEALTH INSURANCE	68,832	83,171	83,171	86,500	34,500	
42200	FICA (6.20%)	20,117	16,160	17,391	19,385	7,864	
42250	CITY SHARE NDPERS (10.07)	12,028	21,825	24,000	25,865		
42300	CITY SHARE DEFER. COMP (10.07%)	16,074	5,626	4,246	6,536	12,772	
42350	MEDICARE (1.45%)	4,705	3,779	4,067	4,534	1,839	
43400	EDUCATION & TRAINING	403	1,750	3,000	3,000		
43420	OUT-OF-STATE TRAVEL	0	0	0	2,000		
43560	TELEPHONE (CELL)	807	446	300	300		
43600	PUBLISHING/PRINTING/ADVERTISING	810	0	800	800		
44100	OFFICE SUPPLIES & POSTAGE	1,025	570	750	750		
44200	OPERATION & MAINTENANCE	79	0	400	400		
44260	EQUIPMENT MAINTENANCE	0	0	500	500		
44900	MISCELLANEOUS	0	0	0	0		
56500	EQUIPMENT ($500 OR OVER)	0	815	1,000	1,000		Effective %
	TOTAL AUDITING DEPT.	464,331	414,845	421,917	466,030	183,812.52	39.44%

		ACTUAL	ACTUAL	FORECAST	BUDGET		
146	ENGINEERING DEPARTMENT	2022	2023	2024	2025		
41100	PERMANENT SALARIES (3 FT)	292,670	299,706	315,714	335,700	110,781	
41110	ADDITIVE TO SALARY	1,975	1,875	1,800	1,800		
41300	OVERTIME SALARIES	0	0	0	0		
42100	HEALTH INSURANCE	43,680	43,680	43,680	45,427	14,991	
42200	FICA (6.20%)	17,510	18,321	19,574	20,813	1,290	
42250	ND PERS RETIREMENT (10.07%)	20,607	25,598	25,042	26,465	8,733	
42300	RETIREMENT (9.07%)	5,553	6,328	6,750	7,340		
42350	MEDICARE (1.45%)	4,095	4,285	4,578	4,868	1,606	
43400	EDUCATION & TRAINING	927	438	2,200	2,200		
43420	OUT-OF-STATE TRAVEL	0	0	0	0		
43560	TELEPHONE (CELL)	565	592	1,000	1,000		
44200	OPERATION & MAINTENANCE	2,769	5,948	6,000	6,000		
43600	PUBLISHING/PRINTING/ADVERTISING	0	0	0	0		
44900	MISCELLANEOUS	0	0	300	300		
56500	EQUIPMENT ($500 OR OVER)	0	0	4,500	4,500		Effective %
	TOTAL ENGINEERING DEPT	390,352	406,771	431,138	456,413	137,402	33%

		ACTUAL	ACTUAL	FORECAST	BUDGET
700	TRANSFER IN/OUT	2022	2023	2024	2025
39110	ADMIN FEE AIRPORT (FROM 9000)	2,000	2,000	2,000	2,000
39110	ADMIN FEE LR GROWTH (FROM 8013)	1,200	1,200	1,200	1,200
39110	ADMIN FEE JOB DEV. (FROM 9200)	1,200	1,200	1,200	1,200
39110	ADMIN FEE LIBRARY. (FROM 8002)	1,200	1,200	1,200	1,200
39110	ADMIN FEE PARKING (FROM 8006)	1,200	1,200	1,200	1,200
39120	EQUIPMENT RESERVE (FROM 2012) PD	0	125,204	80,000	120,000
39120	EQUIPMENT RESERVE (FROM 2012) FD	0	0	0	11,500
39120	EQUIPMENT RESERVE (FROM 2012) STREETS	0	0	45,000	0
36200	MISCELLANEOUS	0	0	0	0
39880	PROJECT ADMIN. (ALL CONSTRUCTION)	78,659	86,651	168,000	116,000
39890	PROJECT LEGAL (ALL CONSTRUCTION)	78,659	86,651	168,000	116,000
39900	PROJECT ENG. (ALL CONSTRUCTION)	157,319	173,302	336,000	232,000
39920	20% ENTERPRISE TRANSFER	915,957	965,214	1,015,530	1,032,154
39930	TRANSFER IN (FROM 5483)	0	0	8,035	0
39980	INTERDEPT. (GF SHARE W/ENTERPRISE)	302,381	313,235	325,890	336,334
39990	TRANSFERS IN	0	0	0	0
	SUB-TOTAL	1,539,775	1,757,057	2,153,255	1,970,788

