

MINUTES
FISCAL 2009-2010 BUDGET HEARING
LANCASTER COUNTY BOARD OF COMMISSIONERS
TUESDAY, AUGUST 25, 2009
COMMISSIONERS HEARING ROOM, ROOM 112
FIRST FLOOR, COUNTY-CITY BUILDING
7:00 P.M.

Commissioners Present: Bernie Heier, Chair
Ray Stevens, Vice Chair
Deb Schorr
Larry Hudkins

Commissioners Absent: Bob Workman

Others Present: Dennis Meyer, Budget and Fiscal Officer
Cori Beattie, Deputy County Clerk
Angela Zocholl, County Clerk's Office

The location announcement of the Nebraska Open Meetings Act was given and the meeting was called to order at 7:00 p.m.

1) PUBLIC HEARING:

A. Keno Fund Projects

The Chair opened the public hearing.

Dennis Meyer, Budget and Fiscal Officer, was administered the oath.

Meyer reviewed the Keno Fund Budget. He said the majority of the money is set up for road projects: East Beltway, Arbor Road, and Alvo Road. The remaining balance is used for prevention grants, saline wetland, and the motocross project at the Abbott Sports Complex.

Schorr said the Prevention Fund Advisory Board met to allocate the prevention grants, noting there was \$49,000 available and \$165,000 in requests.

MOTION: Stevens moved and Hudkins seconded to close the public hearing. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

B. Lancaster County's Proposed Budget for Fiscal Year 2009-2010

Bernie Heier, Chair of the Board, opened the hearing and gave a statement on the proposed budget.

- ❖ The total proposed Budget of Expenditures is approximately \$180,500,000, which is a 2.48% increase from the previous year.

- ❖ With the 0.77% decrease in valuation, the proposed tax rate would be \$0.2703 versus the previous year's rate of \$0.2683. Keeping the same tax rate as the previous year would result in a decrease of approximately \$382,000.
- ❖ The total budget of expenditures in the General Fund has increased by 2.17% over the previous year's budget. Some notable changes involve reimbursement of the adult correctional facility bond proceeds, a decreased election commission budget due to fewer elections, discontinuing payments for the architects and construction manager for the new adult detention facility, a switch to individual attorneys for the Juvenile Court system, and an increase in Corrections due to additional boarding contracts and officers.
- ❖ Property tax in the debt service fund will decrease by \$688,667.
- ❖ The Lancaster Manor budget of expenditures has been established. A transfer of \$1,400,000 from the General Fund and a reduction in staff will help balance the budget with the lower revenue estimates based on census numbers.
- ❖ Increased use of the Mental Health Center has increased costs, which will result in an increase of \$506,107 in property tax.

Coby Mach and Ron Ecklund, representing the Lincoln Independent Business Association (LIBA), were administered the oath.

Mach discussed and submitted documentation on LIBA's recommendations (Exhibit A).

- ❖ Proceed with the structured sale of Lancaster Manor.
- ❖ Scrutinize the level at which the County provides service.
- ❖ Reduce the Community Mental Health Center's budget by \$300,000.
- ❖ Seek payment for parking from employees.
- ❖ Cut back on the StarTran program.
- ❖ Work toward a hiring freeze, discontinuing funding of new positions and reclassifying positions mid-year.
- ❖ Adopt a benefits policy that requires 30 hours per week for employees to be eligible.
- ❖ Reduce the County's retirement plan.
- ❖ Discontinue funding mid-year budget requests unless deemed an emergency.
- ❖ Require each department to present a budget at 91% for tax-funded budgets and 95% for non-tax-funded budgets.

Hudkins clarified that the \$1,400,000 transfer to Lancaster Manor is still under control of the County Board and is not directly put into their budget.

Mark Vasina, Nebraskans for Peace, and Dr. Linda Ruchala, University of Nebraska, were administered the oath.

Vasina submitted a report on the Lancaster Manor 2010 budget (Exhibit B). He addressed the recommendations of the report.

- ❖ Adjust the budget to correct errors to budgeted expenditures.
- ❖ Develop responsible revenue projections using standard cost accounting methods and strategic budgeting.
- ❖ Fund budgeted expenditures for capital outlay with capital improvement bonds.

Long-term capital funding of the Manor was discussed.

Kyle Fischer, representing Lincoln Chamber of Commerce, was administered the oath.

Fischer thanked Stevens for his attendance at the Chamber's monthly meetings. He also thanked the Board for allowing him to be a part of the Budget Monitoring Committee. Fischer said a 2.17% budget increase is satisfactory, and he expressed his agreement with the LIBA recommendations.

The Chair asked if anyone else wished to testify.

Dennis Meyer, Budget and Fiscal Officer, was administered the oath.

Meyer listed possibilities for addressing the budget shortage.

- ❖ Look to larger department budgets for cuts, including Corrections and Community Mental Health Center.
- ❖ Reduce the contingency fund.
- ❖ Use \$300,000-400,000 from the \$3,200,000 being reimbursed from the jail to the general fund.
- ❖ Look at inheritance tax.
- ❖ Transfer money from the Keno Fund to the General Fund.

Stevens suggested implementing a hiring freeze, tracking the savings between now and mid-year, with the possibility of using inheritance tax or keno funds to cover any amount the hiring freeze does not save.

Schorr mentioned other larger department budgets that may be able to cut: Sheriff, County Attorney, and Public Defender.

Hudkins suggested not hiring the staff for the new jail as soon as planned.

MOTION: Hudkins moved and Stevens seconded to close the public hearing. Schorr, Hudkins, Stevens and Heier voted aye. Motion carried 4-0.

2) **ADJOURNMENT**

MOTION: Schorr moved and Stevens seconded to adjourn the meeting at 7:50 p.m. Schorr, Stevens, Hudkins, and Heier voted aye. Motion carried 4-0.

Dan Nolte
Lancaster County Clerk