

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING, ROOM 113  
THURSDAY, FEBRUARY 2, 2012  
8:30 A.M.**

*Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on February 1, 2012.*

Commissioners Present: Deb Schorr, Chair  
Larry Hudkins, Vice Chair  
Jane Raybould  
Brent Smoyer

Commissioners Absent: Bernie Heier

Others Present: Kerry Eagan, Chief Administrative Officer  
Gwen Thorpe, Deputy Chief Administrative Officer  
Dan Nolte, County Clerk  
Cori Beattie, Deputy County Clerk  
Ann Taylor, County Clerk's Office

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:30 a.m.

**AGENDA ITEM**

**1 APPROVAL OF THE MINUTES OF THE TUESDAY, JANUARY 26, 2012 STAFF MEETING**

**MOTION:** Raybould moved and Smoyer seconded approval of the minutes of the January 26, 2012 Staff Meeting. Raybould, Smoyer, Hudkins and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

**2 ADDITIONS TO THE AGENDA**

A. Comprehensive Benefit Analysis

**MOTION:** Hudkins moved and Raybould seconded approval of the addition to the agenda. Hudkins, Raybould, Smoyer and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

### 3 LEGISLATIVE UPDATE - Joe Kohout, Kissel/E&S Associates

Joe Kohout, Kissel/E&S Associates, presented a legislative update (Exhibit A). He noted that Deb Schorr, County Board Chair; Terry Wagner, Lancaster County Sheriff; Kit Boesch, Human Services Administrator; and Judy Halstead, Lincoln-Lancaster County Health Department (LLCHD) Director, testified at the Revenue Committee's hearing on how Legislative Bill (LB) 970 (Terminate the inheritance tax and change income tax rates and calculation) would impact different areas of county government. The Revenue Committee has not acted on the bill.

Brief discussion took place regarding LB 1000 (Change certain marriage related fees). Kohout noted there were questions regarding whether the proposed \$30 fee would get counties closer to the actual costs. Cori Beattie, Deputy County Clerk, said her analysis found it would be closer to \$50, in Lancaster County. **NOTE:** The fee for a marriage license is currently \$15 and has not been increased since 1995.

Raybould referred to LB 344 (Provide for an interjurisdictional planning commission for counties containing a city of the metropolitan class) and said many cities and counties are looking at whether consolidation is in the taxpayer's best interest. She said she would like to explore the issue further, including whether population or demographics should be the determining factor.

Don Thomas, County Engineer, appeared and discussed LB 1052 (Change provisions relating to maintenance of drainage facilities on county roads). It was noted the Nebraska Association of County Officials (NACO) is working on an amendment and Kohout recommended the Board wait and see what the language looks like before taking a position on the bill.

Terry Wagner, Lancaster County Sheriff, appeared and gave an overview of LB 919 (Change court fees, sheriff's fees, and handgun certificate fees).

#### **ADDITIONS TO THE AGENDA**

##### A. Comprehensive Benefit Analysis

Raybould presented a sanitized benefit statement for an employee in the private sector (Exhibit B) and said it would be beneficial to have the Personnel Department compile something similar for County employees.

Doug McDaniel, Personnel Director, appeared and said the Personnel Department will work with the Payroll and Finance Departments to put something together.

## ADMINISTRATIVE OFFICER REPORT

### A. Mid-Year Budget Review Agenda

Dennis Meyer, Budget and Fiscal Officer, gave an overview of the agenda.

Schorr noted that Heier plans to leave early to attend the Nebraska Association of County Officials (NACO) County Board Workshop in Kearney. She said Smoyer has also indicated he might leave early and said she is concerned about losing a quorum.

Raybould suggested Heier and Smoyer be asked to restructure their schedules to be present.

The Chair asked Minette Genuchi, Administrative Aide, to check whether the room would be available to move the starting time up to 8:00 a.m. **NOTE:** The event is scheduled to be held in the Rainforest Room at the Lincoln Children's Zoo.

- 4 A) QUARTERLY MEDICAL AND DENTAL INSURANCE REVIEW; AND B) LIFE INSURANCE EXTENSION AND RATE REDUCTION -**  
Tracy Krause and Julie Hughes, AON Risk Solutions; Doug McDaniel, Personnel Director; Paula Lueders, Benefits Specialist; Bill Kostner, City Risk Manager

### A) Quarterly Medical and Dental Insurance Review

Tracy Krause, AON Risk Solutions, presented Lancaster County, Medical & Dental Experience Data Through December 31, 2011, noting the following (Exhibit C):

#### Medical Plan

- Actual plan costs for 2011 were \$9,341,787. Plan costs were projected to be \$9,291,048 (a difference of \$50,738).
- Administrative costs were \$836,974.
- Paid claims totaled \$8,504,913 with 10,383 members.
- The stop loss amount is \$200,000. The premium for stop loss coverage was \$332,256.
- There were eight large claimants this year with one exceeding the stop loss level. That individual is no longer on the plan.

