

APPROVED

CITY OF EMERADO COUNCIL

201 Main Street, Emerado, ND 58228

FINAL PRELIMINARY BUDGET MEETING

8/4/2025 6PM

Roll Call: T Wynn, T Kramer, J Linneman, T Hanson. Mayor let record show all council members present.

Mayor Lanes called the Preliminary Budget meeting to order at 6:02PM and explained today's meeting was to go over the preliminary budget and make any necessary changes.

Auditor J Klava explained it was discussed it at the last preliminary budget meeting about hiring a Deputy Auditor. She explained she did the calculations at 20/hrs a week for total of 80/hrs a month at \$17/per hour. So total monthly income would be $1360 \times 12 = \$16,320$ yearly salary. And this could be taken out 50% water fund and 50% sewer fund, since most of the work they will be doing would be with water billings. So, would need to increase water rate by \$4.05 for total of \$680.40 and sewer rate by \$4.05 for total of \$680.40. Council decided to make this change now so a resolution would need to be made at the next council meeting on September 8, 2025, for implementation on next billing cycle in October 2025.

REVENUES:

General Property Fund: \$0.

Liquor License—Remain the same at \$5000.

Building Permit—Remain the same at \$2000.

Gaming Permit—Remain the same at \$100.

State Aid—\$21,417.07 taken in so far, projected by end of year \$42,834.14. Remain the same at \$39,000.

Cigarette Tax—\$298.73 taken in so far, projected by end of year \$597.46. Remain the same at \$600.00.

Water Main Assessment: \$1950.00 collected so far this year. Auditor Klava explained that the amount is never the same, it depends when people pay their taxes. Remain the same at \$1000.

Disconnect/Reconnect Fees & Late Fees: \$1349.87 collected so far this year, Remain the same at \$500.

Mowing: \$375.00 collected so far this year. Remain the same at \$1000.

Midco Reimbursement: \$0 collected so far this year. Auditor J Klava explained payment usually comes in some time in August. Remain the same at \$5000.

Restitution: \$250 collect so far this year. Leave at \$0 as do not know what will be received.

Infrastructure: \$29,718.53 collected so far this year. Projected by end of year \$59,437.06. Remain the same at \$55,000.

Improvement: \$3820.64 taken in so far, projected by end of year \$7641.28. Remain the same at \$7000.

Street Lights: \$8052.77 taken in so far, projected by end of year \$16105.54. Remain the same at 15,000.

Police Vehicle Fund: \$5358.33 taken in so far, projected by end of year \$10,766.66. Remain the same at \$10,500.

City Hall Collections: \$11,186.43 taken in so far, projected by end of year \$22372.86. Remain the same at \$21,000.

Highway Tax: \$13,797.76 taken in so far, projected by end of year \$27,595.52. Remain the same at \$25,000.

Snow Removal Reimbursement/Legacy Fund: \$0 taken in so far. Leave at \$0 as do not know what will be received.

Insurance Reserve: Remain the same at \$500

Background Checks: \$0 taken in so far. Leave at \$0 as do not know what will be received.

Public Service Fee: 52,496.35 taken in so far, projected by end of year \$104,99270. Remain the same at \$94,000.

Fines: \$1367.00 taken in so far, unsure of what will be received by end of year. Remain the same at \$1000.

Telecommunications—Remain the same at \$75.00.

Water Fees: \$134,378.78 taken in so far, projected by the end of year \$267,757.56. Increase to \$180,000.

Water Fill (Tower): \$124.75 taken in so far. Remain the same at \$500.

Water Hookups: Leave at \$0 as do not know what will be received

Water Replacement Fund: Mayor Lanes explained it was thought we should implement a \$10 fee for residential, \$12 commercial and \$8 for rural. Auditor Klava stated we have 120 residential accounts, 28 commercial accounts and 20 rural water accounts. Total for the year would be \$20,352. Council decided to make this change now so a resolution would need to be made at the next council meeting on September 8, 2025, for implementation on next billing cycle in October 2025.

NSF Fee: Leave at \$0 as do not know what will be received.

Sewer Fees: \$41,945.41 taken in so far, projected by the end of year \$83,890.92. Remain the same \$82,000.

Sanitation Fees: \$42,186.34 taken in so far, projected by the end of year \$84,186.34. Remian the same at \$82,000.

