

Commissioner's Record No. 26

MADISON COUNTY, NEBRASKA

COMMISSIONERS PROCEEDINGS

Madison, Nebraska

August 23, 2019

The Board of County Commissioners of Madison County, Nebraska, met in special session at 3:00 P.M.

Advance notice of the meeting was published in the August 15, 2019, edition of The Norfolk Daily News. Copy of said notice was mailed to each Board member, and affidavit of acknowledgment of receipt of notice of meeting as published was executed.

Chairman Ron Schmidt called the meeting to order and notified the public of the posted copy of the Open Meetings Act, which was followed by a moment of silence and the Pledge of Allegiance to the flag of the United States of America. Present: Commissioners Christian Ohl, Ron Schmidt and Troy Uhlir, County Clerk Anne Pruss, Deputy County Clerk Nancy Scheer and County Highway Superintendent Richard Johnson. Jerry Guenther of the Norfolk Daily News and WJAG reporter Cody Ronfeldt were present until 3:39 P.M.

Commissioner Uhlir read the regular agenda into the record as follows:

- 1) Review of 2019-2020 fiscal year County budget.
- 2) Adoption of final levy allocations for rural fire districts of Battle Creek, Madison, Meadow Grove, Newman Grove and Norfolk, Madison County Agricultural Society and Norfolk Sanitary District (Resolution #2019-43).
- 3) Set hearing date for 2019-2020 fiscal year budget and adoption of the property tax request at an amount different than the prior fiscal year.

Motion was made by Uhlir and seconded by Ohl to approve the regular agenda. There was no discussion. Roll call vote: Ayes, Ohl, Schmidt, Uhlir. Nays, none. Motion carried.

Commissioner Uhlir began the discussion with review of the General Fund Office Functions which saw a total increase of 0.26% in the general fund. Deputy County Clerk Nancy Scheer stated two changes had been made, both in Miscellaneous General, stating the amount for the telephone service had been increased, and the amount for the internet was decreased. Commissioner Uhlir discussed the specifics of each, the cost, and how the billing will be done. Mrs. Scheer stated the amount increased from \$13,500 for those two items to \$18,520. Chairman Schmidt stated that once the lighting system is done, which would hopefully be done by the end of September, the County would get a rebate from NPPD. Commissioner Uhlir stated that this rebate would actually be a reduction in the bill.

The next fund reviewed was Road and Bridge. Commissioner Uhlir stated changes made consisted of an increase in maintenance salaries with proportionate increases in retirement and FICA. He stated this was an increase of 9.52% year over year in the Road and Bridge budget, and a large portion of that is the major projects. He stated that they pushed everything into the FAS Fund, going from \$6 million to \$5 million, and the bond debt will be \$728,000. Chairman Schmidt inquired about the interest rate, and County Highway Superintendent Richard Johnson stated that it is 2.5%. It was clarified that the \$728,000 payment is for the \$5 million bond as well as \$675,000 from previous bonding. Mr. Johnson stated that the County will basically be levying property tax to cover everything the County may want bonds for in this fiscal year. Commissioner Ohl asked when the bonding would take effect and whether they would be issued immediately. It was explained that the County doesn't need to be in a hurry because the projects won't be built until next year and an eye could be kept on the market. Mr. Johnson stated we would need to keep an eye on when the money would be needed and what the market would be at that point. County Clerk Anne Pruss stated that if bonding waited until the latter part of the first quarter, the first bond payment would not be due until December. It was noted that payments are currently on a May and November schedule.

Commissioner Uhlir stated that with the Road and Bridge budget, \$1,167,744 under Function 707 was created for the flood, and for projects that still need to be completed. He stated that with the equipment situation, they are looking at leasing what is needed yet this year, trying to do four- or five-year leases. Commissioner Uhlir suggested that if there is some money at the end of the year, the debt could be paid down so as not to accrue as much interest.

Major projects were then discussed. Commissioner Uhlir stated that the Benjamin Avenue project is going for bid on September 12, 2019. He stated that the scope of the Old Hadar Road project has been decreased to just the worst mile, which is the north mile. The date for bidding that has not been set, but Mr. Johnson stated it would likely be this winter. Commissioner Uhlir stated that \$400,000 has been budgeted for engineering the design for both miles. He stated that the Battle Creek North project is a State project that the County will owe some money on, which will be 20% of the project costs. He stated some work would need to be done on the Tilden bank stabilization project to save that bridge. He stated that what has been done so far is holding, but it is eating away at the north side. Culvert projects were also included in the budget as well as small bridge replacements. Chairman Schmidt asked if the State Bridge/County Bridge match funds. Mr. Johnson stated that was for the two culvert projects.

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Commissioner Uhlir stated that the bituminous surfacing had been planned for 12 miles, but they were able to make that 15 miles. He stated that in order to lower the bond debt with the FEMA repair work the County had, some of that was offset by putting some of that back into the Road budget (707) and carrying \$332,000 into the FAS budget. Chairman Schmidt stated the financial experts are thinking they are going to lower the prime in September, and they think there is a good chance it would happen again in December. He stated that if the County waits until next year, the County could be down 1/2 point. Commissioner Uhlir stated that with carrying those numbers back over to Road and Bridge for projects and taking cash reserves out, Road and Bridge ends up at \$10,145,507. Commissioner Uhlir stated that \$1 million was taken out of the inheritance fund. Mr. Johnson stated this would go into the FAS fund and then be distributed to Road. Ultimately, \$2,475,000 will be transferred from FAS to Road. Mr. Johnson stated that property tax and FAS went up about \$1.5 million from last year and is \$4.9 million this year. Mrs. Scheer stated that the amount is lower than last year because of the anticipated receipt of FEMA funds. Chairman Schmidt asked what would happen if the FEMA funds aren't received, and Commissioner Uhlir stated that the 15 miles of surfacing work would then have to go back to 12 miles.