	TOTAL REVENUE (BEFORE PASS THROUGH)	6,561,633	6,617,702	7,160,543	7,331,073

Engineering Dept Costs vs Project Engineering

	Project Engineering	Engineering Dept Expenses	Over/Under
2010	$ 205,974	$ 227,275	$ (21,301)
2011	$ 486,938	$ 238,447	$ 248,491
2012	$ 341,844	$ 249,595	$ 92,249
2013	$ 238,082	$ 266,251	$ (28,169)
2014	$ 446,127	$ 294,910	$ 151,217
2015	$ 361,282	$ 298,298	$ 62,984
2016	$ 176,274	$ 310,086	$ (133,812)
2017	$ 263,944	$ 310,219	$ (46,275)
2018	$ 302,334	$ 325,160	$ (22,826)
2019	$ 335,729	$ 335,430	$ 299
2020	$ 171,652	$ 351,554	$ (179,902)
2021	$ 475,480	$ 366,847	$ 108,633
2022	$ 314,637	$ 390,352	$ (75,715)
2023	$ 346,605	$ 406,771	$ (60,166)
2024	$ 724,654	$ 440,723	$ 283,931
Totals	$ 5,191,556	$ 4,811,918	$ 379,638
Yrs Make Money	7		
Yrs Lose Money	8		
		Avg +/- Yr	$ 25,309.18

Non-Departmental Items (Significant)

Non-Departmental Expenses of Significance		Notes
IT/Network Manager	$ 55,000	
Audit Fees	$ 73,000	2 audits in 1 yr
Equipment Insurance	$ 94,000	
Computer	$ 24,000	
Street Lighting	$ 130,000	paid for via fee
Mosquito Control	$ 60,000	paid for via fee
Outside Support*	$ 93,615	breakdown below

