# MINUTES OF THE BOARD OF CHURCHILL COUNTY COMMISSIONERS

**155 N. Taylor St., Fallon, NV 89406**
**May 22, 2024**

## Call to Order:

The special meeting of the Board of County Commissioners was called to order at 4:00 PM on May 22, 2024.

| | |
|---|---|
| PRESENT: | Commissioner Myles Getto |
| | Commissioner Harry Scharmann |
| | Commissioner Justin Heath |
| | County Manager Jim R. Barbee |
| | Comptroller Sherry Wideman |
| | Deputy District Attorney Jeff Weed |
| | Deputy Clerk to the Board Pamela D. Moore |
| ABSENT: | Clerk/Treasurer Linda Rothery |

## Pledge of Allegiance:

The Pledge of Allegiance was recited by the board and public.

## Public Comment:

Chair Getto asked if there was any public comment but there was none.

## Verification of the Posting of the Agenda:

It was verified by Pamela D. Moore, Deputy Clerk to the Board, that the Agenda for this meeting was posted on the 17th day of May, 2024, between the hours of 8:00 and 9:00 AM at all of the locations listed on the Agenda, in accordance with NRS 241.

## Consideration and possible action re: Approval of Agenda as submitted or revised:

**Commissioner Justin Heath made a motion to approve the Agenda as submitted. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.**

## Appointments:

**1:20 PM A- Consideration and possible action re: Approval of Churchill County's Final Budget and Tax Rate for Fiscal Year 2024-2025.**

Comptroller Wideman will present the proposed Churchill County Tax Rate of $1.2829 and the Final Budget for Fiscal Year 2024-2025. During the meeting, the Commissioners shall seek public input on the Final Budget and Tax Rate. The overall Churchill County rate is $2.8629 and the City of Fallon rate is $3.6600. The taxes on an Assessor appraised home valued at $100,000 in Churchill County would be $1,002.02 and $1,281.00 in the City of Fallon.

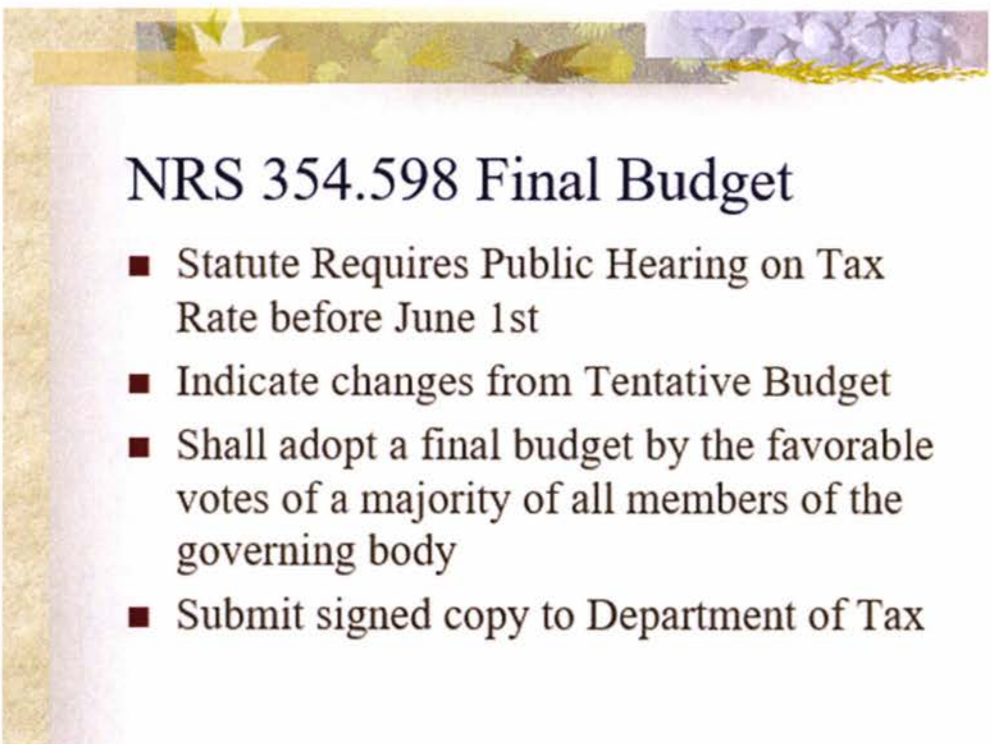
FISCAL IMPACT: As budgeted.

EXPLANATION OF IMPACT: As budgeted.

FUNDING SOURCE: Churchill County, Nevada Budget.

