



Boone County Board Minutes



PUBLIC HEARING PROCEEDINGS 2018-2019 COUNTY BUDGET

Ken Luettel, Chairman of the Boone County Board of Commissioners, called for a motion to open a public hearing on Monday, September 17, 2018 at 10:00 A.M. in the Boone County Courthouse Commissioners Meeting Room in Albion, Nebraska. Motion made by Commissioner Luettel, second by Commissioner Rasmussen to open said public hearing. Notice of the hearing was given in advance by publication and the convened hearing was open to the public. Commissioners present for said public hearing were Ken Luettel, Alan Rasmussen and Hilary K. Maricle. Chairman Luettel read the notice for the record. Richard Martinsen, CPA, for Schmeits, Mueller & Martinsen, P.C., was present to answer budget questions. Ben Rutten of Cedar Rapids, NE and Jim Dickerson, Albion News, were present for the budget hearing.

The public hearing was for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the 2018-2019 Boone County proposed budget in compliance with the provisions of State Statute Sections 13-501 to 13-513. Also, to set the final tax request for the 2018-2019 Boone County proposed budget at a different amount than the prior year tax request in compliance with the provisions of State Statute Section 77-1601.02 The hearing was open for one hour and the proposed budget was published in the August 29, 2018 issue of the Albion News, Albion, Nebraska.

The County Board and those present for the hearing discussed with Martinsen the differences from last year's fiscal budget in the areas of asking dollars, land valuation, tax rate, property tax requirement and fund balances. Martinsen provided answers to questions asked with regard to the proposed budget and publication. The proposed property tax request for 2018-2019 is \$3,679,011.00, which is different from the 2017-2018 property tax request of \$3,606,824.00, being an increase of \$72,187.00 from fiscal year 2017-2018. The proposed tax rate for 2018 of 0.153638 is higher than the 2017 tax rate of 0.150708. A 2017 lid limit changed the vote to exceed the 2.5% lid limitation by an additional 1% budget authority growth to a Board majority approval. The levy authority of 50 cents includes the County levy and all the entities such as Agricultural/Historical Societies, Fire Districts, etc. added together. The 2018 County valuation is \$2,394,598,707.00 compared to the 2017 valuation of \$2,393,259,621.00 an increase of \$1,339,086.00. The overall County taxable value increased primarily due to the re-valuations of the Commercial and Commercial Hog Confinement properties.

The adopted 2018-2019 County Budget has a tax request expense increase from the 2017-2018 County Budget. The County of Boone, Nebraska financial contribution to the BCDA, Inc. is 80% of the corporation budget and is from the Inheritance Tax Fund.

Motion made by Maricle, second by Luettel to close said public hearing at 11:00 A.M. Roll call vote: Yeas: Maricle, Luettel and Rasmussen. Nays: None. Motion carried.

Discussion: The county tax rate will be 0.153638. If it were not for the use of inheritance tax dollars, the county rate would be increased in order to maintain the current level of services that are both mandated under state law and that our county taxpayers deserve and expect.

Martinsen explained that Inheritance Tax funding is considered a local tax. Inheritance Tax funds stay in the respective county and benefit the respective county taxpayers with a lower property tax rate. If the legislature



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removes the Inheritance Tax funding, then the state and federal levels will receive the taxes generated from “Inheritance” and the local county level will need to increase their property tax rate to maintain mandated services.

Nebraska Legislation changes are as follows: eliminate delinquent tax allowance unless Federal Prime Rate is Above 10%; eliminate budgeting for anticipated litigation claims; supermajority Board approval is not needed for 1% increase to restricted funds authority, only Board approval; listing of capital improvement projects and the corresponding amount being used as lid exemption; and Highway Allocation is no longer a restricted fund and no additional calculation is needed this year. The Interlocal Agreement Report (LB 51) (2017) is to be filed with the State Auditor’s office on or before September 20th and impacts the county budget hearing, audits and contracts.

Motion made by Luettel, second by Rasmussen to approve and adopt the County Budget for 2018-2019 as published and presented with an Unused Budget Authority created for next year of \$386,092.63; and set the 2018 County Tax Rate at 0.153638, which is different than the County Tax Rate of 0.150708 for 2017. Roll call vote: Yeas: Luettel, Rasmussen and Maricle. Nays: None. Motion carried.

Motion made by Rasmussen, second by Luettel to approve exceeding the 2.5% lid limitation on restricted funds by an additional 1% budget authority growth for fiscal year 2018-2019. Roll call vote: Yeas: Rasmussen, Luettel and Maricle. Nays: None. Motion carried.

The Board expressed their appreciation to Martinsen for his assistance with the County Budget preparation throughout the years.

Kathy Thorberg,
Boone County Clerk