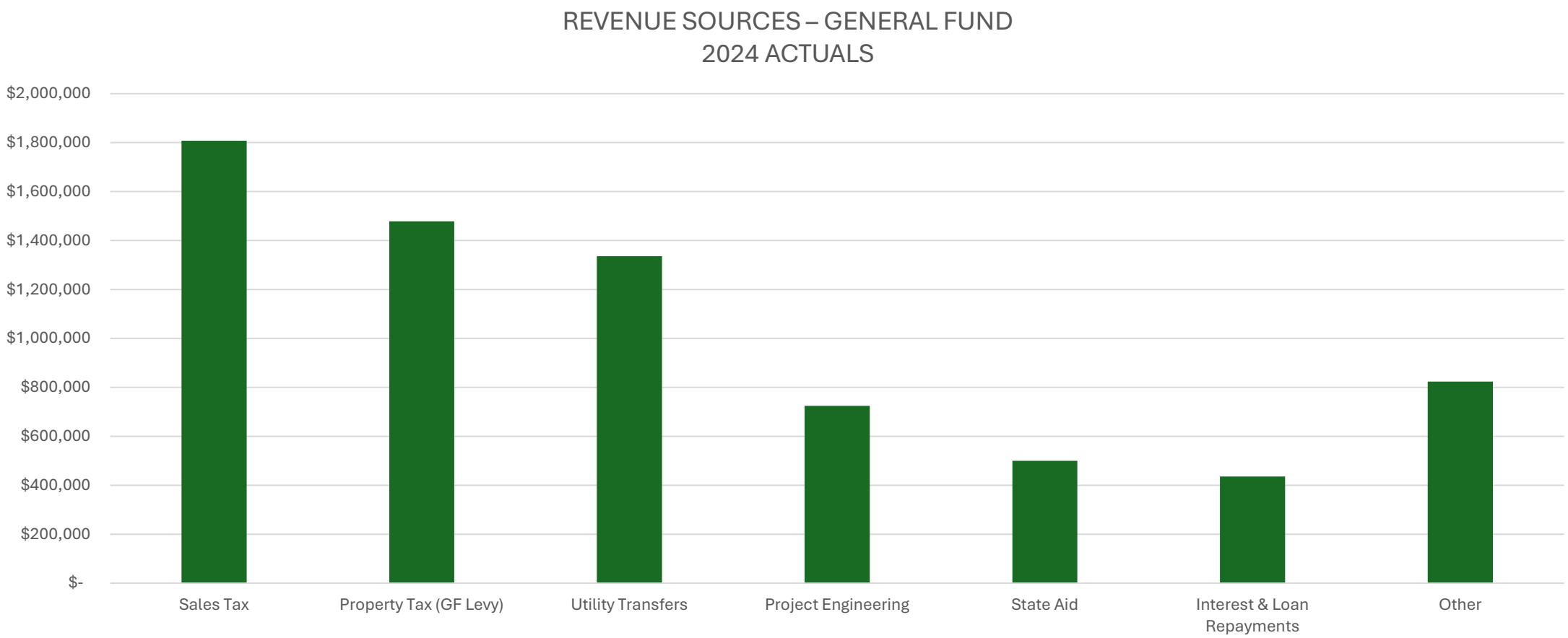
Senior/Veteran Rides	$ 25,546
Midstate Volunteer Program	$ 6,000
Lake Access	$ 10,000
LR Heritage Center	$ 42,069
LR Community Shelter	$ 10,000
	$ 93,615

