

**Finance, Expenditure & Legal
Subcommittee Meeting
September 9, 2008
6:30 p.m.**

Agenda

Finance, Expenditure & Legal Subcommittee Members:

John Conley, Chairperson
Rick Kolowski, Vice-Chairperson
Fred Conley
Dick Connealy
Dorothy Lanphier

Alternate Members: Rich Tesar
Jim Thompson

Staff Liaison: Jim Becic
Jerry Herbster
Carey Fry *
Trent Heiser

1. Meeting Called to Order – Chairperson John Conley
2. Notification of Open Meetings Act Posting and Announcement of Meeting Procedure –
Chairperson John Conley
3. Quorum Call
4. Adoption of Agenda
5. Proof of Publication of Meeting Notice
6. Review and Recommendation on FY 2009 Budget – John Winkler
 - a. 1% Increase to the Budgeted Restricted Funds for Lid Calculation
 - b. SET PROPERTY TAX REQUEST FOR FY 2009 – 0.033753/\$100
7. Adjourn

MEMORANDUM

To: FEL Subcommittee

Subject: FY 2009 Budget – Lid Computation (1% Resolution)

Date: September 2, 2008

From: John Winkler, General Manager

State statutes require that no governmental unit shall adopt a budget containing a total of budgeted restricted funds more than the last prior year's total of budgeted restricted funds plus allowable increases. All political subdivisions have the ability to increase their base restricted funds by 2.5%. If a political subdivision has allowable growth due to improvement to real property as a result of new construction, additions to existing buildings, any improvements to real property, and any increase in valuation due to annexation and any personal property valuation over the prior year above 2.5%, you can use the amount over the 2.5% increase as the base of restricted funds. Growth numbers are provided by the County Assessors on the Certification of Valuation. The percent of growth for FY 2009 budget is 2.44%, so the district is limited to the 2.5% increase (see attached chart). The total unused restricted funds authority for FY 2009 is **\$280,593.63**.

The Board can also exceed the limit by 1%. Approval would require a super majority of the Board. That is, at least 75% of the governing body is required to approve or 9 affirmative votes - not just 75% of those present. If the additional 1% is approved, the allowable percent and the unused restricted fund authority would increase as follows:

Base Limitation	2.50%
Additional 1% if Approved by Board	1.00%
Total Allowable Percent Increase	3.50%

Total Unused Restricted Funds Authority for FY 2009 = \$342,535.74

Copies of the Computation of limit for FY 2009 worksheets showing a 2.5% increase and a 3.5% increase are attached. There is no special hearing or notice required to consider the additional 1% increase. Following is a history showing the Board's actions in allowing for the additional 1% increase:

FY 1998	Yes
FY 1999	Yes
FY 2000	No
FY 2001	Yes

FY 2002	No
FY 2003	Yes
FY 2004	No
FY 2005	No
FY 2006	Yes
FY 2007	No
FY 2008	No

The following items are lid exceptions that would apply to the District:

- Capital Improvements (acquisition and improvements to real property)
- Interlocal Agreements/Joint Public Agency Agreements
- Repairs to infrastructure damaged by a natural disaster.

The 2.5% lid applies to General expenditures such as:

- Directors' per diem and expenditures
- District's insurance coverage
- Equipment/vehicles
- Salaries
- Gas, oil and vehicle repairs
- Utilities

It would be beneficial to the District if the Board approves the additional 1% to help cover increases to those general costs and to help build the base for restricted funds for future budgets.

It is the management's recommendation that the Subcommittee recommend to the Board that the following resolution be adopted:

BE IT RESOLVED THAT the Board of Directors of the Papio-Missouri NRD approves an additional increase of 1% in the Total Funds Subject to Limitation, pursuant to Neb. Rev. State. §§ 13-518 through 13-522.

MEMORANDUM

TO: Finance, Expenditures and Legal Subcommittee
SUBJ: P-MRNRD FY 2009 Tax Levy
DATE: September 2, 2008
FROM: John Winkler, General Manager

The District has received final valuations from the County Clerk’s offices. The final numbers are as follows:

County	FY 08-09 Final Valuation	% Increase
Sarpy	\$10,716,831,121	7.50%
Douglas	\$34,956,883,915	3.02%
Washington	\$1,820,726,671	5.47%
Dodge	\$2,544,632	14.83%
Burt	\$400,112,121	13.46%
Thurston	\$167,650,316	9.13%
Dakota	\$1,099,314,699	4.51%
TOTALS	\$49,164,063,475.00	4.18%

The tax levy would be set at **0.033753**. This is a decrease of 0.001095 over last year’s tax levy of 0.034848. The total tax requirement is \$16,594,576.17. This is an increase of \$149,964.76 from last year’s total tax requirement of \$16,444,611.41.

The following is a chart showing the difference this decrease would make in a house valued at \$100,000 and a house valued at \$200,000:

Tax Levy	House Valued at \$100,000	House Valued at \$200,000
FY 2008 – 0.034848	\$34.85	\$69.70
FY 2009 – 0.033753	\$33.75	\$67.50

A copy of the updated FY 2009 Fact Sheet and budget worksheets are attached.

❖ **It is management’s recommendation that Subcommittee recommend to the Board that the following resolution be adopted:**

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the Governing Body of the Papio-Missouri River NRD passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and,

WHEREAS, a special public hearing held on September 11, 2008, as required by law to hear and consider comments concerning the property tax request; and,

WHEREAS, it is in the best interest of the Papio-Missouri River NRD that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Papio-Missouri River Natural Resources District by a majority vote, resolved that:

- 1. The FY 2009 property tax request be set at \$16,594,576.17 with a tax levy of 0.033753/\$100.**
- 2. And, that a copy of this resolution be certified and forwarded to the County Clerks within the District prior to October 13, 2008.**