ACTION REQUESTED: Accept

Comptroller Wideman had a PowerPoint presentation as follows:

## Revenue Changes from Tentative Budget
## Reduced by $1,957,646

CC Communication reduced revenues by -$1,657,646
General Government reduced grant revenue by -$300,000 *(can be augmented as received)*

| REVENUES | TENTATIVE BUDGET YEAR 06/30/25 | FINAL BUDGET YEAR 06/30/25 | % CHANGE |
|---|---|---|---|
| Property Taxes | 10,720,280 | 10,720,280 | 0% |
| Other Taxes | 67,145 | 67,145 | 0% |
| Licenses and Permits | 1,959,800 | 1,959,800 | 0% |
| Intergovernmental Resources | 25,434,884 | 25,134,884 | -1.18% |
| Charges for Services | 29,748,341 | 28,090,695 | -5.57% |
| Fines and Forfeits | 471,000 | 471,000 | 0% |
| Miscellaneous | 2,298,200 | 2,298,200 | 0% |
| | - | - | |
| TOTAL REVENUES | 70,699,650 | 68,742,004 | -2.77% |

## Expenditure Changes from 2025 Tentative Budget

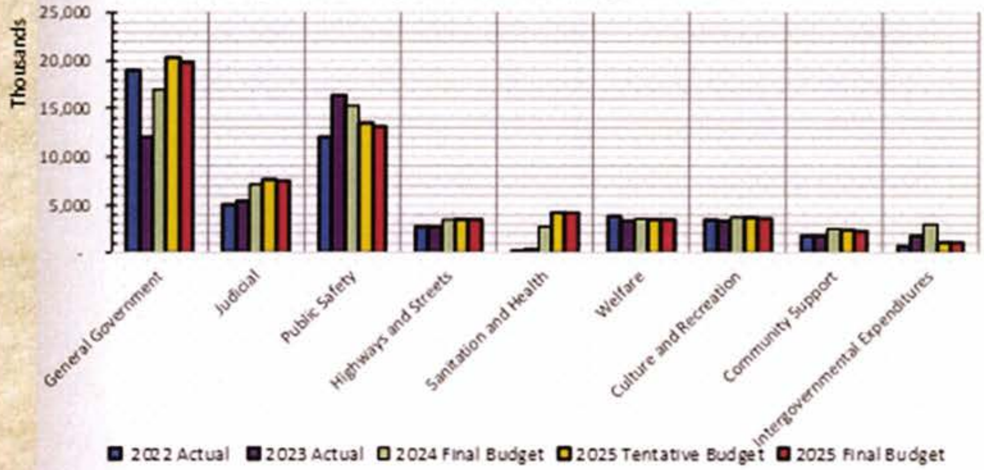
Results from departments decreasing Services & Supplies by -15%:
>General Governmental Expenditures decreased by **-$1,128,729**
CC Communication decreased by **-$204,891**
Expenditures by function were changed as follows:

| EXPENDITURES-EXPENSES | TENTATIVE BUDGET YEAR 06/30/25 | FINAL BUDGET YEAR 06/30/25 | % CHANGE |
|---|---|---|---|
| General Government | 20,343,147 | 19,831,319 | -2.52% |
| Judicial | 7,621,381 | 7,512,423 | -1.43% |
| Public Safety | 13,481,555 | 13,154,089 | -2.43% |
| Highways and Streets | 3,508,845 | 3,508,845 | 0.00% |
| Sanitation and Health | 4,257,877 | 4,248,227 | -0.23% |
| Welfare | 3,454,676 | 3,454,676 | 0.00% |
| Culture and Recreation | 3,795,554 | 3,672,254 | -3.25% |
| Community Support | 2,390,773 | 2,343,246 | -1.99% |
| Intergovernmental Expenditures | 1,143,765 | 1,143,765 | 0.00% |
| Governmental fund total | 59,997,573 | 58,868,844 | -1.88% |
| Enterprise Funds | 20,961,254 | 20,756,363 | -0.98% |
| Debt Service - Principal | 735,125 | 735,125 | 0% |
| - Interest Cost | 544,763 | 544,763 | 0% |
| TOTAL EXPENDITURES-EXPENSES | 82,238,715 | 80,905,095 | -1.62% |

Highways and streets did not get reduced because they are funded by gas tax and welfare did not get reduced because it is grant funded.

## Expenditure Changes from 2025 Tentative Budget

- Expenditures by function are changed as follows:



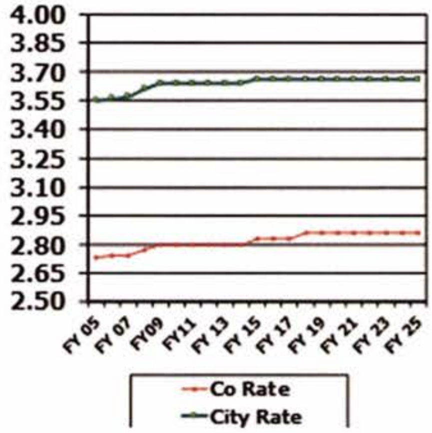

## Historical Tax Rate Data

- Summary of Tax Rates

| *Year* | *County* | *City* |
|---|---|---|
| FY 05 | $2.735 | $3.55 |
| FY 06 | $2.745 | $3.56 |
| FY 07 | $2.745 | $3.57 |
| FY 08 | $2.775 | $3.61 |
| FY 09 | $2.803 | $3.64 |
| FY 10 | $2.803 | $3.64 |
| FY 11 | $2.803 | $3.64 |
| FY 12 | $2.803 | $3.64 |
| FY 13 | $2.803 | $3.64 |
| FY 14 | $2.803 | $3.64 |

