

**WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) REQUEST FORM**

Date: 8-12-16

Weekly Agenda Date: 8-16-16

**ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN:** Dennis Butler, Finance Director

**WORDING FOR AGENDA ITEM:**

**ACTION REQUIRED:**

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

**EXECUTIVE SUMMARY:**

After last Tuesdays discussion involving the Sioux Rivers, I have included information involving taxes (there was a correction on taxes levied), population and unexpected budget and a response for Woodbury County Board Chair Jeremy Taylor. Also included are a couple of e-mails received from Shane Walters, CEO for the Region, on numbers of clients served per County.

**BACKGROUND:**

**FINANCIAL IMPACT:**

No impact at this time.

**IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?**

Yes  No

**RECOMMENDATION:**

**ACTION REQUIRED / PROPOSED MOTION:**

No action at this time as this is only for information.

To: Jeremy Taylor, Chairman of the Board of Supervisors

From: Dennis D. Butler, Finance/Operations Controller

RE: Sioux Rivers Financial Information

Date: August 11, 2016

As requested, here in the financial information in regards to the Sioux Rivers Region.

Attachment A shows the three fiscal years's history concerning property taxes, carryovers in excess of the 25% cash reserve in fund 110 and the equalization payment made in FY 2015 that was the last payment made to counties).

Shown below is the the history for four fiscal years comparing budget to expenditures and unspent budget for each fiscal year.

<u>FY</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Unspent Budget</u>
2013	6,976,540	5,442,551	1,533,989
2014	7,094,686	4,993,564	2,101,121
2015	5,068,400	3,915,040	1,153,360
2016	6,027,390	4,239,272	1,788,118

Also shown below is the tax asking reductions passed by the Sioux Rivers Region Board that was an attempt to reduce the cash reserves to a level of 25% of accrued expenditures.

<u>County</u>	<u>FY of Reductions</u>		<u>Totals</u>
	<u>2017</u>	<u>2018</u>	
Woodbury	633,080	633,080	1,266,160
Sioux	125,021	125,021	250,042
Plymouth	0	0	0
	<u>760,118</u>	<u>760,119</u>	<u>1,520,237</u>

It should be remembered that after the 25% cash reserve is achieved, using reserves for tax reductions as shown could potentially result to a tax increase starting with FY 2019 and beyond.

If there are any questions I am available anytime.

Attachment A

Information on Sioux Rivers Region

<u>County</u>	<u>Three Years Totals</u>		<u>Population**</u>	
	<u>Tax Askings*</u>			
Woodbury County	10,059,178	71.30%	102,271	63.20%
Sioux County	2,957,143	21.00%	34,681	21.40%
Plymouth County	1,091,313	7.70%	24,874	15.40%
Totals	14,107,634	100.00%	161,826	100.00%

Sources:

\* Department of Management

\*\* Iowa Association of Counties

1. How much money did Woodbury County pay into Sioux Rivers Region:

	<u>Tax Dollars</u>	<u>Carryover Funds</u>	<u>Equalization Payment</u>	<u>Total</u>
A. 2014-2015 still in County	3,564,086.00	1,015,568.00	1,273,764.18	5,853,418.18
B. 2015-2016	3,564,086.00	2,051,873.00	0.00	5,615,959.00
C. 2016-2017 - Budgeted	2,931,006.00	0.00	0.00	2,931,006.00
D. Current Paid to Date	0.00	0.00	0.00	0.00
E. Owed for Current Year Not Paid	0.00	0.00	0.00	0.00

2. How much money did Sioux County pay into Sioux Rivers Region:

	<u>Tax Dollars</u>	<u>Carryover Funds</u>	<u>Equalization Payment</u>	<u>Total</u>
A. 2014-2015 still in County	1,027,388.00	385,305.00	592,803.00	2,005,496.00
B. 2015-2016	1,027,388.00	653,727.00	0.00	1,681,115.00
C. 2016-2017 - Budgeted	902,367.00	0.00	0.00	902,367.00
D. Current Paid to Date	0.00	0.00	0.00	0.00
E. Owed for Current Year Not Paid	0.00	0.00	0.00	0.00

