

STATE APPEAL BOARD

**In re: Carroll County Conference Board)
Budget Appeal)
)
)
FY2001-2002)**

Order

April 24, 2001

BEFORE STATE AUDITOR, RICHARD D. JOHNSON; STATE TREASURER, MICHAEL L. FITZGERALD; AND THE DIRECTOR OF THE DEPARTMENT OF MANAGEMENT, CYNTHIA P. EISENHAUER:

The above captioned matter was heard on April 17, 2001 before a panel consisting of Ronald J. Amosson, Executive Secretary to the State Appeal Board and presiding officer; Gretchen C. Page, Investment Officer I, Office of State Treasurer, and Kevin J. Borchert, Professional Development Director, Office of Auditor of State.

The hearing was held pursuant to Section 441.16 and Chapter 24 of the Code of Iowa. John Werden, Carroll County Attorney and other Officials represented the County Conference Board and Marty Danzer and other individuals spoke on behalf of the petitioners.

Upon consideration of the specific objections raised by the petitioners, the testimony presented to the hearing panel at the public hearing, the additional information submitted to the hearing panel, and after a public hearing to consider the matter, the State Appeal Board has voted to sustain the Carroll County Conference Board's fiscal year 2002 budget.

PROCEDURAL HISTORY

The FY2002 Carroll County Conference Board's proposed budget summary was published in the Carroll Today, Carroll, Iowa, on February 23, 2001, The Times Herald, Carroll, Iowa on February 19, 2001, and in The Coon Rapids Enterprise, Coon Rapids, Iowa on February 22, 2001. The date of the public hearing was March 5, 2001 and the budget was adopted on that same day.

A petition protesting the certified FY2002 Carroll County Conference Board budget was filed with the Carroll County Auditor on March 22, 2001 and was received by the State Appeal Board on March 27, 2001. On the petition document, the petitioners outlined their basic objection to the budget. They objected to the expenditures for the new multi-year geographic information system (GIS). The reasons for the objection, as stated in the petition, were that the new information technology (IT) department was being funded with a split between the General Basic Fund, the rural levy, the Conference Board and the Secondary Road's budget the first year. The petitioners do not believe this is the time to embark on a project of this magnitude as few counties across the state, with most being more populated, have even begun such a project and no County has "completed" such a project. The petitioners do not believe that this program is necessary, reasonable or in the interest of the public welfare.

DISCUSSION

At the public hearing, several individuals presented the petitioner's objections to the FY2002 Carroll County Conference Board's budget.

PETITIONERS

The petitioners requested that the State Appeal Board direct the Carroll County Conference Board to take the following actions.

1. Eliminate funding for the GIS system from the County Conference Board's budget.
2. Reduce taxes accordingly.

A summary of additional petitioners' remarks follows:

GIS System

With current farming income falling and other expenses increasing faster than inflation, a project of this magnitude is not in the best interest of the taxpayers. In addition, the petitioners indicate that the contract for this project was entered into prior to the adoption of the budget and before the appropriations were made. Also, the GIS Committee's recommendation discussing the cost and benefits of the system mentions that it will not reduce staff or save money. Also, the list of people who will benefit from the system includes appraisers, realtors, attorneys, surveyors, and other businesses that routinely conduct transactions with the courthouse. The list does not benefit a large amount of Carroll County taxpayers. The petitioners note that the GIS system will not encourage businesses to move to the Carroll County area and other databases which can provide similar information are free.

CARROLL COUNTY CONFERENCE BOARD'S RESPONSE

Carroll County Conference Board's responses to part of the petitioners' concerns are as follows:

GIS System

The new IT Department is being funded totally from the General Fund, not a combination of funds as suggested by the petitioners. The IT Department is an expansion of the current Data Processing Department currently funded from the General Fund. Also, the County noted that 47 other Counties are currently involved in a GIS project or have completed one, several of them smaller than Carroll County. In addition, the County noted that Chapter 331.441(2)(b)(11) defines "...a geographic computer data system suitable for automated mapping and facilities management" as an "essential" County purpose.

The County's current aerial mapping system is in need of updating, the current maps were created in 1990. The City of Carroll contacted the County Assessor's Office about the possibility of digital photography and map conversion for the City of Carroll in 1998. The County felt that it would be in the best interest of all taxpayers to complete an update of the entire County at the same time as opposed to a piece meal approach. The project was discussed at several meetings of the Conference Board, providing ample opportunity for input from the public. The Conference Board established a committee to file a written report with the Board prior to the Board proceeding further with the project. After the hiring of a GIS Coordinator and the receiving of the GIS Coordinator's report, the Board decided to proceed with the project at a total cost of \$314,561.76. The GIS system will provide the County with a tool that will be much more

versatile and powerful than conventional aerial photography and will be the basis for many other projects in the future.

The County noted in reference to the contracts being entered into prior to the appropriation of funds that the contract includes a stipulation that if expenditures exceed the amount budgeted in a given year, the County Conference Board is not obligated to make payments on the outstanding balance until the next fiscal year when funds are budgeted and become available.

CONCLUSIONS OF LAW

The State Appeal Board has jurisdiction over the parties and the subject matter of this appeal, pursuant to Iowa Code sections 24.28 and 441.16.

BASIS OF DECISION

GIS System

The creation of an IT Department within the County's General Fund appears to be a proper expenditure of this Fund. The County stated and the budget forms indicate that the Department is to be funded totally from the General Basic Fund levy and therefore does not affect the County Conference Board's levy for FY2002.

One of the arguments by the petitioners in opposition to the expenditures for the GIS system was that other counties of Carroll County's size have not undertaken or completed such a project. The County produced significant documentation to the contrary. Additionally, the Code of Iowa does state that such systems are "essential" county purposes. The County documented that significant study was put into this project and that the public had ample opportunity to voice their concerns over the projects. The project appears to be necessary, reasonable and in the interest of the public welfare.

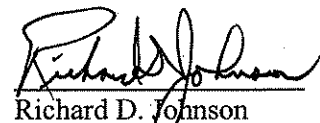
ORDER

Based on the financial position of the County Conference Board, information provided by the parties involved and in reviewing the historical data of the Carroll County Conference Board, the State Appeal Board votes to sustain the County Conference Board's budget as originally approved.

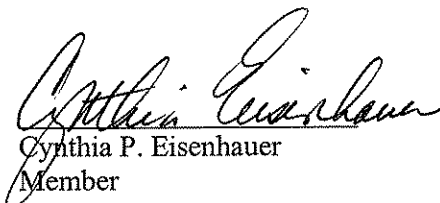
STATE APPEAL BOARD



Michael L. Fitzgerald
Chairperson



Richard D. Johnson
Vice Chairperson



Cynthia P. Eisenhauer
Member

April 24, 2001
Date