REVENUE

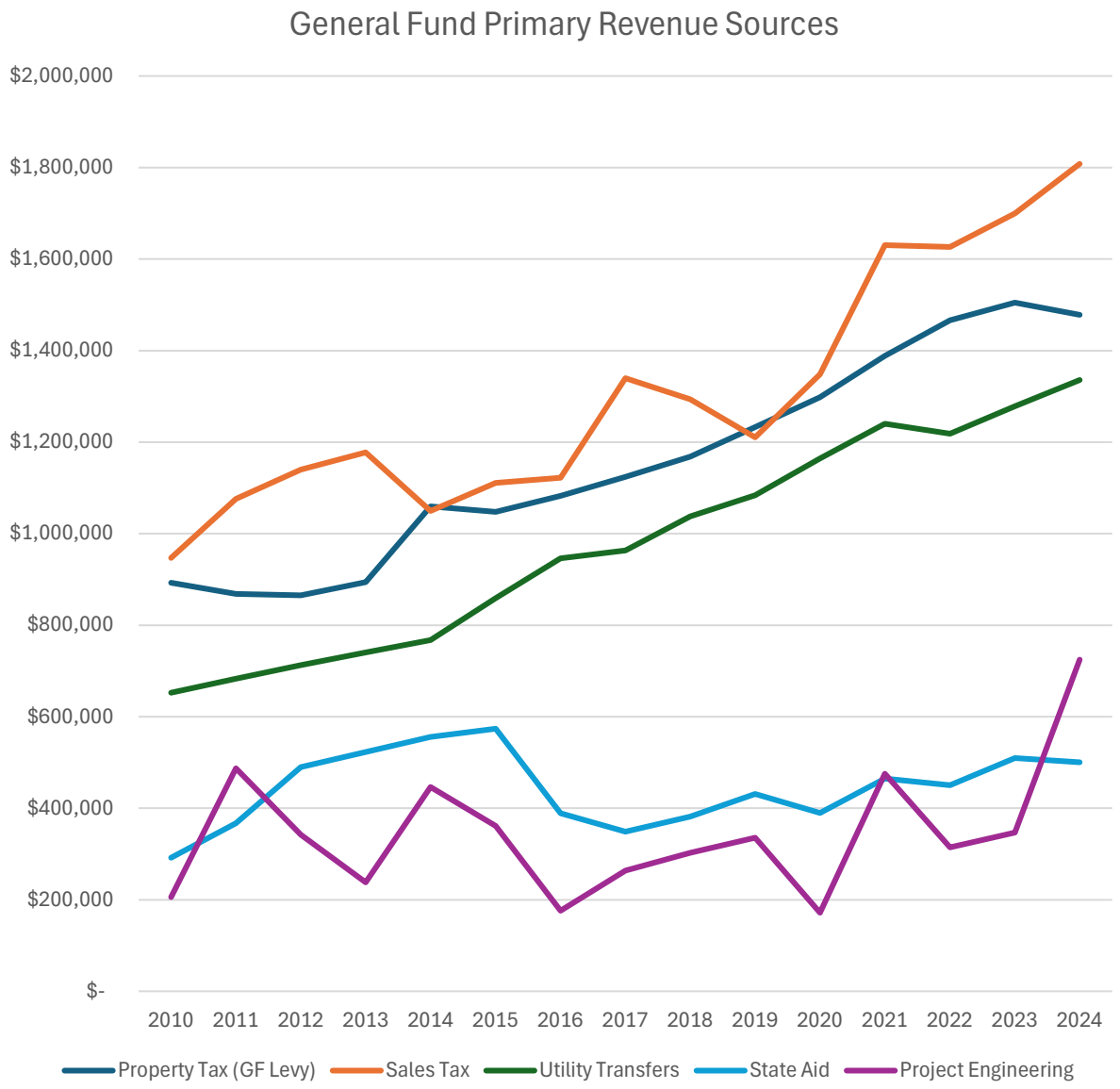
Major Revenue Sources

1. **Sales Tax**
2. **Property Tax**
3. **Utility Transfers (20%)**
4. **State Aid**
5. **Project Engineering**
6. **Interest Earnings & Loan Repayments**
7. *Fines, Fees, Licenses, Grants*
   - *Liquor license, mosquito control fees, parking tickets, street lighting fee, NDTC & Midco franchise fees, grants, etc.*