Commissioner Uhlir next introduced the Comparison of Requested Expenditures. He stated that the General only increased 0.26%. He stated that the \$250,000 lease payment to Motorola for the phones is included in that amount; therefore, only having a 0.26% increase is to be commended. The next two increases are related to the roads with a 9.52% increase in Road/Bridge and a 62.11% increase in FAS (Federal Aid Secondary). He explained that a big portion of the FAS increase is for the needed repair work and the extra miles of bituminous surfacing. It is basically where the money was levied to be put back into the Road budget.

Visitors Promotion and Improvement as well as Preservation and Modernization funds were reviewed. The Law Enforcement fund was noted to be up 15.99%. Drug Court has projected an increase in budget of 6.66%. Lastly, the Road/Bridge Bond is increased 120.93% because of the pending bonding.

Commissioner Uhlir stated that 2018's certified valuation was \$4,069,576,107, and 2019's certified valuation is \$4,063,031,538. A \$35 million decrease had been anticipated, which was the real property without any personal property. Adding in the personal property added back \$29 million, so the decrease is only \$6 million in valuation. County Assessor Jeff Hackerott had explained that the new housing construction did not offset the decrease in the crop ground, which is where the \$35 million had come from. Commissioner Uhlir stated that 2018's levy was \$0.326507, and 2019's proposed levy is \$0.379266.

The estimated property tax levy was then reviewed. It had been listed by fund—the General Fund estimated property tax requirement, the FAS property tax requirement and the Road/Bridge bond fund levy.

The last item reviewed was the Madison County Levy Limit Form. Commissioner Uhlir drew attention to the bond property taxes of \$728,406, which is the 0.017928 Bond Tax Levy. He stated the General and the Bond have to be added together to get to the 0.372505. The Agricultural Society's budget was noted to work out to a 0.011166 general tax levy, which is for the Madison County Fair. Mrs. Scheer then indicated the County levy of 0.45, the Fire District levy of 0.035, the Ag. Society levy of 0.011166, and the Norfolk Sanitary District levy of 0.14719. Commissioner Uhlir stated that the sanitary district did see an increase in their budget as some money was being given to the North Fork river project.

The following resolution was introduced for consideration:

RESOLUTION #2019-43

WHEREAS, Section §77-3443 Nebraska Revised Statutes provides that certain governmental entities must receive levy allocation authority from the County Board; and

WHEREAS, the Madison County Board of Commissioners has received levy allocation requests from various political subdivisions for the 2019-2020 fiscal year; and

WHEREAS the Battle Creek, Madison, Meadow Grove, Newman Grove, and Norfolk Rural Fire Districts are members of a Mutual Finance Organization, with each of the fire districts requesting that the levy rate be set at 3.5 cents per hundred dollars of valuation; and

WHEREAS, the Board of Commissioners has reviewed the submitted levy requests and determined that no parcel of property in the county will exceed the allowable levy limits as outlined in state statutes;

NOW, THEREFORE, BE IT RESOLVED, that the following levy allocations are hereby authorized for the 2019-2020 fiscal year:

<u>SUBDIVISION</u>	<u>PROPERTY TAX AMOUNT</u>	<u>VALUATION</u>	<u>LEVY ALLOCATED</u>
Battle Creek Rural Fire District All Funds			.035000
Madison Rural Fire District All Funds			.035000
Meadow Grove Rural Fire District All Funds			.035000
Newman Grove Rural Fire District All Funds			.035000
Norfolk Rural Fire District All Funds			.035000
Madison County Agricultural Society General Fund	\$199,627.00	4,063,031,583	.004914
Building Fund	<u>\$254,048.00</u>	4,063,031,583	<u>.006253</u>
TOTAL	\$453,675.00		.011167
Norfolk Sanitary District General Fund	\$247,854.00	1,683,951,838	.014719

Motion was made by Uhlir and seconded by Ohl to accept levies at 0.035 for the fire districts of Battle Creek, Madison, Meadow Grove, Newman Grove and Norfolk; the Agricultural Society's levy of 0.011166; and the Sanitation Sewer District levy of 0.014719. There was no discussion. Roll call vote: Ayes, Ohl, Schmidt, Uhlir. Nays, none. Motion carried.

Chairman Schmidt asked that a hearing date be set for the 2019-2020 fiscal year budget and adoption of the property tax request at an amount different than the prior fiscal year.

Motion was made by Ohl and seconded by Uhlir to set the hearing date for Wednesday, September 4, 2019. There was no discussion. Roll call vote: Ayes, Ohl, Schmidt, Uhlir. Nays, none. Motion carried.

The Board adjourned at 3:39 P.M. to Wednesday, September 4, 2019, at 9:30 A.M.

ATTEST:

County Clerk Anne M. Pruss

Ronald Schmidt, Chairman
County Board of Commissioners