Krause noted the Board had requested additional information in two areas when she gave a report at the end of the third quarter. The first was related to pharmacy benefits. She said pharmacy claims run about 21% of total costs, which is a little

higher than average. Total pharmacy was approximately \$1,500,000. Krause said generic utilization was approximately 67% and said they like to see groups in the 70% range. The co-pay for brand-formulary drugs is \$30.00 with 20.5% utilization. The co-pay for non-formulary drugs is \$50.00 with 12.5% utilization.

Schorr asked how the County can encourage generic utilization. Krause said it is difficult to do with such a low co-pay. She added it is already a mandatory generic plan.

Krause said the other issue involved emergency room (ER) utilization compared to urgent care. She said BlueCross Blue Shield of Nebraska (plan administrator) does not break out that comparison. Krause said there is a \$35 co-pay for urgent care centers versus a \$150 co-pay for ER visits (the fee is waived if the patient is admitted within 24 hours for the same diagnosis) so there is an incentive for plan participants to utilize urgent care centers. She did not feel there was abuse of the benefit. Smoyer requested additional information on the number of office visits, adding it will be important data to consider should the Board decide to follow Lincoln Industries' workplace wellness model (the company opened an on-site primary care clinic for its employees and their families to use at no charge, without co-pays or deductibles).

### **Dental Plan**

- Actual plan costs were \$571,386. Plan costs were projected to be \$550,673 (a difference of \$20,713).
- Administrative costs were \$44,268.

Bill Kostner, City Risk Manager, recommended the County go out for a request for proposals (RFP) for dental and vision coverage to see if there is better pricing available. The Board concurred with the recommendation.

### **B) Life Insurance Extension and Rate Reduction**

Kostner noted the City and County's agreement with The Hartford for life insurance accidental death & dismemberment (AD&D) benefits is coming up for renewal and said The Hartford has offered a 10% discount, with a two-year lock on rates (Exhibit D).

The Board scheduled action on the renewal on the February 7, 2012 County Board of Commissioners Meeting agenda.

**5 OLD JAIL REUSE STEERING COMMITTEE** - Don Killeen, County Property Manager; Bob Walla, Assistant Purchasing Agent

Bob Walla, Assistant Purchasing Agent, noted Bahr Vermeer Haecker (BVH), a architectural firm, was selected through a request for proposal (RFP) to study reuse of space currently occupied by the jail. **NOTE:** A new jail facility is being constructed on Southwest 40<sup>th</sup> and West "O" Streets. He said BVH is interviewing thirteen departments listed in the RFP (Juvenile Probation, County Attorney-Child Support, Community Mental Health Center, Adult Probation, Sheriff, Records Storage, Evidence Storage for the Lincoln Police Department (LPD), Juvenile Court, County Court, District Court, Corrections, Community Corrections and the Wellness Committee) which are serving as a Steering Committee and said their input will be used to develop the space plan. Walla said the Commissioners involvement is not needed at this point. Don Killeen, County Property Manager, said the Steering Committee is an "initial filter" for the consultants and said their recommendations will ultimately come back to the Board. Raybould said she hopes the architects are looking at "phasing in" the use of the space based on priority of needs. Killeen said that was made clear. Raybould said would like to attend the Committee's meetings and asked to be kept apprised of their schedule.

**6 DIGITIZE REGISTER OF DEEDS FILES** - Rob Ogden, Chief Field Deputy Assessor/Register of Deeds; Scott Gaines, Chief Administrative Deputy Assessor/Register of Deeds

Scott Gaines, Chief Administrative Deputy Assessor/Register of Deeds, requested authorization to proceed with Phase II of digitization of microfilm records in the Register of Deeds Office. He estimated the cost at \$20,000 to \$35,000 and said the expense was included in the department's budget.

**MOTION:** Hudkins moved and Smoyer seconded to authorize the County Assessor/Register of Deeds Office to proceed with the project. Hudkins, Smoyer, Raybould and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

**COMMISSIONERS AWARD OF EXCELLENCE SAVINGS BOND PROCEDURES**

Dan Nolte, County Clerk, explained purchasing procedures for U.S. Savings Bonds have changed and employees would now be required to set up a Treasury Direct Account. A bank account, Internet access and an e-mail account would be required.

Brief discussion took place regarding possible alternatives, such as the Lincoln Chamber of Commerce's Shop Lincoln gift certificate program or a lapel pin.

**MOTION:** Hudkins moved and Raybould seconded to recognize employees receiving the Commissioners Award of Excellence with a plaque and a day off work and eliminate the monetary award which was in the form of a U.S. Savings Bond. Raybould, Smoyer, Hudkins and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

The Chair asked that the change in policy be relayed to the Management Team and Nominating Committee.

### **ADMINISTRATIVE OFFICER REPORT**

#### **B. Youth Services Center (YSC) Contract with the Nebraska Department of Health and Human Services (DHHS)**

Kerry Eagan, Chief Administrative Officer, said Sheli Schindler, Youth Services Center (YSC) Director, has proposed an addendum to extend the current boarding contract with the Nebraska Department of Health and Human Services (DHHS) until the end of June or July to allow for further negotiations (see correspondence from Schindler in agenda packet). **NOTE:** The addendum will be scheduled on a County Board of Commissioners Meeting agenda for action.

#### **C. Agenda Items for February 28, 2012 Meeting of County Board/City Council/Mayor/Lincoln Public Schools (LPS) Board of Education**

A presentation on the school program at the Youth Services Center (YSC) was suggested.