- FY 15- FY 24
  $2.833 $3.66

- ***FY 25 $2.863 $3.66***

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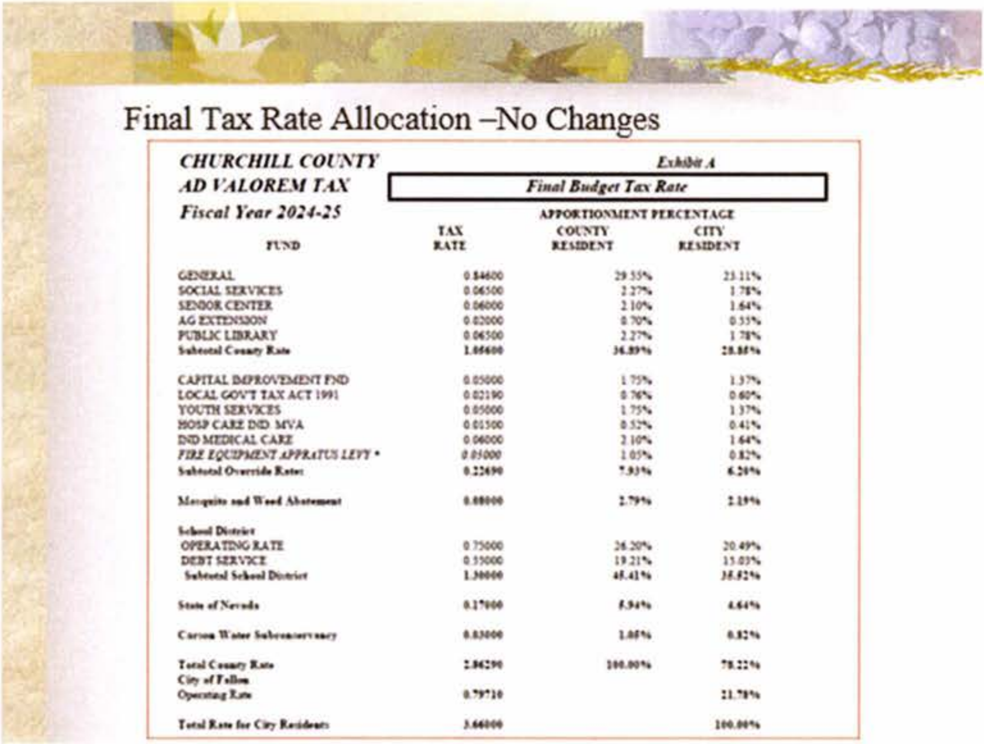


Final Tax Rate Allocation –No Changes

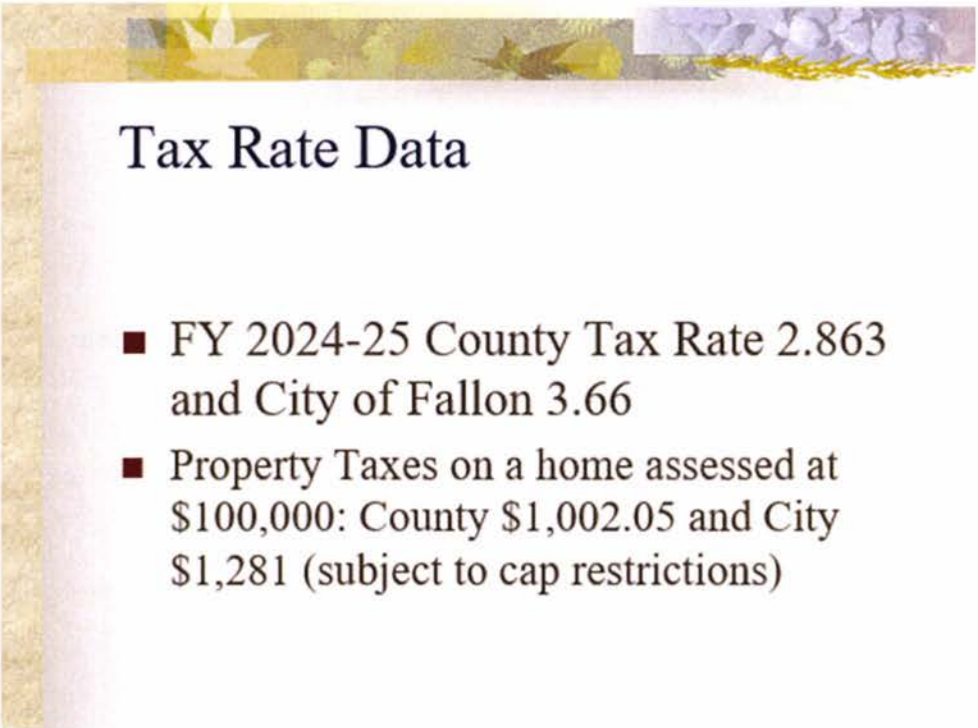
*CHURCHILL COUNTY*
*AD VALOREM TAX*
*Fiscal Year 2024-25*