3. How much money did Plymouth County pay into Sioux Rivers Region:

	<u>Tax Dollars</u>	<u>Carryover Funds</u>	<u>Equalization Payment</u>	<u>Total</u>
A. 2014-2015 still in County	363,771.00	602,080.00	813,832.00	1,779,683.00
B. 2015-2016	363,771.00	283,075.00	0.00	646,846.00
C. 2016-2017 - Budgeted	363,771.00	0.00	0.00	363,771.00
D. Current Paid to Date	0.00	0.00	0.00	0.00
E. Owed for Current Year Not Paid	0.00	0.00	0.00	0.00

**Dennis Butler - RE: FY 16 clients service by county**

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**From:** Shane Walter <shanew@siouxcounty.org>  
**To:** 'Dennis Butler' <dbutler@woodburycountyiowa.gov>  
**Date:** 8/11/2016 3:56 PM  
**Subject:** RE: FY 16 clients service by county  
**CC:** "Jeremy Taylor (jtaylor@woodburycountyiowa.gov)" <jtaylor@woodburycounty...>

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Hi Dennis,

The following numbers are maybe better for your purposes. They still are not entirely accurate (and as yet don't take all services into account due to the complexities of invoicing for group services), but are more reflective of active cases in our CSN database:

Total consumers:           1096 – Woodbury County

                                  415 – Between Sioux, Plymouth, State Cases and others (Sioux – 123, Plymouth 126, State Cases and other – 166).

These numbers should not be used for anything other than comparison purposes. Please be mindful of the difficulties in quantifying all services in a way that lends itself to this format – remember we are conducting business as a Region – not as individual counties.

Shane

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**From:** Dennis Butler [dbutler@woodburycountyiowa.gov]  
**Sent:** Thursday, August 11, 2016 11:59 AM  
**To:** Shane Walter  
**Subject:** FY 16 clients service by county

I need the number of clients served by the Sioux River Region during FY 2016 by County. If possible I need this by 3 p. m. this afternoon.  
Thank you for your assistance.

## Dennis Butler - RE: FY 16 clients service by county

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**From:** Jeremy Taylor  
**To:** Dennis Butler; Shane Walter  
**Date:** 8/11/2016 11:02 PM  
**Subject:** RE: FY 16 clients service by county  
**CC:** Mark Loutsch

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Mark,

I initially was going to respond in similar manner for my suggestions for Shane in the third person with Shane Cc'd, but thought better of it. I want to try to get beyond that sort of thing.

I do want to say that reading past (and not taking to heart) some of the comments below, I was appreciative of what you provided, Shane. I plan to share all of it with the Board and will do so only in the same way that you requested. If nothing else, the Region and its future is one that I believe we need to be engaged in discussing: if this is a viable thing, how we move on, etc. I will include all of the caveats mentioned.

I understand that you may have had some conversations about potentially moving on from focusing on the issue of space at the TriView Building, Mark, and if so, want to appreciate that we are (hopefully) moving beyond that.

Furthermore, let me reiterate some things in this message that are just not the case and would be clear from a review of our Board meeting. The vast majority of contributors--and consumers--residing within Woodbury County is clearly the case. My point was in light of some of the frustrations with direction and control as relates to several items, at the time requested rent at the TriView Building, in light of the majority of contribution--and yes services, clearly--residing within this county. Perhaps I could have been clearer to stipulate what I was not saying. For example, at no time did I say, "The Region is spending money frivolously."

I was responding to Larry Clausen who insisted for years that we keep the maximum levy, consistently have more than was necessary, spend aggressively toward the end of each year, and justify that same level of spending. My point is simply this: to have taxed to that level resulted in the potential surplus, for lack of a better term. Our Auditor and Budget Analyst consistently saw this, and I believe saw this as a problem. To say that it is only by virtue of regionalization that there is a "savings" is not true. That is not an aspersion toward you folks who recognized this--it's simply making the point that in the past, the Board (Woodbury) inappropriately overtaxed, which is clear to anyone that understands this issue from the fiduciary point of view.