### **7 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) LOAN REVIEW COMMITTEE RECOMMENDATION - Craig Eberle, Program Administrator, Southeast Nebraska Development District (SEND); Dennis Meyer, Budget and Fiscal Officer**

Craig Eberle, Program Administrator, Southeast Nebraska Development District (SEND), reported a recommendation from the Lancaster County Community Development Block Grant (CDBG) Reuse Loan Review Committee to use a portion of Lancaster County's Economic Development Loan Fund (EDLF) Reuse Loan Program to assist Prairieland Foods, LLC with expansion of their dairy processing facility.

Dennis Meyer, Budget and Fiscal Officer, said there is approximately \$450,000 in available funds. Eberle said Prairieland Foods is requesting a \$100,000 loan to purchase equipment and is committed to creating at least 10 jobs over a two-year period. He noted the Nebraska Department of Economic Development (NDED) had asked the County to return its CDBG program income funds because they were not being used. Eberle said he has notified NDED of the funding recommendation and said that will provide the County with more time to retain the funds and promote the program.

**MOTION:** Hudkins moved and Smoyer seconded to ask Craig Eberle, Program Administrator, Southeast Nebraska Development District (SENDD), to move forward with the project, in consultation with the County Attorney's Office.

Eberle said he anticipates a public hearing on this matter will be scheduled on the February 21<sup>st</sup> County Board of Commissioners Meeting agenda.

Raybould cited a possible conflict of interest, due to her company's business relationship with Prairieland Foods. Eagan said he will contact the Nebraska Accountability and Disclosure Commission and request an informal opinion.

**ROLL CALL:** Smoyer, Hudkins and Schorr voted aye. Raybould abstained from voting, due to a possible conflict of interest. Heier was absent from voting. Motion carried 3-0, with one abstention.

## **8 COMMISSIONERS AWARD OF EXCELLENCE SAVINGS BOND PROCEDURES**

Item was moved forward on the agenda.

## **9 TOUR OF EMERGENCY MANAGEMENT'S OFFICES AT 233 SOUTH 10<sup>TH</sup> STREET - Doug Ahlberg, Emergency Management Director**

Item was held until the end of the meeting.

## **10 ACTION ITEMS**

There were no action items.

## **11 CONSENT ITEMS**

There were no consent items.

## **12 ADMINISTRATIVE OFFICER REPORT**

- A. Mid-Year Budget Review Agenda
- B. Youth Services Center (YSC) Contract with the Nebraska Department of Health and Human Services (DHHS)
- C. Agenda Items for February 28, 2012 Meeting of County Board/City Council/Mayor/Lincoln Public Schools (LPS) Board of Education

Items A-C were moved forward on the agenda.

- D. Process and Dates for Receipt of Community Mental Health Center (CMHC) Planning Committee Report

Board consensus was to schedule the Community Mental Health Center (CMHC) Planning Committee's Report and Recommendations on the February 16<sup>th</sup> Staff Meeting agenda and invite members of the Committee to attend. The Board also scheduled a public hearing on this issue on the February 21<sup>st</sup> County Board of Commissioners Meeting agenda.

### **RETURNING TO ITEM 8**

Minette Genuchi, Administrative Assistant to the County Board, appeared and noted the recipients of the 2011 Commissioners Award of Excellence and the January, 2012 Commissioners Award of Excellence were notified of their awards. She said the Personnel Department would like clarification on whether they are still to receive monetary awards in the form of U.S. Savings Bonds. Board consensus was to not apply the change in policy to those recipients. The Board will take formal action on the new policy at a regular County Board of Commissioners Meeting.

### **RETURNING TO ITEM 12**

- E. Public Building Commission (PBC) Art Project

Gwen Thorpe, Deputy Chief Administrative Officer, reported that the Public Building Commission (PBC) has approved a public art project that will allow juried artists to display their artwork in the lobby of the County-City Building and to hold an open house on the first Friday of every quarter. Details will be provided on the County's website.

- F. Nebraska Association of County Officials (NACO) Southeast District Spring Meeting (March 8, 2012 at the Carol Joy Holling Conference & Retreat Center in Ashland, Nebraska)

**MOTION:** Hudkins moved and Raybould seconded to: 1) Indicate that the Commissioners should attend the Nebraska Association of County Officials (NACO) Southeast District Spring Meeting, if possible; and 2) Move the March 8<sup>th</sup> Staff Meeting to March 6<sup>th</sup>, immediately following the regular County Board of Commissioners Meeting. Raybould, Smoyer, Hudkins and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

G. Correspondence from Terry Kathe, Zoning Coordinator, Building and Safety Department, Regarding a Building Permit

Kathe notified the Board of a situation in which there was a 1,300 square foot addition to a 1,900 square foot home in the County and asked whether the Board felt there a building permit should be required.

**MOTION:** Hudkins moved and Smoyer seconded to indicate a building permit is required. Hudkins, Smoyer, Raybould and Schorr voted aye. Heier was absent from voting. Motion carried 4-0.

There was also consensus to schedule discussion with Kathe to clarify the County's building permit policy.

## **11 PENDING**

There were no pending items.