*Exhibit A*

*Final Budget Tax Rate*

| FUND | TAX RATE | APPORTIONMENT PERCENTAGE COUNTY RESIDENT | CITY RESIDENT |
|---|---|---|---|
| GENERAL | 0.84600 | 29.55% | 23.11% |
| SOCIAL SERVICES | 0.06500 | 2.27% | 1.78% |
| SENIOR CENTER | 0.06000 | 2.10% | 1.64% |
| AG EXTENSION | 0.02000 | 0.70% | 0.55% |
| PUBLIC LIBRARY | 0.06500 | 2.27% | 1.78% |
| **Subtotal County Rate** | **1.05600** | **36.89%** | **28.85%** |
| CAPITAL IMPROVEMENT FND | 0.05000 | 1.75% | 1.37% |
| LOCAL GOV'T TAX ACT 1991 | 0.02190 | 0.76% | 0.60% |
| YOUTH SERVICES | 0.05000 | 1.75% | 1.37% |
| HOSP CARE IND MVA | 0.01500 | 0.52% | 0.41% |
| IND MEDICAL CARE | 0.06000 | 2.10% | 1.64% |
| *FIRE EQUIPMENT APPRATUS LEVY ** | *0.05000* | 1.05% | 0.82% |
| **Subtotal Override Rates** | **0.22690** | **7.93%** | **6.20%** |
| **Mosquito and Weed Abatement** | **0.08000** | **2.79%** | **2.19%** |
| **School District** | | | |
| OPERATING RATE | 0.75000 | 26.20% | 20.49% |
| DEBT SERVICE | 0.55000 | 19.21% | 15.03% |
| **Subtotal School District** | **1.30000** | **45.41%** | **35.52%** |
| **State of Nevada** | **0.17000** | **5.94%** | **4.64%** |
| **Carson Water Subconservancy** | **0.03000** | **1.05%** | **0.82%** |
| **Total County Rate** | **2.86290** | **100.00%** | **78.22%** |
| **City of Fallon** | | | |
| **Operating Rate** | **0.79710** | | **21.78%** |
| **Total Rate for City Residents** | **3.66000** | | **100.00%** |

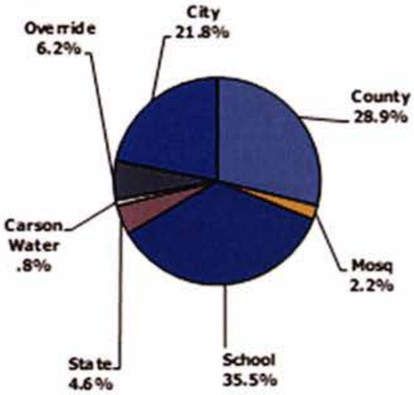
This allocation has not changed since the Tentative Budget. We added .05 to Ag Extension, which was taken from the General Fund.



# FY 25 Property Tax Combined $3.66 City Rate

- Overall Rate Allocation

| | |
|---|---|
| County | 28.9% |
| City of Fallon | 21.8% |
| Override | 6.2% |
| State of NV | 4.6% |
| School District | 35.5% |
| Carson Water | 0.8% |
| Mosquito & Weed Abatement | 2.2% |




# Changes in Tax Rate FY 2025

- Override rates: unchanged
- Mosquito & Weed Abatement: unchanged
- School Debt Rate: unchanged
- State Rate: unchanged

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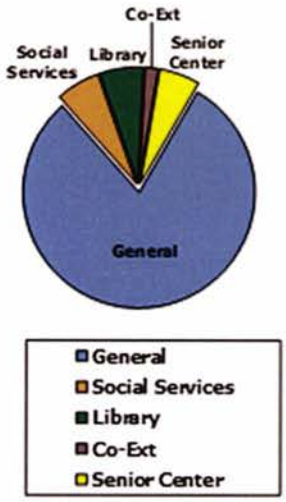
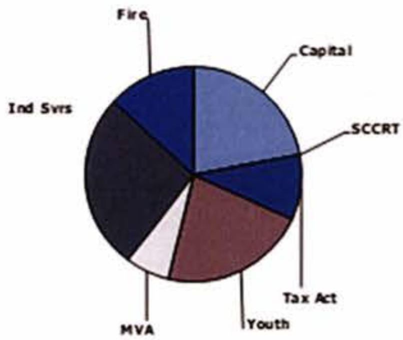
# County Tax Rate Allocation
# $1.056 Rate

- **General Fund 84.6 Cents**
- Social Services 6.50 Cents
- Senior Center 6.00 Cents
- Library 6.5 Cents
- Cooperative Extension 2 Cents




# Allocation of Overrides
# 22.69 Cents

- Capital Improvements 5 cents
- SCCRT Loss Override 0 cents
- Local Gov't Tax Act 2.19 cents
- Youth Services 5.0 cents
- Indigent MVA 1.5 cents
- Indigent Services 6.0 cents
- Fire Equipment 3.0 cents

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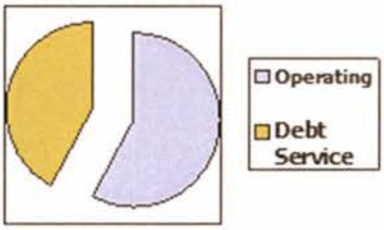
## Allocation of School District $1.30 Tax Rate

- School District Rate
  75 cents Operating
  Set by Statute
  55 cents Debt Service
  Approved by voters
- Debt Rate is 55 cents as approved by rollover bond issue




