

Boone County Board Minutes



PUBLIC HEARING PROCEEDINGS 2020-2021 COUNTY BUDGET

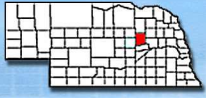
Alan Rasmussen, Chairman of the Boone County Board of Commissioners, called for a motion to open a public hearing on Monday, September 14, 2020 at 10:00 A.M. in the Boone County Courthouse Commissioners Meeting Room in Albion, Nebraska. Motion made by Commissioner Temme, second by Commissioner Rutten 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 Larry Temme, Ben Rutten and Alan Rasmussen. Chairman Rasmussen read the notice for the record. Jordan Mueller, CPA, for Schmeits, Mueller & Martinsen, P.C., was present to answer budget questions. Jim Dickerson, Albion News, was 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 2020-2021 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 2020-2021 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 Wednesday, September 2, 2020 issue of the Albion News, Albion, Nebraska.

Richard Martinsen, CPA, for Schmeits, Mueller & Martinsen, P.C., prepared the budget documents for fiscal year 2020-2021. The County Board and those present for the hearing discussed with Mueller the differences from last year's fiscal budget in the areas of asking dollars, land valuation, tax rate, property tax requirement and fund balances. Muller provided answers to questions asked with regard to the proposed budget and publication. The proposed property tax request for 2020-2021 is \$4,432,628.00, which is different from the 2019-2020 property tax request of \$4,262,835.00, being an increase of \$169,793.00 from prior fiscal year. The proposed tax rate for 2020 of 0.192076 is higher than the 2019 tax rate of 0.176883. The Governing Body of the County of Boone by a Board majority approval may exceed the 2.5% lid limitation by an additional 1% budget authority growth. 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 2020 County valuation is \$2,307,751,527.00 compared to the 2019 valuation of \$2,409,978,807.00 a decrease of \$102,227,280.00. The overall County taxable value decreased primarily due to re-classification of production soils and a TERC (Tax Equalization & Review Commission) order of residential values located in the City of Albion.

The adopted 2020-2021 County Budget has a tax request expense increase from the 2019-2020 County Budget. The County of Boone, Nebraska financial contribution to the BCDA, Inc. is from the County Inheritance Tax Fund. The proposed property tax increase request is primarily in the County Road Fund. A five million dollar (3700) Highway Allocation Bond Repay Fund Series 2019 was set up with funds for road/bridge infrastructure repair due to the adverse weather conditions since March of 2019. The five million dollar bond yield \$4,935,500.00 dollars in funding to the County that can be repaid over seven years with an early payout option when/if FEMA funds are received. The County pays the total cost of all the infrastructure repairs from storm damages and then submits paperwork for partial reimbursement of qualifying damages from FEMA/NEMA. A portion of the Road Fund Highway Allocation revenue that is received each year will be designated to pay that said fiscal year bond/interest payments. The seven year bonds total is Principal of \$5,000,000.00 and Interest of \$369,595.00. In addition to said bonds, two million dollars of the County Inheritance Tax Fund has been designated for aggregate/gravel materials and asphalt/concrete road repairs.

Motion made by Rasmussen, second by Temme to close said public hearing at 11:13 A.M. Roll call vote: Yeas: Rasmussen, Temme and Rutten. Nays: None. Motion carried.



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Discussion: The county tax rate will be 0.192076. 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.

The 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 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.

Motion made by Temme, second by Rutten to approve and adopt the County Budget for 2020-2021 as published and presented with an Unused Budget Authority created for next year of \$42,228.99; and set the 2020 County Tax Rate at 0.192076, which is different than the County Tax Rate of 0.176883 for 2019. Roll call vote: Yeas: Temme, Rutten and Rasmussen. Nays: None. Motion carried.

Motion made by Rasmussen, second by Rutten to approve exceeding the 2.5% lid limitation on restricted funds by an additional 1% budget authority growth for fiscal year 2020-2021. Roll call vote: Yeas: Rasmussen, Rutten and Temme. Nays: None. Motion carried.

The Board expressed their appreciation to the firm Schmeits, Mueller & Martinsen, P.C. for their assistance with the County Budget preparation throughout the years.

Kathy Thorberg,
Boone County Clerk