

Official Proceedings
Codington County Justice Advisory Committee
Lake Area Technical Institute, Room 430
Watertown, SD 57201
April 4, 2017

The Codington County Justice Advisory Committee (CCJAC) met on April 4, 2017, at Lake Area Technical Institute. Attending were committee members Lee Gabel, Megan Olson, Al Koistinen, Greg Endres, Larry Wasland, Brad Howell and Troy Van Dusen. Also present was non-voting member, the Honorable Robert Spears; absent was Tom Walder. Meeting called to order by Chairman Lee Gabel at 6:13 p.m.

Agenda /Minutes Approved

Motion to approve the meeting agenda was made by Van Dusen. Motion seconded, all in favor, agenda approved.

Motion to approve minutes of the March 7 meeting was made by Olson. Motion seconded, all in favor, minutes approved.

Option Updates

A compromise has been reached with the City, by which the City would retain part of the parking area immediately north of the auditorium. This reorients the jail along the north side of the block (see attached diagram), requiring acquisition of up to three nearby properties sooner than was expected. The owners of the three properties have been approached and would agree to sell. The city has agreed to vacate the northern portion of the alley necessary for the jail building. There will be some utilities that will need to be moved. The City set the price to be pro-rated per square foot, based upon the appraisal obtained by the City, which valued the entire parking lot at \$462,000. The portion required for the jail, will therefore cost at least \$300,000.

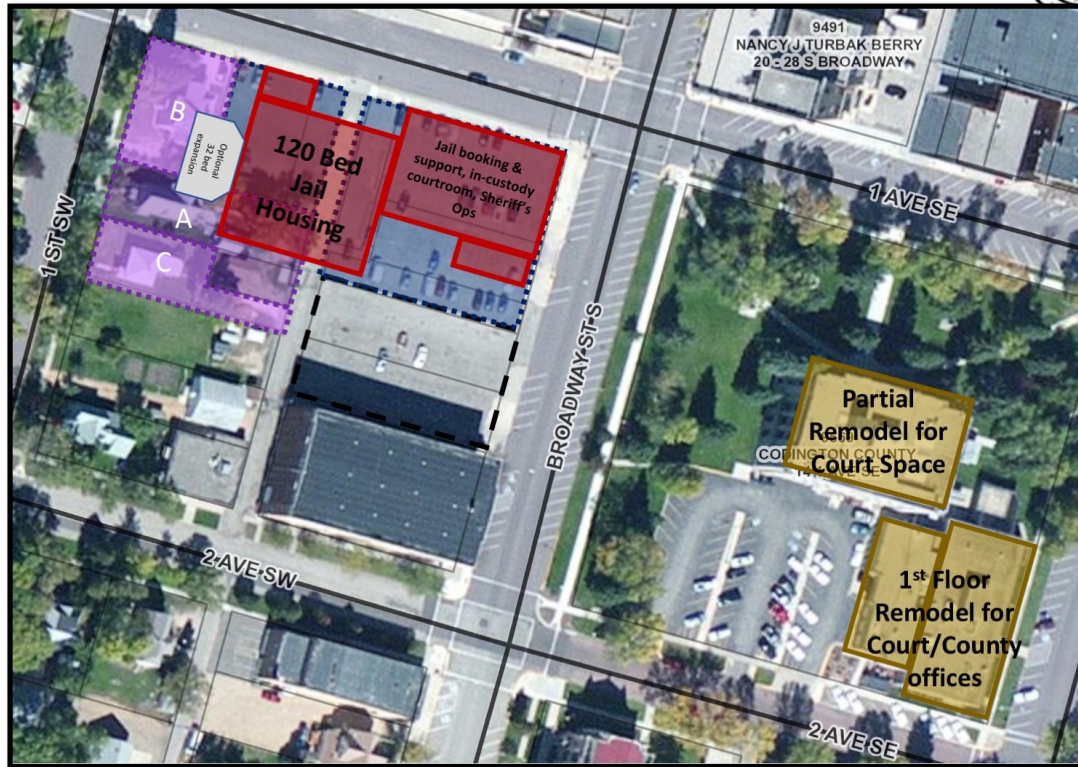
Discussion on Ballot Language

The election has been set for June 20, 2017. The committee held a teleconference with Toby Morris, the financial advisor who has been hired to work with the bond counsel. The proposed ballot language (in attached slides) was presented and discussed. The language is standard and is broad by intent, allowing extra items to be included per IRS standards if there are extra proceeds. A 20-year term is standard, and there is not much of a break in interest by going longer than 20 years. The maximum amount is for \$19M. The exact amount will need to be determined by the time the resolution is adopted by the County Commissioners.

Motion was made by Olson to recommend the presented ballot language to the County with the recommendation that the County look at ways to reduce the bond amount to under \$19M, motion seconded. All in favor, motion carried.