## FYE 6-30-2023 Top 10 Property Taxpayers

| | | | Fiscal Year 2023 | | |
|---|---|---|---|---|---|
| Taxpayer | Type of Business | Rank | Taxable Estimated Appraised Value (1) | Approximate Taxable Assessed Value | % of Taxable Assessed Valuation |
| ENEL Stillwater Geothermal Plant | Geothermal | 1 | $ 149,967,151 | $ 52,488,503 | 6.72% |
| Ormat Technologies Inc (Nevada) | Geothermal | 2 | 93,383,423 | 32,684,198 | 4.18% |
| ORNI 43 LLC (Ormat Tungsten) | Geothermal | 3 | 50,668,900 | 17,734,115 | 2.27% |
| CYRQ Energy Inc | Geothermal | 4 | 35,956,443 | 12,584,755 | 1.61% |
| Quail Hollow LLC | Manufacturing | 5 | 25,729,809 | 9,005,433 | 1.15% |
| Safety-Kleen Systems LLC (Bango Oil) | Oil Refining | 6 | 18,182,723 | 6,363,953 | 0.81% |
| Wal Mart Stores | Retail | 7 | 17,935,309 | 6,277,358 | 0.80% |
| Alion Science & Technology (URS/Northrop) | Base Contractor | 8 | 16,981,986 | 5,943,695 | 0.76% |
| US Bank National Association | Equipment Leasing | 9 | 15,089,814 | 5,281,435 | 0.68% |
| New Millennium Bldg Systems | Manufacturing | 10 | 13,870,023 | 4,854,508 | 0.62% |

(1) Estimated appraised value assumes that assessed value is 35% of appraised value.

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# Final Budget FY 2025

- Submission Deadline: June 3, 2024
  Amended Final Budget 30 days after close of session(s)
- Nevada Tax Commission Meeting: Last Thursday in June
- Tax Rate Effective: July 1st
- Questions & Answers
- Thank you for your financial oversight and responsibility

# Recommended Action

A motion to approve the Tax Rate for the fiscal year beginning July 1, 2024 and ending on June 30, 2025 as submitted/revised. *Furthermore*, approve the final budget and direct the Comptroller to file the budget with the Department of Taxation as required by statutes.

Or (Recess and schedule another meeting)

Chair Getto asked if there were any questions. Commissioner Scharmann said I do have a question or a comment. The school district gets what 35%? We should watch over the school district a little more closely.

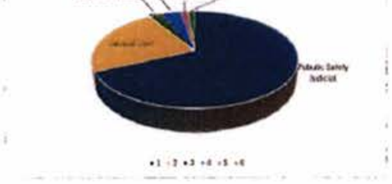
Comptroller Wideman said I wanted to mention the difference on the Tentative Budget that those are the numbers that were submitted for the tentative revenue and the tentative expenditures but those are tweaked just a little bit because, once we send the Tentative Budget to the Department of Taxation, they have small changes so it will not match exactly what you were presented at the last hearing. With the changes, these are the numbers that we came up with. I wanted to note that the $6.6M that is not part of the Capital Outlay that is above the revenues. However, $2M is a placeholder for the RTC funds and for things such as risk assessment. Our estimated opening fund balance for this fiscal year is about $56M. Right now, our fund balance, as of today, is sitting at $53M. We have our sales tax that has come in only through February, so we have four more months of that, which will probably give us another $2.7M.

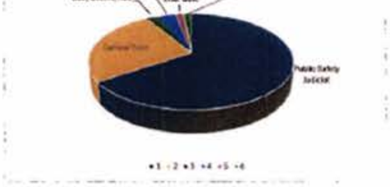
Chair Getto said, on page 3, where it reflects the reduced revenue from CC Communications by $1,657,646, what is that from? Comptroller Wideman said they did not tell me why. That was just part of their Final Budget that they submitted to us. That is what their revenues decreased by. Chair Getto asked if there was any other comment but there were none.

County Manager Barbee provided the following handout:

| | 2019 Total | Budget 24 | 2025 Adj Budget | 19-25 Difference | 24-25 Difference | 2019% | 2025% |
|---|---|---|---|---|---|---|---|
| CO COMMISSIONERS - GEN GOV | $184,327.85 | $189,981.00 | $189,570.00 | $5,242.15 | $ (411.00) | 1% | 1% |
| CLERK & TREA-GEN GOV | $521,852.20 | $737,336.00 | $757,541.00 | $235,688.80 | $ 20,205.00 | 3% | 2% |
| RECORDER-GEN GOV | $268,816.93 | $345,631.00 | $349,790.00 | $80,973.07 | $ 4,159.00 | 1% | 1% |
| RECORDS & MICROFILMING | $10,714.55 | $11,800.00 | $11,615.00 | $900.45 | $ (185.00) | 0% | 0% |
| ASSESSOR-GEN GOV | $606,184.54 | $850,913.00 | $873,614.00 | $267,429.46 | $ 22,701.00 | 3% | 3% |
| COUNTY MANAGER-GEN GOV | $353,124.89 | $615,655.00 | $823,705.00 | $470,580.11 | $ 208,050.00 | 2% | 4% |
| FACILITIES/GROUNDS/MAINT | $761,547.53 | $1,049,908.00 | $1,060,298.00 | $298,750.47 | $ 10,390.00 | 4% | 5% |
| ELECTIONS-GEN GOV | $203,330.23 | $133,470.00 | $159,270.00 | -$44,060.23 | $ 25,800.00 | 1% | 1% |
| PERSONNEL-OPERATIONS | $160,022.21 | $314,684.00 | $253,203.00 | $93,180.79 | $ (61,481.00) | 1% | 1% |
| PERSONNEL-STAFF DEVELOP | $0.00 | $7,800.00 | $7,800.00 | $7,800.00 | $ - | 0% | 0% |
| PERSONNEL-BENEFIT SERV | $14,434.34 | $27,000.00 | $27,000.00 | $12,565.66 | $ - | 0% | 0% |
| COMPTROLLER-GEN GOV | $427,319.52 | $680,899.00 | $705,154.00 | $277,834.48 | $ 24,255.00 | 2% | 3% |
| DATA PROCESSING | $451,916.08 | $1,363,220.00 | $804,829.00 | $352,912.92 | $ (558,391.00) | 2% | 4% |
| GEN GOVT OTHER-GEN GOV | $778,657.00 | $1,472,400.00 | $1,572,400.00 | $793,743.00 | $ 100,000.00 | 4% | 8% |
| BUILDING INSPECTION | $290,140.54 | $400,402.00 | $353,344.00 | $63,203.46 | $ (47,058.00) | 1% | 2% |
| PLANNING DEPT-GEN GOV | $509,488.82 | $885,849.00 | $884,543.00 | $375,054.18 | $ (1,306.00) | 2% | 3% |
| FLEET MAINTENANCE | $0.00 | $0.00 | $321,381.00 | $321,381.00 | $ 321,381.00 | 0% | 1% |
| DISTRICT COURT-JUDICIAL | $770,989.59 | $921,318.00 | $942,336.00 | $171,346.41 | $ 21,018.00 | 4% | 3% |
| DISTRICT ATTRNY-JUDICIAL | $2,103,762.25 | $2,923,624.00 | $3,012,134.00 | $908,371.75 | $ 88,510.00 | 10% | 10% |
| JUSTICE COURT-JUDICIAL | $620,049.27 | $773,302.00 | $804,314.00 | $184,264.73 | $ 31,012.00 | 3% | 3% |
| COURT SERVICES-JUDICIAL | $253,131.17 | $430,216.00 | $436,432.00 | $183,300.83 | $ 6,216.00 | 1% | 1% |
| INDIGENT DEFENSE-JUDICIAL | $543,093.94 | $555,000.00 | $555,000.00 | $11,906.06 | $ - | 3% | 2% |
| PUBLIC DEFENDERS-JUDICIAL | $0.00 | $335,825.00 | $1,154,257.00 | $1,154,257.00 | $ 818,432.00 | 0% | 4% |
| ALT PUBLIC DEFENDER-JUDICIAL | $0.00 | $300,107.00 | $493,698.00 | $493,698.00 | $ 193,591.00 | 0% | 2% |
| SHERIFF-PUBLIC SAFETY | $6,540,641.67 | $9,409,368.00 | $9,040,857.00 | $2,500,215.33 | $ (368,511.00) | 31% | 29% |
| FIRE PROTECT-PUBLIC SAFETY | $762,995.46 | $1,177,601.00 | $1,094,051.00 | $331,055.54 | $ (83,550.00) | 4% | 3% |
| EMERGENCY MGMT-PUBLIC SAFETY | $530,643.35 | $176,686.00 | $94,364.00 | -$436,259.35 | $ (82,322.00) | 3% | 0% |
| JUVENILE PROB-PUBLIC SAFETY | $973,301.19 | $1,290,586.00 | $1,268,132.00 | $294,830.81 | $ (22,454.00) | 5% | 4% |
| JPO DETENTION CNTR-PUBLIC SAFT | $1,131,786.82 | $1,462,596.00 | $1,579,131.00 | $447,344.18 | $ 116,535.00 | 5% | 5% |
| CITY/CO HEALTH EXP-HEALTH | $47,164.29 | $116,000.00 | $116,000.00 | $68,835.71 | $ - | 0% | 0% |
| CEMETERY-HEALTH & SANIT. | $224,023.01 | $346,303.00 | $360,509.00 | $136,485.99 | $ 14,206.00 | 1% | 1% |
| MUSEUM-CULTURE & REC | $351,074.97 | $534,182.00 | $526,023.00 | $174,948.03 | $ (8,159.00) | 2% | 2% |
| COMMUNITY SUPPORT | $171,104.40 | $191,500.00 | $191,500.00 | $20,395.60 | $ - | 1% | 1% |
| INTERGOVERNMENTAL EXPEND | $261,973.00 | $443,765.00 | $443,765.00 | $181,792.00 | $ - | 1% | 1% |
| | $20,827,611.61 | $30,474,937.00 | $31,267,580.00 | $10,439,968.39 | $ 792,643.00 | | |

| | | | | 201900% | 202500% |
|---|---|---|---|---|---|
| Public Safety Judicial | $14,230,364.71 | $19,756,239.00 | $20,474,726.00 | 68% | 65% |
| General Government | $4,780,329.70 | $8,037,040.00 | $8,094,759.00 | 23% | 26% |
| Cultural, Community, and Rec | $522,179.37 | $725,682.00 | $717,523.00 | 3% | 2% |
| Facility, Grounds and Maintance | $761,547.53 | $1,049,908.00 | $1,060,298.00 | 4% | 3% |
| Inter Government | $261,973.00 | $443,765.00 | $443,765.00 | 1% | 1% |
| Health & Sanit | $271,187.30 | $462,303.00 | $476,509.00 | 1% | 2% |
| | $20,827,611.61 | $30,474,937.00 | $31,267,580.00 | | |