## **12 DISCUSSION OF BOARD MEMBER MEETINGS**

A. Lincoln Independent Business Association (LIBA) Monthly Meeting - Hudkins

Hudkins said discussion focused on the inheritance tax legislation (LB 970) and a possible purchase and lease of an office building at 825 "J" Street owned by Alfred Benesch & Company.

B. Lancaster County Correctional Facility Joint Public Agency (JPA) - Schorr, Hudkins

Schorr said they paid claims totaling \$1,163,091.22 from Wells Fargo for bank fees; Sampson Construction Company, the Construction Manager at-risk; and The Clark Enersen Partners, architect for the project.

Hudkins said they also discussed a data cabling issue.

C. Chamber Coffee - Raybould, Smoyer

Raybould said she briefed the group on the Comprehensive Plan amendments, the possible purchase and lease of the Alfred Benesch & Company office building at 825 "J" Street, Inheritance Tax legislation and the budget (see Exhibit E).

**13 EMERGENCY ITEMS AND OTHER BUSINESS**

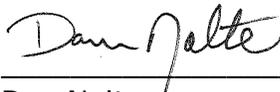
There were no emergency items or other business.

The Chair recessed the meeting at 10:20 a.m. and the Board proceeded to a tour of Emergency Management's offices at 233 South 10<sup>th</sup> Street (see Item 9). **NOTE:** Smoyer and Heier did not participate in the tour.

The Chair resumed the meeting at 10:35 and Doug Ahlberg, Emergency Management Director, led Commissioners Schorr, Hudkins and Raybould; Diego Moreno, County Board Intern, and Ann Taylor from the County Clerk's Office on a tour of Emergency Management's offices.

**14 ADJOURNMENT**

There being no other business, the Chair adjourned the meeting at 11:10 a.m.



Dan Nolte  
Lancaster County Clerk





**KISSEL/E&S**  
ASSOCIATES

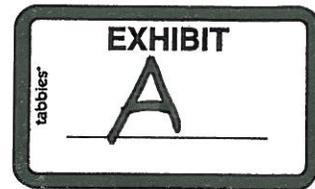
*A Limited Liability Company Associated with Erickson and Sederstrom, P.C.*

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**LEGISLATIVE MEMORANDUM**

TO: Lancaster County Board of Commissioners  
Kerry Eagan, Chief Administrative Officer

FROM: Gordon Kissel and Joe Kohout 

DATE: February 2, 2012

RE: Weekly Update

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Please accept this as your update through Wednesday, February 1, 2012. Today, the Legislature will convene for the twentieth day of the 60 day session.

The following bills are bills of interest to Lancaster County which have been discussed during the previous week:

*LB970 (Cornett) Terminate the inheritance tax and change income tax rates and calculation.* This bill was heard by the Revenue Committee last Thursday and Chairwoman Schorr, Sheriff Wagner, Kit Boesch and Judy Halstead testified among the 20 plus testifiers in opposition. They did an excellent job. The bill has not yet been acted upon by the Revenue Committee.

*LB787 (McGill) Authorize inspection and regulation of staff secure facilities by the Jail Standards.* Heard by the Judiciary Committee last Thursday, the bill received support from Lancaster County (via Sheli Schindler and Brittany Behrens) and NACO. However, a letter was submitted by the State Board of Pharmacy in opposition to one provision in LB787 in regards to distribution of pharmaceuticals. We will be working with Senator McGill to address this issue and seek the bill's advancement.

*LB881 (Coash) Change medical services payment provisions relating to jails and correctional facilities.* This bill was heard by the Judiciary Committee on Friday of last week and was supported by Lancaster County. Mike Turber testified on behalf of Lancaster County. He did a great job! The bill remains held in the Judiciary Committee.

*LB1000 (McGill) Change certain marriage related fees.* This bill was heard by the Judiciary Committee yesterday. Dan Nolte testified on behalf of Lancaster County; NACO and Jefferson County also appeared. Senator Burke Harr asked a couple of questions regarding how close the \$30 fee got counties to the actual cost.

*LB934 (Karpisek) Provide for appointment of all election commissioners by the county board.*

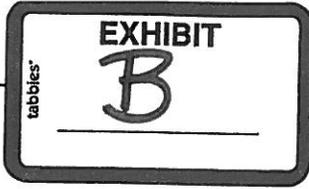
This bill was heard yesterday by the Government, Military and Veterans Affairs Committee. Dave Shively testified in opposition to the bill along with Deputy Secretary of State Neal Erickson.

*LB867 (Karpisek) Change employer contribution provisions under certain county retirement plans.*

This bill is slated for hearing before the Retirement Systems Committee on Monday at 1210pm. We have prepared an opening for Senator Karpisek which has been forwarded for review.

On Wednesday, LB344 was discussed by the Legislature which would provide for a discussion between Douglas County and the cities in Douglas County to begin the process for an intergovernmental merger between Douglas County and its cities. Senator Kathy Campbell made glowing comments about the experience between Lancaster County and Lincoln. The bill advanced easily.

This concludes our report for this week. Please do not hesitate to contact us with any questions you have.