If a college student said he needed from his folks \$1,000 / mo. for food, but only used \$500 for each of the first 9 months by eating conservatively but looked in the last 3 for a way to spend \$7500 by going out to restaurants with the idea that if he didn't hit the same level, the old budget adage of "If we don't spend it, we don't get it," might hold true. Then, to be in a club in which some others say, "Hey, that's not a good practice," and to recognize that those past actions weren't good or healthy, is simply what has happened here.

I hope that helps. Shane, again, thank you for the information today, which I plan to share with the Board in total.

Jeremy

>>> Shane Walter <shanew@siouxcounty.org> 08/11/16 12:50 PM >>>

Dennis,

I will attempt to provide you with those numbers, but I have two of my Service Coordinators out [REDACTED] so that may not happen in the next couple of hours. However, I will attempt to get something to you prior to 3:00. Please remember that raw data can be used to paint an incomplete picture of what is occurring within the Region. Your Board Chair needs to keep this in mind. I could probably help to give some clarity to that snapshot if he contacted me directly – it would be helpful to know what he was going to use this information for. A candid conversation on the topic would be welcomed and could be beneficial to both parties. I need not remind you that Woodbury County is not independent of the Region – it is in fact the biggest contributor to and the biggest beneficiary of Regional expenditures and the vast majority of consumers reside in Woodbury County. We have worked very cooperatively together in the past to plan for the future, including representatives from your Board, in order to meet current and anticipated needs, to meet DHS and legislative mandates to expand services into the Crisis realm and other areas, but it seems that cooperative approach is no longer available to us. Our approach to this must involve careful planning and consideration. It's impossible to plan new or expanded services without stable funding streams, so that obviously necessitates our working together in a cooperative manner. Contrary to what you may hear otherwise, we do have your best

interests at heart. We are attempting to balance the need to be responsible to consumers, DHS/Legislature and the taxpayers. That has always been our approach to doing business and will remain so in the future. Another reminder: When I hear in the news about how the Region is overtaxing Woodbury County and spending money frivolously, I need not remind you that the Regional Board attempted to lower levies in the counties, at my insistence, by double what they were this year – we were asking to provide \$2.4 million over two years in relief to Woodbury County alone - but it was your board representatives that were vehemently opposed to this. We made the case for doing this in order to lower the fund balances in all counties as we are mandated to get to the 25% fund balance threshold. We agree that there is too much money in the pot – it needs to come down, but we need your cooperation to get this accomplished. For your Board to now claim that we are overtaxing seems disingenuous. Please share these thoughts with your Board as you see fit. Thank you.

Shane Walter, CEO, Sioux Rivers Regional MHDS

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**From:** Dennis Butler [[dbutler@woodburycountyiowa.gov](mailto:dbutler@woodburycountyiowa.gov)]  
**Sent:** Thursday, August 11, 2016 11:59 AM  
**To:** Shane Walter  
**Subject:** FY 16 clients service by county

I need the number of clients served by the Sioux River Region during FY 2016 by County. If possible I need this by 3 p. m. this afternoon.  
Thank you for your assistance.

	FY15 Contribution			FY16 Contribution			Total		
Sioux	\$	1,027,388	20.73%	\$	1,027,388	20.73%	\$	2,054,776	20.73%
Plymouth	\$	363,800	7.34%	\$	363,800	7.34%	\$	727,600	7.34%
Woodbury	\$	3,564,086	71.93%	\$	3,564,086	71.93%	\$	7,128,172	71.93%
	\$	4,955,274		\$	4,955,274		\$	9,910,548	

Actual

	FY15 Expenditures			FY16 Expenditures			Total		
Sioux	\$	932,730	14.16%	\$	795,318	22.04%	\$	1,728,048	16.94%
Plymouth	\$	1,265,931	19.21%	\$	508,038	14.08%	\$	1,773,969	17.40%
Woodbury	\$	4,390,638	66.63%	\$	2,305,432	63.88%	\$	6,696,070	65.66%
	\$	6,589,299		\$	3,608,788		\$	10,198,087	