Mosquito Control: \$12,462.65 taken in so far, projected by the end of year \$24,925.30. **Remain the same \$24,000.**

Homestead Credit: \$0 taken in so far. **Remain the same at \$500.**

Veteran Credit: \$0 taken in so far. **Remain the same at \$400.00.**

Lagoon Maintenance Fund: \$3190.17 taken in so far, projected by the end of year \$6380.34. **Remain the same at \$5500.**

Prairie Dog Fund: **Leave at \$0 as do not know what will be received.**

American Rescue Act: **Leave at \$0 as do not know what will be received.**

EXPENDITURES:

GENERAL FUND:

Governing Board: The budget committee decided to raise the council members' pay to \$160 from \$120. \$900 paid out so far, unsure of what will be paid out by end of year. Ordinance change is needed for this to go in effect, will be on the agenda at the September council meeting. **Remain the same at \$8100.** **This is funded by the revenue coming into the general fund.**

Judge: **Remain the same at \$2500.**

Clerk of Court: **Remain the same to \$5000.**

Mayor: The budget committee decided to raise the mayor pay to \$200 from \$150. Ordinance change is needed for this to go in effect, will be on the agenda at the September council meeting. \$900 paid out so far, unsure of what will be paid out by end of year. **Remain the same at \$3000.** **This is funded by the revenue coming into the general fund.**

Auditors Salary: **5% raise for the Auditor which would equal \$2463.67 yearly. The current annual salary is \$49,273.44, so the new annual salary for the Auditor would be \$49,273.44 x 5% = \$51,737.11 starting January 1, 2026, which will be taken out as the following: 80% general fund for a total of \$41,389.69 and 10% from water and sewer fund, starting January 1, 2026. This is funded by the revenue coming into the general fund. Increase to \$41,500.**

Auditors Health: 80% of health insurance will come out of general for a total of \$38566.76 yearly. **Increase to \$39,000**

Auditors Life Insurance: 80% of life insurance will come out of general for a total of \$1050.72 yearly. **Increase to \$1100.00**

Auditors Dental Insurance: 80% of dental insurance will come out of general for a total of \$1980.68 yearly. **Increase to \$2000.00.**

Auditors Vision Insurance: 80% of vision insurance will come out of general for a total of \$635.91 yearly. **Increase to \$650.00.**

Auditors Retirement: \$1016.59 paid out so far, unsure of what will be paid out by end of the year.
Increase to \$4200.

Mileage: 80% of vision insurance will come out of general for a total of \$900 yearly. Remain the same at \$900.00

City Attorney: Council: Decrease to \$6000.

City Assessor: Remains the same at \$700.

Workers Compensation: Remain the same at \$2000.

Audit Fees: \$495.00 paid out so far. The council decided to keep this amount due to having to pay for audits to be done. Remain the same at \$10,000.

Utilities: \$5004.90 paid out so far, projected to pay out by end of year \$10,009.80. Remain the same at \$10,000.

Printing and Publishing: \$682.84 paid out so far, projected to pay out by end of year \$1365.68. Remain the same at \$1500.

Dues: \$0 paid out so far, projected to pay out by end of year \$754. Remain the same at \$500.

Meeting/Workshops: \$0 paid out so far, projected to pay out by end of year \$400. Increase to \$400.

Office Supplies: \$983.36 paid out so far, projected to pay out by end of year \$1966.72. Remain the same at \$3000.

Equipment Maintenance: \$415.52 paid out so far, projected to pay out by end of year \$831.04. Remain the same at \$5,000.

Improvement City: \$9503.81 paid out so far. Remain the same at \$5000.

Infrastructure: \$3000 paid out so far, unsure of what will be paid out by end of year. Increase to \$7000

Building & Ground: \$28,696.48 paid out so far, unsure of what will be paid out by end of year. Increase to \$27,000.

Park Board State Aid: \$752.18 paid out so far, projected to pay out by end of year \$1502.36. Increase to \$1600.

Drain 58 Taxes (GF County): \$706.38 paid out so far, projected to pay out by end of year \$8925.48. Remain the same at \$9000.

Office Maintenance: \$7861.50 paid out so far, projected to pay out by end of year \$15,723. Remain the same at \$17,000.

Mowing Lots: \$0 paid out so far, unsure of what will be paid out by end of year. Remain the same at \$1000.