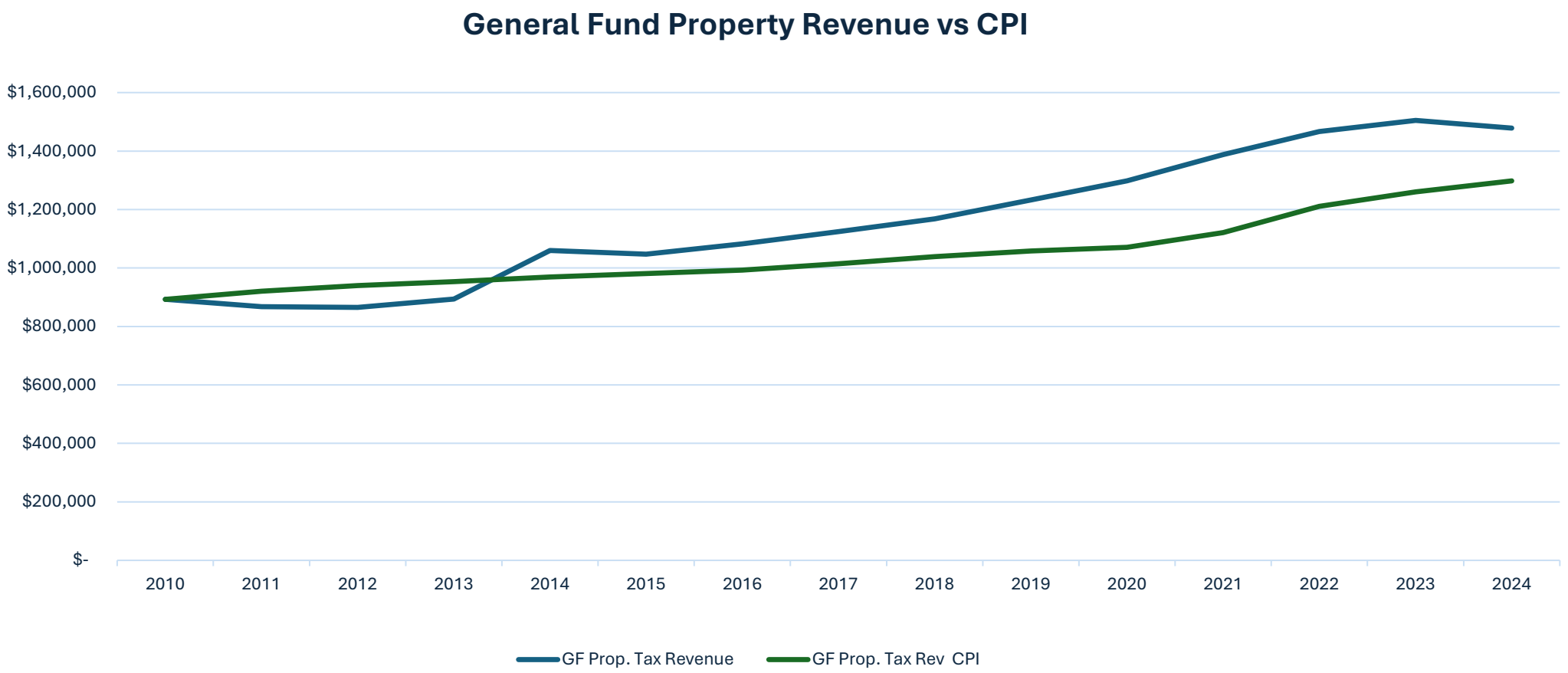
REVENUE SOURCES – GENERAL FUND



GENERAL FUND PRIMARY REVENUE SOURCES



General Fund Property Tax Revenue



HB1176
Budgeting in a World of Caps

Cap Calculations for ND Taxing Districts

June 16, 2025

Linda Svihovec
ND Association of Counties
linda.svihovec@ndaco.org
(701) 425-0808

HB1176

- 69th Legislature passed HB1176 by a vote of 132 Yeas to 4 nays.
- $1600 tax credit for Primary Residences.
- Caps local government at 3% growth in dollars levied.
- Unused percentage increase can be carried over up to 5 years.
- Taxing Districts can “opt-out” by majority vote at General election.

HB1176 - Section 22
Limitations on Levies Without Voter Approval

- Property taxes levied in dollars **MAY NOT EXCEED THE GREATER OF**
  - **BASE YEAR** levy increased by the allowable percentage limit **OR**
  - **ADJUSTED YEAR** levy increased by the allowable percentage limit
- **ALLOWABLE PERCENTAGE LIMIT**
  - **3%** for Tax Year 2025 (Budget year 2026)
- **Home Rule authority MAY NOT SUPERSEDE cap**

Carry Forward Excess Percentage Increase

Unused Excess Percentage Increase
Can be used in any of the five succeeding taxable years
May be used only once
May not carry forward beyond five taxable years
Oldest unused excess percentage increase must be used first

Sample Excess Percentage Carry Forward

YEAR	Percentage Increase Needed for Budget	Excess Percentage	Rolling Balance
Year 1	1%	2%	x
Year 2	2%	1%	3%
Year 3	5%	0%	1%
Year 4	3%	0%	1%
Year 5	4%	0%	0%

Opt-Out of Caps with Voter Approval

- Majority of voters at statewide **General Election ONLY**
- Good for up to **FOUR taxable years**
- Ballot measure must state:
  - Proposed percentage increase exceeding the limitation
  - Proposed dollar amount of the increase exceeding the limitation