Benefit Statement

1/01/2011 - 12/08/2011

Home Assignment  
 Corp :  
 Store :  
 Dpt/ Wkc/ Op  
 Job Class:

Payroll Information  
 Position:  
 Pay Type: Hourly Rate: \$10.75  
 Last Evaluation: 4/25/2011

Pension  
 Hire/Base days 4/14/2004 Last hired 4/14/2004  
 Through 12/08/2011 your total credited service is 7.65 years.

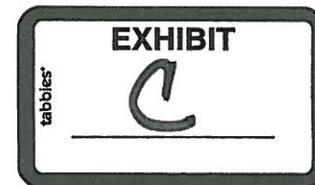
<u>Compensation/Benefits</u>	<u>Hours</u>	<u>Wages</u>	<u>% of Total</u>
Regular Wages	1,355.80	14,444.43	63.14
Holiday Wages	16.10	259.61	1.13
Owner's PTO-Birthday	6.00	64.51	.28
PTO Wages	64.74	692.78	3.02
Other		10.00	.04
Random Drawing G/C		25.00	.10
Sub Total . . . . .	1,442.64	15,496.33	67.71

	<u>Employee Paid</u>	<u>Employer Paid</u>	<u>% of Total</u>
<u>Employer Paid Taxes:</u>			
Federal Unemployment Tax		56.00	.24
Medicare Employer		168.49	.73
Nebraska State Unemployment Tax		119.70	.52
Social Security Employer		720.44	3.14
Sub Total . . . . .		1,064.63	4.63

<u>Benefits/Insurance:</u>			
Annual Health Screening		104.94	.45
Cafeteria Health/Dental Premium	3,720.00	5,389.77	23.56
Employee Assistance Program		21.34	.09
Employee Stock Ownership Plan		798.60	3.49
Vision	156.48		
Short Term Disability	101.54		
Sensitive Whole Life Insurance	331.20		
Sub Total . . . . .	4,309.22	6,314.65	27.60
Total compensation/benefits . . . . .	4,309.22	22,875.61	100.00

<u>Accruals</u>	<u>Prior Bal</u>	<u>Earned</u>	<u>Used</u>	<u>Balance</u>
PTO Balance	6.74	72.86	77.34	2.26

Total Actual Hours Worked . . . . . 1,371.90  
 Total Combined Hourly Rate . . . . . \$16.67  
 Benefits as % of Total Compensation 32.23 %



# Lancaster County

Medical & Dental Experience Data Through December 31, 2011

February 2, 2012

**AON**

Lancaster County - Medical  
BCBS NE

	Enrollment					Fixed Expenses			Variable Expenses					Total Cost Summary				
	EE	2 Party	4 party	Family	Total	Admin. Fees	Specific Stop Loss Premium	Total	Medical Claims	AEA Fees	RX Claims	Total Paid Claims	Specific Reim.	Net Paid Claims	Total Cost	Expected Cost	Variance of Actual to Expected Cost	Ratio of Actual to Expected Cost
Jan-11	427	117	80	257	881	\$42,825	\$28,192	\$71,017	\$359,693	\$674	\$170,584	\$530,951	\$0	\$530,951	\$601,968	\$784,068	-\$182,099	76.78%
Feb-11	428	114	82	257	881	\$42,825	\$28,192	\$71,017	\$398,380	\$224	\$144,357	\$542,961	\$0	\$542,961	\$613,978	\$783,470	-\$169,492	78.37%
Mar-11	425	114	82	258	879	\$42,728	\$28,128	\$70,856	\$1,042,102	\$317	\$164,136	\$1,206,555	\$94,002	\$1,112,553	\$1,183,409	\$783,470	\$399,939	151.05%
Apr-11	431	111	82	259	883	\$42,923	\$28,256	\$71,179	\$466,156	\$84	\$147,756	\$613,996	\$5,004	\$608,992	\$680,171	\$784,545	-\$104,374	86.70%
May-11	423	111	82	256	872	\$42,388	\$27,904	\$70,292	\$643,199	\$501	\$173,335	\$817,035	\$46,999	\$770,036	\$840,328	\$776,424	\$63,904	108.23%
Jun-11	415	111	85	257	868	\$42,193	\$27,776	\$69,969	\$485,918	\$218	\$157,924	\$644,060	\$46,774	\$597,286	\$667,255	\$777,260	-\$110,004	85.85%
Jul-11	410	109	82	260	861	\$41,853	\$27,552	\$69,405	\$508,041	\$523	\$153,854	\$662,418	\$1,937	\$660,481	\$729,886	\$773,796	-\$43,910	94.33%
Aug-11	407	111	79	260	857	\$41,659	\$27,424	\$69,083	\$635,800	\$1,633	\$159,404	\$796,837	\$8,832	\$788,005	\$857,088	\$771,288	\$85,800	111.12%
Sep-11	405	109	80	259	853	\$41,464	\$27,296	\$68,760	\$647,262	\$428	\$144,720	\$792,410	\$43,252	\$749,158	\$817,918	\$767,824	\$50,094	106.52%
Oct-11	402	108	82	257	849	\$41,270	\$27,168	\$68,438	\$539,305	\$214	\$158,508	\$698,027	\$0	\$698,027	\$766,465	\$764,600	\$1,865	100.24%
Nov-11	404	108	82	255	849	\$41,270	\$27,168	\$68,438	\$563,320	\$943	\$158,598	\$722,861	\$0	\$722,861	\$791,299	\$762,689	\$28,610	103.75%
Dec-11	407	107	82	254	850	\$41,319	\$27,200	\$68,519	\$610,629	\$240	\$112,633	\$723,502	\$0	\$723,502	\$792,021	\$761,614	\$30,406	103.99%
<b>Total:</b>	<b>4,984</b>	<b>1,330</b>	<b>980</b>	<b>3,089</b>	<b>10,383</b>	<b>\$504,718</b>	<b>\$332,256</b>	<b>\$836,974</b>	<b>\$6,899,805</b>	<b>\$5,999</b>	<b>\$1,845,809</b>	<b>\$8,751,613</b>	<b>\$246,800</b>	<b>\$8,504,813</b>	<b>\$9,341,787</b>	<b>\$9,291,049</b>	<b>\$50,738</b>	<b>100.55%</b>
Monthly Ave:	415	111	82	257	865	\$42,060	\$27,688	\$69,748	\$574,984	\$500	\$153,817	\$729,301	\$20,567	\$708,734	\$778,482	\$774,254		
Avg PEPM						\$48.61	\$32.00	\$80.61	\$664.53	\$0.58	\$177.77	\$842.88	\$24	\$819.11	\$899.72	\$894.83		

