

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

Date: 3/26/2024

Weekly Agenda Date: 4/2/2024

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: Supervisor J. Taylor/D. Bittinger

WORDING FOR AGENDA ITEM:

Designation of FY 2025 Funding of \$200,000 in Gaming Revenue to the Woodbury County Long-Term Capital Improvement Projects Fund and Direct Transfer of Balance at the end of FY 2025 from Courthouse Maintenance rather than General Basic Reserves

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Public Hearing

Other: Informational

Attachments

EXECUTIVE SUMMARY:

This item is a follow-up from a good robust discussion on 1-23-24 that was promised to bring back at a future date that resulted in the creation of a fund on 2-13-2024 that supervisors decided to wait to fund until after the budget hearing. We have created the policy language for the fund, held a meeting to wind down funds from the previous Courthouse Foundation fund, and can now begin to invest in a way that utilizes non-tax dollars but helps to build long-term funds for the future.

From Previous Background:

The Woodbury County Courthouse is one of the finest buildings in the State of Iowa. During 2018, we had a wonderful centennial that among other things brought in speakers from Chicago, commissioned works of art in commemoration, and highlighted a building valued between \$90-\$120 million. Given the rarity of the William Steele design, the tributes to military service and life as we once were 100 years ago, the building is simply priceless. This item contemplates dedicating money so as to preserve the building in such a way as to practically preserve it for the next one hundred years.

BACKGROUND:

The Law Enforcement Center has a Maintenance Fund of up to \$8 million for a building presently valued at \$70 million. While this would grow at a slower rate (\$250,000 instead of \$400,000 annually, about 62.5%), this fund would be into perpetuity given the longevity of the building whereas the LEC Maintenance Fund has a 20-year shelf-life.)

We are at a present position in FY 25 where we will do what some said would be impossible: keep a flat tax rate in general basic (county-wide tax) and lower the tax rate in rural basic (outside cities) while meeting a very healthy reserve level between 23-25%. This allows us to still save for the future so that we are not limited by \$1.2m, \$1.5m, or whatever bond limitation Iowa Code limits us to in the future should major repairs need to take place for the building.

From our discussion on 1-23-24, I believe each member of the BOS, County Treasurer Tina Bertrand, and Budget Analyst Dennis Butler all gave very valuable insight. With that input in mind, we approved on 2/13/2024 the following:

+The first year expenditure of \$200,000 would begin "The Courthouse Long-Term Capital Improvement Project Fund" as a separate fund but housed under General Basic bearing interest.

+The fund would be guided by policy, published annually for transparency and fiduciary accountability purposes as part of the annual budget review process to be examined publicly during budget hearings.

+ Policy language shall be included as to the purposes of funds:

Purpose: Funds shall be used for long-term capital improvement projects that preserve the life, structure, efficiency, building envelope, functionality, artistic integrity, and conformity to the remarkable historicity of the National Landmark building guided by the Building Services Director and Historic Preservation Society. (continued below...)

FINANCIAL IMPACT:

(\$200,000 Gaming Revenue)

Prohibited Uses: The fund shall not be used for general operations, repairs or maintenance under \$15,000 dollars, and only shall be for expenses approved by a majority of the Board of Supervisors. Funds shall not be transferred, de-obligated, used for other building purposes such as the funding of operations or to add new or part-time employees. (cont. below...)

Funding Sources: There are three primary sources of funds:

- 1) Direct appropriation from the Board of Supervisors. It is the intent of the Board of Supervisors to be efficient with taxpayer dollars, keep fiscally responsible reserve levels, and keep debt with commensurate interest payments low. While recognizing that a future board is not legally bound by guiding policy, dedicating \$200,000 annually (approximately 40% of non-tax gaming revenues as of the date of initial establishment for FY 2025), shows a commitment to taxpayers to invest long-term in the sustainability of the County Courthouse and is hereby encouraged at a similar or increased level in future years. Annually each year the Board of Supervisors shall set a level of funding for the upcoming fiscal year.
- 2) Funds that are dedicated to Courthouse repairs and maintenance and which in any year are not expended shall be dedicated to the CLTCIP Fund rather than reverting to General Basic reserves.
- 3) Donations from the general public (heretofore made to the Courthouse Foundation Fund) can be deposited and tax-deductible. Subsequently, it is the intent of the Board of Supervisors to request transfer of \$12,000 (the remaining balance) from the Courthouse Foundation Fund

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:

Approve \$200,000 from gaming revenue for FY 2025 to the Courthouse Long-Term Capital Improvement Project fund and direct any unspent balance at the end of each year from Courthouse Maintenance to revert to the Courthouse Long-Term Capital Improvement Project fund rather than General Basic Reserves.

ACTION REQUIRED / PROPOSED MOTION:

Approve \$200,000 from gaming revenue for FY 2025 to the Courthouse Long-Term Capital Improvement Project fund and direct any unspent balance at the end of each year from Courthouse Maintenance to revert to the Courthouse Long-Term Capital Improvement Project fund rather than General Basic Reserves.