

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

Date: 2/6/2024

Weekly Agenda Date: 2/13/2024

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

WORDING FOR AGENDA ITEM:

Motion to Approve Utilization of \$300,000 from Gaming Revenues in Order to Achieve Flat Tax Rates in the County-Wide and Rural Levies and Information Regarding Intent to Use ARPA Funds if Not Utilized for the New LEC Over 2 FYs Upon Opening of New LEC

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Public Hearing

Other: Informational

Attachments

EXECUTIVE SUMMARY:

For the last 8 years, the Board of Supervisors has committed to a flat tax rate, which is achievable again this year. For the last several weeks, we have collectively rolled up our sleeves and made cuts, aligned revenue to expenses, eliminated "reserves within reserves," sought creative funding sources, and asked the hard questions taxpayers expect us to ask. After the recommendations of our Budget Analyst, we are within \$278,278 on the county-wide levy, and \$2,697 on the rural basic levy. Toward this end, we ask our fellow supervisors to approve \$300,000 which will cover this \$280,975 gap plus allow room to entertain an anticipated Veteran Affairs improvement request.

Gaming revenue is projected to be at \$1,118,391 in FY 25 (\$542,099 projected plus \$476,292 constituting the current balance plus what is anticipated). While we originally thought to take as much as \$600,000 in gaming revenues (plus perhaps \$250,000 for a new courthouse foundation fund), this item takes a step back realizing some of our budget analyst's caution on planning for two years and beyond. We are open to seeking funds other than gaming for the \$250,000 Courthouse Longterm Capital Improvement Project Fund from within our budgets for the first-year start-up while asking today for \$300,000, roughly 27% of available gaming revenue. This allows the BOS in planning for FY 26 to be able to utilize these funds again in addition to having funds for a possible FY 26 CLCIP Fund installment.

BACKGROUND:

Additionally--and this is for information only--\$470,000 in ARPA money remains. It strikes us prudent to hold off dedicating these funds for further relief until the LEC is open.

While the new LEC has at its disposal \$1.4 million (including an unforeseen \$250,000 we originally believed would be dedicated to the alternate of a Maintenance Shed), the project must be seen through to fruition. Any funds not dedicated will revert to the county. If in the short-term, there is any discretionary need, this remains the only non-tax dollars available can dedicate. Rest assured, on behalf of taxpayers we know that any non-dedicated funds that have heretofore been transferred will be owed back and that responsible parties who are subject to liability for delays will, one way or another, help to make taxpayers whole.

However, upon the opening of the LEC and no later, the county should dedicate these funds to one-time funds that could even further build up our reserves. ARPA funds must be obligated NLT December 31, 2024 or be lost. Our suggestion would be to take a line item such as Sheriff's vehicles and dedicate \$235,000 for FY 25 and \$235,000 for FY 26. This gives a longer-term, two-year outlook. While some may argue that this can be dealt with another time, the worrisome "out of sight, out of mind" waiting until the last day of the year can come at a cost. This strikes a fair balance in that it acknowledges the present need of the jail completion while at the same time recognizing that substantial completion triggers the release of these dollars to other one-time purposes. This second operation of the agenda item will take further action but lays forward a plan.

FINANCIAL IMPACT:

\$300,000 in Gaming Revenue

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:

Motion to Approve Utilization of \$300,000 from Gaming Revenues in Order to Achieve Flat Tax Rates in the County-Wide and Rural Levies

ACTION REQUIRED / PROPOSED MOTION:

Motion to Approve Utilization of \$300,000 from Gaming Revenues in Order to Achieve Flat Tax Rates in the County-Wide and Rural Levies