Mr. Barbee said I wanted to address some things at a high level and then give you a little bit of perspective. I worked with Sherry to pull some numbers that I felt would give you a good comparison over the last five years. It is 5 years, plus or minus a year, based on when audits have been completed and I will address those as I go through this. I wanted to address some missed numbers that came out in the public that are way off the mark. The sheet that Sherry just referenced, which has been updated by the Department of Taxation, shows our noncapital expenditures. To give you an idea where the county is and what kind of financial shape we are in, we are in a very strong financial shape. I think I can quote Sherry in saying we are in the strongest financial shape the county has ever been historically. Comptroller Wideman said the cash balance is as high as it has ever been since I have been here. Mr. Barbee said the numbers I would point to is, if you look at our 2019 Churchill County net position, which is by audit, so these are not numbers that Sherry generates or that I generate – this the audit that comes in at the end of the year, shows that 2018 we were at $136M. In 2023, the most recent completed audit, that same net position was $189M. In those five years, our net position at the county, in terms of value, has increased by $52.5M, which is a significant increase but a good trend. A lot of that has to do with the difference between one-shot money and revenue that is coming in and expenditures that are going out.

We have really drilled in and focused on the General Fund and that is the reference to the sheet that you have in front of you. This really gives us a comparison of where our expenditures are, where they were in 2019, where they were in 2024, and then where they wound up in 2025. That gives you a comparison over the last five years but also gives you a direct comparison between 2024 and 2025. As you go down the list on the left, you can see all of the different programs that are funded by the General Fund. For example, you do not see the Road Department because they have their own set-aside money. They perform within their budget, so that has not been an issue. If you look at the rest, including the County Manager's office, the District Court, Sheriff, all of those are listed in there. In the 2024-2025 difference and comparison between the budget that we are in and the budget that we are moving towards, you can see where there is some red in paratheses numbers, which is the amount that the budget reduced from 2024 versus what we are asking you to approve in 2025. Some of those are red and some of those are in the black and have an actual increase in budget. Some of that has to do with the union association mandated pay increases or negotiated pay increases. Some of those have to do with positions and the changes that we made in moving a position from one budget to another. The example would be the HR position from HR to the County Manager's budget for the Assistant County Manager/HR Director position.

If you look at the far right of that column, you have a percentage of the total general fund budget from 2019 and in 2025, which gives you a fairly decent apples-to-apples comparison. That is the amount of the budget that each program or department is receiving. We have a couple of examples where it has changed by 2% - the Sheriff's office dropped by 2% and a couple where it has gone up by 1% or 2%. All in all, relatively close. If you add those percentages, I will flag it before you try to correct me, it adds up to 101% because they are rounded up or rounded down.

Commissioner Scharmann said are we getting state money for the public defender? Mr. Barbee said, with the Public Defender budget, based on that lawsuit that went through in 2017 or 2018, which was settled, and then the Nevada Legislature, in 2019, passed the Department of Indigent Defense and the Indigent Defense Board, which has mandated powers to govern indigent defense or public defense in the counties. They have set up a fund and calculated what our base historical cost was. I am going to throw out general numbers but not right on the money, although it is close, around $450,000 that we were spending on Public Defenders. That number, each year, is supposed to stay the same and that is what the county pays year after year, although it may have a little inflation ticker on there at 3% or something. Comptroller Wideman agreed and said it is small. Mr. Barbee said that goes up just a little bit that the county has to pay. Everything above that is reimbursed through the state, by state law. The example would be the furniture that you approved the purchase on for the new Public Defender's offices, which is making room for an additional five staff that you were legally required to approve because it was mandated by the Indigent Defense Board. The state is making up the difference in those costs for everything over that roughly $450,000. I think, out of that furniture purchase, the county only paid 10% of the cost of that furniture. Again, that draws out a really good point that it gets very complicated because there is money coming in that is tied specifically to things, such as the Road Department, which does not affect the General Fund and they are operating within their budget. If the Road Department was not operating within their budget and we had to supplement them with General Fund, then that would be a concern.

What I tried to do in the lower section of this handout was to show a smaller, tighter group for public safety and judicial, all of those things that deal with public safety, the courts, and then cultural, community, and recreational to give you an example. Oh, I see a couple of typos on percentage. I meant to erase the percentage. For 2019, you can see it says 68% for public safety and 65% for 2025 of the budget. General government goes from 23% to 26%. Cultural, community and recreation goes from 3% to 2%. Facilities, grounds and maintenance went from 4% to 3%. As you read down this list, it gives you a comparison between 2019 and 2025.