Rx Claims Paid as a % of Total Paid Claims: 21.09%

Plan Year Financials		Benchmark	Plan Year '11	Admin Fee	ISL Premium	Expected Costs*	
Actual Plan Cost	\$9,341,787						
Expected Plan Cost	\$9,291,049	Over / (Under) Expected Plan Cost	\$50,738	EE	\$48.61	\$32.00	\$477.73
Plan to Expected	\$50,738	ASO Fee PEPM	\$48.61	2 Party	\$48.61	\$32.00	\$1,074.91
		Claims PEPM	\$819.11	4 Party	\$48.61	\$32.00	\$1,074.91
		Annual Cost Per Enrolled EE	\$10,413	EE & Family	\$48.61	\$32.00	\$1,433.15
		\$12,027 (1)					

(1) Note: Survey data from the 2008 Aon Consulting Book of Business of Health and Welfare Plans Public Administration Clients

**Lancaster County**  
Specific Reinsurance Year-to-Date Summary

Reinsurance Carrier: BCBS of Nebraska  
 Individual Specific Deductible: \$200,000  
 Benefits Covered Under Contract: Medical / Rx  
 Contract Basis: Paid  
 Large Claims -- 50% of Specific Deductible: \$100,000  
 Claims paid January 1, 2011 through: December 31, 2011

Gender	Relationship	Diagnosis	Total Amount Paid	Specific Reimbursement	Net Cost to Plan	% of Gross Paid Claims
Male	Employee	Other Congenital Anomalies of Heart	\$446,800	\$246,800	\$200,000	5.1%
Female	Employee	Other Acquired Deformity	\$108,488	\$0	\$108,488	1.2%
Male	Dependent	Other Benign Neoplasm of Connective & Other Soft Tissue	\$120,458	\$0	\$120,458	1.4%
Female	Employee	Intervertebral Disc Disorders	\$103,698	\$0	\$103,698	1.2%
Female	Employee	Myeloid Leukemia	\$106,830	\$0	\$106,830	1.2%
Male	Employee	Malignant Neoplasm of Liver & Intrahepatic Bile Ducts	\$107,361	\$0	\$107,361	1.2%
Male	Employee	Other Forms of Chronic Ischemic Heart Disease	\$106,089	\$0	\$106,089	1.2%
Female	Employee	Disorders of Plasma Protein Metabolism	\$107,824	\$0	\$107,824	1.2%
			<b>\$1,207,548</b>	<b>\$246,800</b>	<b>\$960,748</b>	

	<u>Gross Claims</u>	<u>Net Plan Claims</u>
<b>Total Large Claims</b>	<b>\$1,207,548</b>	<b>\$960,748</b>
<b>Total Paid Aggregate Claims</b>	<b>\$8,751,613</b>	<b>\$8,504,813</b>
<b>Large Claims as a Percent of Total</b>	<b>13.8%</b>	<b>11.3%</b>