Elections: \$0 paid out so far, unsure of what will be paid out by end of year. **Remain the same at \$100.**

Bank Service Fees: \$398.16 paid out so far. Mayor Lanes asked Auditor Klava to contact the bank and cancel the paper statements to eliminate these charges. **Remain the same at \$1000.**

HIGHWAY DISTRIBUTION FUND:

Street Repair: \$4952.50 paid out so far, unsure of what will be paid out by end of year. **Increase to \$20,000.**

Snow Removal: \$6250 paid out so far, unsure of what will be paid out by end of year. **Remain the same at \$24,000.**

SOCIAL SECURITY FUND:

Social Security/Medicare: \$4436.42 paid out so far, unsure of what will be paid out by end of year. Auditor Klava explained she would contact Banyon and have this come out of the general fund, as there is no revenue to fund this. **Remain the same at 12,500.**

INSURANCE RESERVE:

Building Insurance: \$1724 paid out so far, unsure of what will be paid out by end of year. **Remain the same at \$4000.**

PUBLIC SERVICE FUND:

Police Chief Salary: Chief Lund's pay would change to hourly at \$32 an hour for an annual salary of \$66,560 and would have an overtime budget of \$5000. Which is 8 hours a month. For a total of \$71,560. Increase to \$71,560. The difference in the amount for the salary is \$10,360. \$10,360 divided 12=\$863.34 monthly so council decided to raise by \$5.50 starting January 1, 2026.

Health Insurance: \$13,486.75 paid out so far, projected by the end of year \$38,587.56. **Increase to \$39,000.** Was \$32,400, so difference of \$6187.56, **so council decided to raise it by \$3.00 per month starting January 1, 2026. Council decided to raise by \$3.00**

Life Insurance: \$225.40 paid out so far, projected by the end of year \$540.96. **Remain the same \$650.**

Retirement: \$3197.70 paid out so far, unsure of what will be paid out by end of the year. **Remain the same at \$7200.**

Attorney Fees: \$0 paid out so far, unsure of what will be paid out by end of year. **Remain the same \$1200.**

Insurance/Car/Building: \$693 paid out so far, unsure of what will be paid out by end of year. Remain the same \$1300.

Gas & Oil: \$1421.02 paid out so far, unsure of what will be paid out by end of year. Remain the same \$4000.

Car Maintenance: \$2804.27 paid out so far, unsure of what will be paid out by end of year. Remain the same \$1300.

Communications/PSAP: \$4120 paid out so far, unsure of what will be paid out by end of year. Increase to \$5000.00. Council decided to raise by \$2.50 starting January 1, 2026.

Fines: \$264.06 paid out so far, unsure of what will be paid out by end of year. Remain the same \$0.

Public Safety: \$2649.60 paid out so far, unsure of what will be paid out by end of year. No amount on budget last year. Budget for \$2500. Council decided to raise it by \$1.25 starting January 1, 2026.

Vision Insurance: \$794.88 paid out so far, projected by the end of year \$794.88. Remain the same \$800.

Dental Insurance: \$2475.84 paid out so far, projected by the end of year \$2475.84. Remain the same \$2400.

Police Budget: \$5083.86 paid out so far, unsure of what will be paid out by end of year. Remain the same \$8000.

Vehicle Fund: Council decided to raise it to \$3.00, which is an increase of \$.38 starting January 1, 2026.

Workshops/dues: \$85 paid out so far, unsure of what will be paid out by end of year. Remain the same \$800.

Uniforms/Badges: \$0 paid out so far, unsure of what will be paid out by end of year. Remain the same \$500.

Fire Department: \$8275 paid out so far, projected by the end of year \$16,500. Increase to \$17,150.

WATER FUND:

Auditors Salary: 5% raise for the Auditor would equal \$2463.67 yearly. The current annual salary is \$49,273.44. So, $\$49,273.44 \times 5\% = \$2,463.67$ which would be the new annual salary, so it will be taken out as the following: 10% of the difference in salaries is \$2463.67, so 10% is \$246.37 divided by 12 = \$20.53 divided by 168 = \$0.13. Council decided to raise water rate by \$0.50 beginning January 1, 2026.

Auditors Health: 10% of health insurance will come out of water fund for total of \$4820.85 yearly. Decrease to \$5000 from \$16,350.

, which will move to the general fund.

Auditors Life Insurance: 10% of life insurance will come out of water fund for a total of \$131.40 yearly. Remain the same \$300.

Auditors Dental Insurance: 10% of dental insurance will come out of water fund for a total of \$247.59 yearly. Decrease to \$300 from \$800 which will move to the general fund.

Auditors Vision Insurance: 10% of vision insurance will come out of water fund for a total of \$79.49 yearly. Decrease to \$100 from \$266.66 which will move to the general fund.