CALCULATING THE PROPERTY TAX LEVY CAP

Step 1 – Calculate Previous Year (PY) Mill

2025 Levy in Dollars	$ 2,076,675
2025 Taxable Value (TV)	$22,627,323 (/)
	0.09178
	or 91.78 Mills

Step 2 – Determine Net New Growth Taxable Value (TV)

	T&F	TV
Commercial/Ag	$8,270,800 x 0.05	= $404,540
Residential	$1,135,500 x 0.045	= $ 51,098 (+)
	Net New Growth	$455,638

Step 3 – Calculate New Growth Levy

Net New Growth	$ 455,638
2025 Mill Rate	0.09178 (x)
New Growth Levy	$ 41,817

Step 4 – Adjusted Year Levy

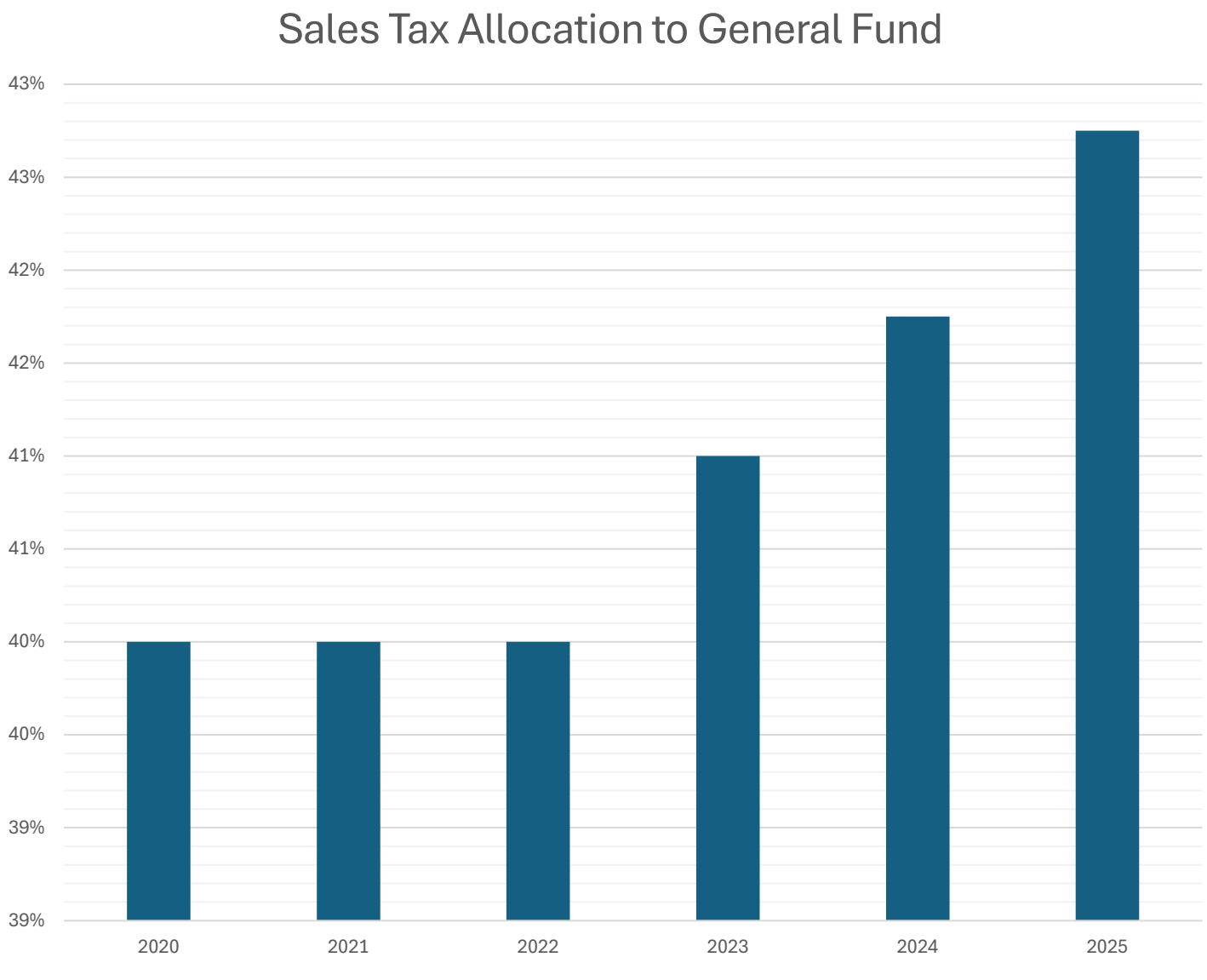
2025 Levy in Dollars	$2,076,675
New Growth Levy in Dollars	$ 41,817 (+)
Adjusted Year Levy in Dollars	$2,118,492