**Lancaster County - Dental  
Ameritas**

	EE	2 Party	4 Party	Family	Total Enrollment	Fixed Expenses	Variable Expenses	Total Cost	Expected Cost	Variance from Expected Total Cost	Ratio of Actual to Expected Cost
	Total					Admin. Fees	ASO Dental Claims				
Jan-11	350	163	86	241	840	\$3,755	\$50,407	\$54,162	\$46,670	\$7,492	116.05%
Feb-11	348	164	88	240	840	\$3,755	\$43,036	\$46,791	\$46,703	\$88	100.19%
Mar-11	349	162	87	240	838	\$3,746	\$49,070	\$52,816	\$46,550	\$6,266	113.46%
Apr-11	351	163	86	240	840	\$3,755	\$49,077	\$52,832	\$46,603	\$6,229	113.37%
May-11	344	162	86	240	832	\$3,719	\$46,100	\$49,819	\$46,358	\$3,461	107.47%
Jun-11	342	161	87	241	831	\$3,715	\$50,488	\$54,203	\$46,398	\$7,805	116.82%
Jul-11	339	162	85	239	825	\$3,688	\$49,272	\$52,960	\$46,072	\$6,888	114.95%
Aug-11	340	160	81	236	817	\$3,652	\$43,426	\$47,078	\$45,459	\$1,619	103.56%
Sep-11	339	159	83	234	815	\$3,643	\$32,459	\$36,102	\$45,306	-\$9,204	79.68%
Oct-11	337	157	84	232	810	\$3,621	\$38,355	\$41,976	\$45,007	-\$3,031	93.27%
Nov-11	336	154	84	233	807	\$3,607	\$35,936	\$39,543	\$44,894	-\$5,351	88.08%
Dec-11	342	152	84	230	808	\$3,612	\$39,492	\$43,104	\$44,654	-\$1,550	96.53%

<b>Total</b>	<b>4117</b>	<b>1919</b>	<b>1021</b>	<b>2846</b>	<b>9,903</b>	<b>\$44,268</b>	<b>\$527,118</b>	<b>\$571,386</b>	<b>\$550,673</b>	<b>\$20,713</b>	
<b>Avg/PEPM</b>	<b>343</b>	<b>160</b>	<b>85</b>	<b>237</b>	<b>825</b>	<b>\$4.47</b>	<b>\$53.23</b>	<b>\$57.70</b>	<b>\$55.61</b>	<b>\$2.09</b>	<b>103.76%</b>

Plan Year Financials		Benchmark	Plan Year '11	Admin Fee	Expected Cost*
Actual Plan Cost	\$571,386				
Expected Plan Cost	\$550,673				
Plan to Expected	\$20,713				
		Over / (Under) Expected Plan Cost	\$20,713	EE	\$4.47
		ASO Fee PEPM	\$4.47	2 Party	\$4.47
		Claims PEPM	\$53.23	4 Party	\$4.47
		\$827 (1)	Annual Cost Per Enrolled EE	EE & Family	\$4.47

(1) Note: Survey data from the 2008 Aon Consulting Book of Business of Health and Welfare Plans Public Administration Clients

**VOLUNTARY LIFE and AD&D**



In addition to your Basic Life and AD&D benefits, Hartford Life has an assortment of Voluntary Life and AD&D options to meet you and your family's needs. Hartford Life provides additional benefits in increments of \$10,000 up to \$250,000 (but no more than 5X Salary) without Evidence of Good Health, or a maximum amount of \$500,000 (but no more than 5X Salary) with Evidence of Good Health.

A dependent spouse may be covered up to 50% of the Amount of Life Insurance in force for the employee. Coverage may be elected in increments of \$5,000, subject to a maximum of \$50,000 without Evidence of Good Health, or a maximum of \$100,000 with Evidence of Good Health.

Eligible dependent children may also be covered in increments of \$1,000 up to \$10,000 without Evidence of Good Health.

For current employees: if you did not enroll when first eligible, you will be considered a late entrant and will have to provide Evidence of Good Health and receive approval from Hartford Life in order to be covered by the plan.

**VOLUNTARY GROUP LIFE/AD&D RATES**

MONTHLY RATES	
Age	Employee and Spouse Rates per \$1,000 of Coverage
Under 30	\$ 0.07
30-34	\$ 0.08
35-39	\$ 0.11
40-44	\$ 0.16
45-49	\$ 0.26
50-54	\$ 0.44
55-59	\$ 0.68
60-64	\$ 1.03
65-69	\$ 1.89
70-74	\$ 3.30
75+	\$ 5.45
Child Life Rate per \$1,000	\$ 0.14
AD&D Rate per \$1,000	\$ 0.04

*\*Spouse rates are based on the employee's age  
\*Rates will be changing August 1, 2012*

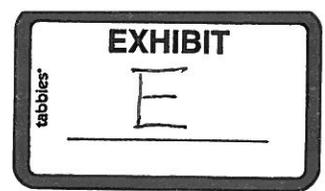


# Lancaster County Renewal / Rate Change

POLICYHOLDER NAME:	Lancaster County		
POLICY NUMBER(S):	675776		
ARE ALL RATES GUARANTEED FOR THE SAME TIME PERIOD? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
EFFECTIVE DATE OF RATES:	8/1/2012	GUARANTEED THROUGH:	8/1/2014