Auditors Retirement: \$797.95 paid out so far, unsure of what will be paid out by end of the year. Remain the same at \$1630.00

Mileage: \$268.58 paid out so far, projected to pay out by end of year \$537.16. Remain the same at \$900.

Utilities: \$2394.22 paid out so far, projected to pay out by end of year \$4788.44. Remain the same at \$4600.

Water Maintenance Contract: \$4500 paid out so far, projected to pay out by end of year \$18,000. Remain the same at \$18,000.

East Central Regional Water: \$68,428.87 paid out so far, projected to pay out by end of year \$136,857.74. Increase to \$110,000.

Water Testing: \$288 paid out so far, projected to pay out by end of year \$576. Increase to \$600.

Postage: \$559.94 paid out so far, projected to pay out by end of year \$1119.88. Remain the same at \$1400

Utility Locates: \$111.70 paid out so far, unsure of what will be paid out by end of year. Auditor Klava explained the cost was higher due to the water locates at the trailer court but now that they are done with the removal of trailers should go back down to normal. Remain the same at \$100.

Improvement: \$12,279.61 paid out so far, unsure of what will be paid out by end of year. Remain the same at \$7000.

SEWER FUND:

Auditors Salary: 5% raise for the Auditor would equal \$2463.67 yearly. The current annual salary is \$49,273.44. So, $\$49,273.44 \times 5\% = \$51,737.11$ which would be the new annual salary, so it will be taken out as the following: 10% of the difference in salaries is \$2463.67, so 10% is \$246.37 divided by 12 = \$20.53 divided by 168 = \$0.13. Council decided to raise sewer rate by \$0.50 beginning January 1, 2026.

Auditors Health: 10% of health insurance will come out of water fund for total of \$4820.85 yearly. Decrease to \$5000 from \$16,350, which will move to the general fund.

Auditors Life Insurance: 10% of life insurance will come out of water fund for a total of \$131.40 yearly. Remain the same \$300.

Auditors Dental Insurance: 10% of dental insurance will come out of water fund for a total of \$247.59 yearly. Decrease to \$300 from \$800 which will move to the general fund

Auditors Vision Insurance: 10% of vision insurance will come out of water fund for a total of \$79.49 yearly. Decrease to \$100 from \$266.66 which will move to the general fund

Auditors Retirement: \$797.95 paid out so far, unsure of what will be paid out by end of the year. Remain the same at \$1630.00

Mileage: \$260.69 paid out so far, projected to pay out by end of year \$521.38 Remain the same at \$900.

Utilities: \$100.27 paid out so far, projected to pay out by end of year \$200.54. Remain the same at \$300.

Sewer Maintenance Contract: \$4500 paid out so far, projected to pay out by end of year \$18,000. Remain the same at \$18,000.

Water Testing: \$0 paid out so far, unsure of what will be paid out by end of year. Remain the same at \$500.

Improvements: \$2130 paid out so far, projected to pay out by end of year \$4260. Remain the same at \$15,000.

SANITATION:

Garbage Contract: \$36,168.59 paid out so far, projected to pay out by end of year \$72,337.18. Auditor Klava explained she had spoken with Waste Management, and they are not proposing an rate increase next year. Remain the same at \$77,000.

Mosquito Fund: \$0, paid out so far, unsure of what will be paid out by end of year. Remain the same at \$24,000.

LAGOON SINKING FUND:

ND Public Finance Authority: \$10,000 paid out so far. Remain the same at \$10,000.

ND Public Finance Authority: \$1337.50 paid out so far. Remain the same at \$5,000.

ND Public Finance Authority: \$150 paid out so far. Remain the same at \$300.

Charges that will be implemented by Resolution to start on October 1, 2025:

- 1) Water Reserve fee of \$10
- 2) Water increase of \$4.50 for Deputy Auditor Salary
- 3) Sewer Increase of \$4.50 Deputy Auditor Salary.

Charges that will be implemented by Resolution to start on January 1, 2026:

- 1) Water increase of \$0.50 for Auditor Salary
- 2) Sewer Increase of \$0.50 for Auditor Salary
- 3) Public Service Fees increase: Salary \$5.50, Insurance \$3.00, PSAP \$2.50, Public Safety \$1.25 for total of \$12.25 and charged separately for Vehicle Fund \$.38.

M/S/C (TW/TK) Motion to approve the 2026 Final Preliminary Budget.

Final Budget Hearing set for September 8, 2025 @ 6pm.

Motion to Adjourn: 6:50pm (JL)


Jake Lanes/Mayor Date: 9/8/2025


Janelle Klava/City Auditor Date: 9/8/25