

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

Date: 1/19/2023 Weekly Agenda Date: 1/24/2023

**ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN:** Chairman Matthew Ung

**WORDING FOR AGENDA ITEM:**

Update on CF Industries Abatement Schedule and Tax Revenue

**ACTION REQUIRED:**

Approve Ordinance

Approve Resolution

Approve Motion

Public Hearing

Other: Informational

Attachments

**EXECUTIVE SUMMARY:**

Compared to last year (FY23), the county is realizing an additional \$201,875 in revenue for FY24. For any additional ongoing expenses budgeted, the county will realize an additional \$252,343 in FY25.

**BACKGROUND:**

See attached.

**FINANCIAL IMPACT:**

County share: FY23 (current) is \$1,110,311.  
FY24 is \$1,312,186.  
FY25 is \$1,564,529.

**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:**

These increases in revenues are currently unencumbered. With the FY24 budget being balanced with no increase to the tax rate, the board should consider these additional revenues for FY24 of \$201,875 to offset any improvement requests for ongoing expenses approved for FY24.

**ACTION REQUIRED / PROPOSED MOTION:**

n/a

**CF Abatement Schedule**

1) Assessment Agreement Value		595,000,000
3) Placed in Service Date		2016
4) Real Property Construction Costs by Year		
Partial Assessment	2015	36,007,950
Minimum Assessment	2016	595,000,000

Abatement	Calendar	Fiscal	Full	Abatement	Assessment	Taxable	Cummulative		Taxes	43.00%
<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>FMV</u>	<u>Percentage</u>	<u>Abatement</u>	<u>Release</u>	<u>Taxable Value</u>	<u>Tax Rate</u>	<u>Generated</u>	<u>County Share of Taxes</u>
0	2014	2015-2016	-	-	-					
0	2015	2016-2017	36,007,950	100.00%	36,007,950					
1	2016	2017-2018	595,000,000	100.00%	595,000,000	0	0			
2	2017	2018-2019	595,000,000	0.04%	571,200,000	23,800,000	21,420,000	21,420,000	472,760.82	203,287
3	2018	2019-2020	595,000,000	0.09%	541,450,000	29,750,000	26,775,000	48,195,000	1,049,086.11	451,107
4	2019	2020-2021	595,000,000	0.13%	517,650,000	23,800,000	21,420,000	69,615,000	1,555,428.13	668,834
5	2020	2021-2022	595,000,000	0.18%	487,900,000	29,750,000	26,775,000	96,390,000	2,148,847.33	924,004
<b>6</b>	<b>2021</b>	<b>2022-2023</b>	<b>595,000,000</b>	<b>0.22%</b>	<b>464,100,000</b>	<b>23,800,000</b>	<b>21,420,000</b>	<b>117,810,000</b>	<b>2,582,118.35</b>	<b>1,110,311</b>
7	2022	2023-2024	595,000,000	0.26%	440,300,000	23,800,000	21,420,000	139,230,000	3,051,594.41	<b>1,312,186</b>
8	2023	2024-2025	595,000,000	0.36%	410,550,000	29,750,000	26,775,000	166,005,000	3,638,439.49	1,564,579
9	2024	2025-2026	595,000,000	0.35%	386,750,000	23,800,000	21,420,000	187,425,000	4,107,915.55	1,766,404
10	2025	2026-2027	595,000,000	0.40%	357,000,000	29,750,000	26,775,000	214,200,000	4,694,760.63	2,018,747
11	2026	2027-2028	595,000,000	0.44%	333,200,000	23,800,000	21,420,000	235,620,000	5,164,236.69	2,220,622
12	2027	2028-2029	595,000,000	0.48%	309,400,000	23,800,000	21,420,000	257,040,000	5,633,712.76	2,422,496
13	2028	2029-2030	595,000,000	0.53%	279,650,000	29,750,000	26,775,000	283,815,000	6,220,557.83	2,674,840
14	2029	2030-2031	595,000,000	0.57%	255,850,000	23,800,000	21,420,000	305,235,000	6,690,033.90	2,876,715
15	2030	2031-2032	595,000,000	0.62%	226,100,000	29,750,000	26,775,000	332,010,000	7,276,878.98	3,129,058
16	2031	2032-2033	595,000,000	0.66%	202,300,000	23,800,000	21,420,000	353,430,000	7,746,355.04	3,330,933
17	2032	2033-2034	595,000,000	0.70%	178,500,000	23,800,000	21,420,000	374,850,000	8,215,831.10	3,532,807
18	2033	2034-2035	595,000,000	0.75%	148,750,000	29,750,000	26,775,000	401,625,000	8,802,676.18	3,785,151
19	2034	2035-2036	595,000,000	0.79%	124,950,000	23,800,000	21,420,000	423,045,000	9,272,152.24	3,987,025
20	2035	2036-2037	595,000,000	0.84%	95,200,000	29,750,000	26,775,000	449,820,000	9,858,997.32	4,239,369
TIF Done	2036	2037-2038	595,000,000	1.00%	0	95,200,000	85,680,000	535,500,000	11,736,901.58	5,046,868
Total Taxes Generated									109,919,284.44	<u>47,265,292</u>

**Bold is current FY**

**Relocation of WCICC Hosted Data Center**

First & Third Proposal - Stay at current location

Second Proposal - Move to different location with annual costs

**CIP Projects:**

Generator FY 23	450,000
HVAC FY 24	350,000
UPS FY 24	50,000

Hosted Data Center	28,260
Estimated Power	29,112
Estimated Fiber Lease	8,736
Less 50% power savings @ Courthouse	<u>(14,556)</u>
Annual costs	51,552

Annual Costs for each Proposal

**First Proposal  
Ten Year Loan -\$850,000 @ 5%**

**Second Proposal  
Annual Payments**

<u>FY</u>	<u>Annual Cost</u>
24	127,500
25	123,250
26	119,000
27	114,750
28	110,500
29	106,250
30	102,000
31	97,750
32	93,500
33	<u>89,250</u>
	<u><u>1,083,750</u></u>

<u>FY</u>	<u>Annual Cost</u>
24	51,552
25	51,552
26	51,552
27	51,552
28	51,552
29	51,552
30	51,552
31	51,552
32	51,552
33	<u>51,552</u>
	<u><u>515,520</u></u>

Only change would be an increase in electric rates

**Third Proposal**  
**Five Year Loan -\$850,000 @ 5%**

<u>FY</u>	<u>Annual Cost</u>
24	212,500
25	204,000
26	195,500
27	187,000
28	178,500
29	-
30	-
31	-
32	-
33	-
	765,000
	765,000

**Second Proposal**  
**Annual Payments**

<u>FY</u>	<u>Annual Cost</u>
24	51,552
25	51,552
26	51,552
27	51,552
28	51,552
29	51,552
30	51,552
31	51,552
32	51,552
33	51,552
	515,520
	515,520

Only change would be an increase in electric rates

It is suggested to accept the second proposal which compared to the first proposal would save over a ten year period \$568,230 and compared to the third proposal would save \$249,480.