Some of the public thoughts and comments are that we are expending a tremendous amount of money on the Rafter 3C and the expansions we have made there. We are expending $290,000 in the 2025 budget more than we expended in 2019 but the thing that throws in a ruffle there is that facility generates money, so we are also generating revenue versus programs that are just expending revenue in terms of booking fees and such. Additionally, you have the economic impact factor. What is economic impact? We talk about and throw around that term but we haven't really defined it in front of the Commission. It examines the effect of an event on the economy in a specific area ranging from a single neighborhood to an entire globe. It usually measures changes in business revenue, business profits, personal wages and/or jobs. The Rafter 3C multiplier is a conservative low value based on the national fairground data average for an overnight stay, for example, is $160. We utilize $140. Utilizing the new software that we purchased, we can identify how many come to an event and we can identify out of that number how many of them actually spent the night and then that would be a multiplier times $140, which then comes up with that economic impact that we have worked hard to keep very conservative. If we show that we had $10M in economic impact, we can extrapolate from that that we should have around $750,000 for generating new money from the outside coming in as tax revenue based on sales tax. That is counted one time, but that is money coming from the outside of the community into the community and it keeps spending within that community, so it actually becomes more than that but we do not go there. We try to keep it very conservative, as much as we possibly can. I think we are now at $9M in economic impact from the facilities to date in this fiscal year. We believe we are going to be between $10M and $12M total in economic impact. Jesse Segura will report on that to you at the end of the year.

Lastly, to give the perspective that we are clearly in a strong economic situation, but we are suggesting that we take these measures to be conservative to ensure that we stay in a strong economic situation. We are sitting on more than $25M and we have projects that you have identified that you want us to pursue in the future for capital improvement projects. The courthouse is going to be around $30M, so we continue to look for other funds to get us there. The Commission could choose to change those priorities. There are reasons why that is currently a priority and I don't think those reasons have gone away. That is always something under the authority and flexibility of the Commission.

With regard to facilities, grounds and maintenance components of that increase of $290,000, it is important that you also remember that this includes the pool, the baseball fields, and it is not just the Rafter 3C. That is across the board. I think, generally speaking, I would suggest that we have seen increases in revenue over the past five years in terms of the CTax, which I provided last time. What we did see was an increase four years ago, roughly. The biggest jump in that increase was in CTax. The inflation has come on the backside of this past four years and that is part of what has created this crunch because, as we expanded to utilize the expansion in revenue that we received, now the inflation has hit and that is where you see the increases in utilities and why we see some budgets still growing rather than shrinking, even though we are asking for reductions. That plays a significant role. Hopefully, that gives you a little better perspective and gives you some comparable to see where we are at versus where we were, not only last year but also five years ago.

Commissioner Heath said can you talk about the issue with District Attorney's office where their budget in 2019 was at $2.1M and then they go to $2.9M. Mr. Barbee said, to give you perspective so that you clearly understand, because I don't think what Art said is inaccurate but what the District Attorney suggested isn't out of line with what other departments have suggested too is true that they have been very conservative with their budget and they haven't expanded their budget. What that will reflect is that the cost of operations has increased, utilities have increased, all of that has increased. They were 10% of the total budget in 2019 and they are 10% of the total budget in 2025. I noted that changed and suggest they are actually up $88,000 in the 2025 budget over the 2024 budget. Comptroller Wideman said it is salaries and benefits. Mr. Barbee said the salaries have a big impact. Everybody continues to receive their merit increases.

Mr. Barbee said the last thing I was going to close with is that Sherry and I sat down and really talked about, in retrospect, how we have done this and how we have gotten here in the process over the past three months in bringing you the budget. We are going to suggest next year moving forward more of a state version where we are bringing forward a base budget amount based on our closing numbers and data that we have in January. Not only bringing that forward to you but bringing forward to the Department Heads to say this is what our forecast is on what our revenue will be. That should really guide their supplemental or enhancement requests that they are bringing to you. If we are showing that we think revenue is going to be flat in 2026 as compared to 2025 and a Department Head comes in with a bunch of increases across the board, you will know that I am looking at the revenue currently and we are not showing that we will have that kind of additional funding to expend, so that it is not a matter of doing it by here is what we would like to fund, now let's see if Sherry can match the revenue to that expenditure. I think that is part of the issue that got us to where we are at in making a crunch now. We really need to know what Sherry's projection is for revenue that she feels comfortable with and then we build our budget to that. Then, in that next year, if we show that we have a better standing that what we had projected, that is bonus, that is good, and that is where we want to be. Then, we can take that into consideration as we move forward. That is one change that I would suggest as we work on the budget. Comptroller Wideman said the bottom line is our taxes only go up 3% and the sales taxes are flat.

Chair Getto asked if there were any board questions or comments but there were none. He then asked if there was any public comment but there was none.

**Commissioner Justin Heath made a motion to approve the Tax Rate for the Fiscal Year beginning July 1, 2024 and ending on June 30, 2025 as submitted and, furthermore, approving the Final Budget as submitted and directing the Comptroller to file the Budget with the Department of Taxation as required by statutes. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.**

**Public Comment:**

Chair Getto asked if there was any public comment but there was none.

**Adjournment:**

The meeting was adjourned at 4:28 PM.

Approved: ______________________
Myles Getto, Chairman

Approved: ______________________
Harry "Bus" Scharmann, Vice-Chairman

Approved: ______________________
Justin Heath, Commissioner

ATTEST:
Linda Rothery, Clerk/Treasurer

Pamela D Moore

Pamela D. Moore, Deputy Clerk to the Board