COVERAGE	AGE BANDS	SOLD RATES
Basic Life (Actives)		\$0.117 Per \$1,000 Monthly Covered Volume
Basic AD&D (Actives)		\$0.03 Per \$1,000 Monthly Covered Volume
Basic Dependent Child		\$0.80 Per Family Unit
<b>SUPPLEMENTAL LIFE</b>		
(Employee & Spouse)	< 25	\$0.063 Per \$1,000 Monthly Covered Volume
	25-29	\$0.063 Per \$1,000 Monthly Covered Volume
	30-34	\$0.072 Per \$1,000 Monthly Covered Volume
	35-39	\$0.099 Per \$1,000 Monthly Covered Volume
	40-44	\$0.144 Per \$1,000 Monthly Covered Volume
	45-49	\$0.234 Per \$1,000 Monthly Covered Volume
	50-54	\$0.396 Per \$1,000 Monthly Covered Volume
	55-59	\$0.612 Per \$1,000 Monthly Covered Volume
	60-64	\$0.927 Per \$1,000 Monthly Covered Volume
	65-69	\$1.701 Per \$1,000 Monthly Covered Volume
	70-74	\$2.970 Per \$1,000 Monthly Covered Volume
	75+	\$4.905 Per \$1,000 Monthly Covered Volume
Supplemental Dependent Child Life		\$0.10 Per \$1000 Covered Monthly Volume
Supplemental AD&D (Employee Only)		\$0.04 Per \$1,000 Monthly Covered Volume

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February 1, 2012

I have four items I wanted to brief you on, 1) Comprehensive Plan Amendments 2) 825 J Street 3) Inheritance Tax Debate and 4) Budget so I will get right to them:

### Comprehensive Plan Amendments

Debate has been very good and public awareness has been raised and public participation has increased concerning the future growth and direction of our city and county and that is very good. Unfortunately, the Journal Star did not accurately report what the county board vote meant:

- 1) 20 acre rule is still in place. No change on the existing density of 32 dwellings per square mile (1 dwelling unit per 20 acres). This is the new language that was added, *"However, consideration should be given to new ways that smaller lots within the County jurisdiction can be subdivided and sold, while still maintaining that overall density and maintaining good access management along the County's section line roads."*
- 2) Build thru language is still in place as vague as it was in the 2030 Comprehensive Plan but referenced nevertheless. BEFORE: *"For areas outside of the Lincoln three mile jurisdiction but inside a future Lincoln growth tier, the County should consider adopting and applying build-thru standards."* AFTER: *"For areas outside the Lincoln three mile jurisdiction but inside a future Lincoln growth tier, the County should consider applying build thru standards on a case by case basis, when a proposed development is in a location that is more likely than others to have city services extended in the foreseeable future."*

The other great thing about this debate has brought to light all the misinformation about growth in our county:

- 1) Lancaster County not losing population to the surrounding counties because of our existing comprehensive plan but 2010 Census clearly shows an actual increase of "inmigration" for the last five years and is one of the 3 fastest growing counties in Nebraska.
- 2) We learned that counties that surround Lancaster have the same guidelines for acreage development and in some cases with more restrictions.
- 3) We learned that the small towns, "incorporated" experienced a slight increase in population while those areas outside of the small towns on acreages and farm dwellings had a decrease.
- 4) We learned that there is already an abundant supply of platted, zoned and ready to go acreage developments to handle our growth and future demand for 7 – 10 years.
- 5) We learned that it is costly to live outside the 3 mile limit of the city not because of acreage requirements but because the price of land is market driven and location driven.

The proposed comprehensive plan change to allow commercial and industrial designation not within the 3 mile of Lincoln or encouraging this type of development is just bad policy.

Changing the designation is contrary to directing growth to the incorporated towns and the city of Lincoln that would get the tax benefit.

825 J Street, The Benesch Building with HWS Consulting is still being debated and is held up at the County Board level with a tie vote of 2 – 2 this past Tuesday. The sale and lease back is scheduled to be re-considered when we have all 5 county commissioners in attendance. This is a great opportunity and deal for our taxpayers as we consolidate services to the main campus as part of the comprehensive and strategic growth plan. We have interest in Trabert Hall and the Community Health Center buildings. We are currently working with BVH Architects on a space plan for the existing jail space. Identified space needs for the county are roughly 95,000 – 130,000 sf. The current jail space has approximately 80 – 85,000 sf net. Just to remind folks the strategic plan called out that the parking lot to the south of the City/County building was to be the future expansion for the jail.

#### Inheritance Tax

Counties, health services and AARP are all in this fight on the inheritance tax. You have heard both sides but the truth is that this could represent a real estate property tax increase of roughly 3.5 cent increase or \$35 per \$100,000 of value. This same property tax payer would probably pay little or no inheritance tax.

#### Budget

Mid year budget review is scheduled for Thursday, February 9. This should be another battle that has started right in January over salary increases. On January 1, 2012 all county elected officials received an automatic 2 % salary increase that was voted on approximately 2 years ago. I was the only county commissioner and most likely the only elected county official to write a check back to the county for that increase. Last year after my first midyear budget I recommended discontinuing longevity pay, wage freeze, hiring freeze, increase in employee contribution for health insurance and a reduction in the retirement match and early retirement buy outs. In case you are wondering. Yes, I am a democrat but analyzing the budgets and with 85% of the county costs going to personnel and with automatic increases this cannot be supported or sustained at the current levy. Where are we at today? We have enacted a longevity pay freeze for existing personnel and going forward without for new hires. We are working with the legislature to get the retirement match reduced from 1.5 to 1 for new hires. Senator Karpisek is working on this LB867. Health insurance was bid out but with no real savings to the county. We are working with the personnel department to clearly show our county employees not only how their current wages compare to the private sector but more importantly how their benefit package greatly enhances their complete comprehensive compensation. All this without the added burden or pressure of losing the \$6 million from the inheritance tax.