Step 5 – Calculate Levy Cap (Mills are calculated using a projected 2026 Taxable Value of $24,175,248)

	Levy in Dollars	Mill Rate	Increase from 2025
Levy in Dollars	$2,118,492	87.63	2.01%
Levy in Dollars - 1% increase	$2,139,677	88.51	3.03%
Levy in Dollars – 2% increase	$2,160,862	89.38	4.05%
Levy in Dollars – 3% increase (CAP)	$2,182,047	90.26	5.07%

GENERAL FUND SALES TAX ALLOCATION (Max 44%)

40% vs 42.75% in 2024 Sales Tax Revenue = $118,800



Utility Transfers to General Fund

20% of all Revenue Generated in Water, Sewer, & Sanitation Funds

33% Cost of Engineering Department Personnel

All of Utility Billing Clerk & 25% of Remaining Auditing Department Personnel

FINAL NOTES

What the City is Facing Moving Forward

	2025	2026 (1%)	1% Change	2% Change
Salaries	$ 3,501,439	$ 3,536,454	$ 35,014	$ 70,029
Step Increase (2%) on 7/1			$ 35,365	$ 36,072
FICA	217,739.14	$ 219,917	$ 2,177	$ 4,355
Medicare	50,923.57	51,432.80	509.24	$ 1,018
Retirement (10.07%)	$ 352,594.92	$ 356,120.87	$ 3,525.95	$ 7,052
			$ 76,592	$ 118,526

	2025	2026 (1%)	1%	2%	3%	4%	5%
Health Insurance	$ 826,782	$ 835,050	$ 8,268	$ 16,536	$24,803	$33,071	$ 41,339

Fixed Personnel & Corrections Costs	
2% COLA & Step Increase	$ 118,526
5% Health Insurance	$ 41,339
	$ 159,865

	2025	2026	Difference
		3% Increase	
Sales Tax	$ 1,808,038.6	$ 1,862,279.8	$ 54,241.2
State Aid	$ 491,790.0	$ 506,543.7	$ 14,753.7
Property Tax	$ 1,748,500.0	$ 1,800,955.0	$ 52,455.0
Utility Transfer	$ 1,032,154.0	$ 1,063,118.6	$ 30,964.6
			$ 152,414.5

Revenue @ 3% Increase	**$ 152,414**
Fixed Personnel Costs	**$ 159,865**
	$ (7,450)

Revenue Increases (5 Previous Years)							
	Actual	Actual	Actual	Actual	Actual	Budget	
	2020	2021	2022	2023	2024	2025	Notes
Sales Tax (MAX 44%)*	40.00%	40.00%	40.00%	41.00%	41.75%	42.75%	*Capped at 44%*
Interest Earnings	$ 31,698	$ 2,447	$ 15,872	$ 232,864	$ 317,584	$ 350,000	*Likely not going up further*
Federal COVID Money	$ 1,455,131	$ 648,463	$ 589,484	$ -	$ -	$ -	*One Time Revenue*
* Extra 2.75% in sales tax dedicated to GF equivalent to $118,800							

What Has Been Keeping City Going (Last 5 Years)

COMMISSION FEEDBACK AND DISCUSSION