The current concept



Ballot Language

SHALL CODINGTON COUNTY, SOUTH DAKOTA, ISSUE AND SELL ITS NEGOTIABLE GENERAL OBLIGATION BONDS IN A REGISTERED PRINCIPAL AMOUNT NOT EXCEEDING \$19,000,000, ISSUED IN ONE OR MORE SERIES, BEARING INTEREST AT SUCH RATES AS MAY BE DETERMINED BY THE COMMISSION, PAYABLE AND MATURING FROM 1 AND NOT TO EXCEED 20 YEARS AFTER THE YEAR OF ISSUANCE, FOR THE PURPOSE OF CONSTRUCTING, RENOVATING AND EQUIPPING JUSTICE AND PUBLIC SAFETY FACILITIES.

SHALL THE ABOVE PROPOSITION BE APPROVED AND THE BONDS ISSUED?



If the voters approve – looking ahead

- Architect for rest of project.
 - RFP written to allow continue with BKV
 - BKV requests letter expressing intent
- Project Manager/Owner's Rep e.g.
 - General Project Administration/Coordination
 - Project Communications
 - Contractual Agreements
 - Master Budget Administration
 - Cost Control
 - Project Accounting
 - Schedule Management
 - Design Process Management
 - Risk Management, Quality Assurance, Disruption Avoidance
- Construction Manager



Public Awareness – Key Points

- We have a need – Facilities are inadequate
- Law says counties are responsible to fix
- Voters have a voice
- Voters can help minimize the cost over time by acting now
 - Doing it right this time saves \$ in the long run



Tax Impact

Codrington County
 General Obligation Bond
 Annual Property Tax Impact Summary Estimates

DOUGHERTY & COMPANY LLC

Levy Assumptions	
Par Amount:	\$19,000,000
Term:	20
Estimated Interest Rate:	3.75%
Avg Annual Levy:	\$1,367,280
2017 Estimated Value:	\$2,435,461,176
Tax Rate per \$1,000	\$0.56

Preliminary Draft

Annual Property Tax Impact Summary 2017 Valuation							
Type of Property	Assessed Value	Taxable Value	Impact	Average Agricultural per Acre by Township			
				Township	Assessed Value per Acre	Taxable Value	Impact per Acre
Non-Ag (Residential, Commercial) 93.3% taxable factor	\$50,000	\$46,650	\$26.19	Eden	\$1,984	\$1,686	\$0.95
	\$75,000	\$69,975	\$39.28	Dexter	\$1,920	\$1,632	\$0.92
	\$100,000	\$93,300	\$52.38	Leola	\$1,333	\$1,133	\$0.64
	\$125,000	\$116,625	\$65.47	Germanatown	\$2,004	\$1,703	\$0.96
	\$150,000	\$139,950	\$78.57	Phipps	\$1,612	\$1,370	\$0.77
	\$175,000	\$163,275	\$91.66	Fuller	\$1,910	\$1,624	\$0.91
	\$200,000	\$186,600	\$104.76	Rauville	\$1,887	\$1,604	\$0.90
	\$300,000	\$279,900	\$157.14	Waverly	\$1,931	\$1,641	\$0.92
	\$400,000	\$373,200	\$209.52	Graceland	\$1,739	\$1,478	\$0.83
	Agricultural 85% taxable factor	\$100,000	\$85,000	\$47.72	Richland	\$1,753	\$1,490
\$200,000		\$170,000	\$95.44	Lake	\$1,410	\$1,199	\$0.67
\$300,000		\$255,000	\$143.16	Elmira	\$1,998	\$1,698	\$0.95
\$400,000		\$340,000	\$190.88	Krazburg	\$2,085	\$1,772	\$0.99
\$500,000		\$425,000	\$238.60	Henry	\$1,929	\$1,640	\$0.92
\$600,000		\$510,000	\$286.32	Kampeska	\$1,867	\$1,587	\$0.89
\$700,000		\$595,000	\$334.04	Pelican	\$1,984	\$1,686	\$0.95
\$800,000		\$680,000	\$381.76	Sheridan	\$2,076	\$1,765	\$0.99
\$900,000		\$765,000	\$429.47	County Highest in county	\$1,854	\$1,576	\$0.88
\$1,000,000		\$850,000	\$477.19	county	\$2,760	\$2,346	\$1.32

\$19M Bond [\$24M - \$5M saved]

20 year @ 3.75%

tax per \$1,000: \$0.56



ESTIMATE

Non-Ag (Residential, Commercial)			
Assessed Value	Taxable Value (93.3% of assessed)	Annual Impact	Monthly Impact
\$50K	\$46,650	\$26.19	\$2.18
\$100K	\$93,300	\$52.38	\$4.36
\$200K	\$186,600	\$104.76	\$8.73
\$300k	\$279,900	\$157.14	\$13.09
\$400k	\$373,200	\$209.52	\$17.46
Agricultural			
Assessed Value	Taxable Value (85% of assessed)	Annual Impact	Monthly Impact
\$400k	\$340,000	\$190.88	\$15.91
\$500K	\$425,000	\$238.60	\$19.88
\$600K	\$510,000	\$286.32	\$23.86
\$800K	\$680,000	\$381.76	\$31.81
\$1M	\$850,000	\$477.19	\$39.77
Agricultural (per acre)			
County Average	\$1,854	\$1,576	\$0.88
Highest in county	\$2,760	\$2,346	\$1.32