

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

Commissioners Present: Deb Schorr, Chair
Bernie Heier
Jane Raybould
Brent Smoyer

Commissioners Absent: Larry Hudkins, Vice Chair

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

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 November 7, 2012.

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:32 a.m.

AGENDA ITEM

1 APPROVAL OF THE STAFF MEETING MINUTES OF THURSDAY, NOVEMBER 1, 2012

MOTION: Heier moved and Raybould seconded approval of the minutes of the November 1, 2012 Staff Meeting. Raybould, Smoyer, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried 4-0.

2 ADDITIONS TO THE AGENDA

- A. Wellness Program
- B. Workshop on How Social Media Can Be Used as an Investigative Tool
- C. Pension Plan Options
- D. Medicaid Expansion
- E. Schedule for Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) Consumer Meetings

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

3 SOUTHWEST 40TH STREET VIADUCT UPDATE - Roger Figard, City Engineer; Devin Biesecker, Engineer, City Public Works & Utilities

Devin Biesecker, Engineer, City Public Works & Utilities, gave an update on the Southwest 40th Street Viaduct Project, noting estimated costs, project schedule, bid results (United Contractors, Inc. was the lowest bidder) and United Contractors' project history (Exhibit A). He said the City Council is scheduled to take action to approve the low bid and authorize execution of a construction contract with the low bidder at the November 19th City Council Meeting.

Raybould asked whether there will be soil and slab testing. Roger Figard, City Engineer, assured the Board there will be a full range of construction phase service testing on the project.

Heier asked whether the design engineering fee is typical. **NOTE:** It is approximately 20% of the project cost. Figard said it is, considering the time, public process and environmental documents that are required.

Raybould asked whether there are plans to issue a press release. Biesecker said he plans to hold an open house to provide an update on the project.

Schorr noted there have been discussions regarding the possibility of the Railroad Transportation Safety District (RTSD) being able to bond for projects, adding there are some legal issues that will need to be resolved.

Heier questioned the need to bond if the RTSD has a balance of approximately \$20,000,000. Figard said that figure is inaccurate. Heier asked Figard what the RTSD's balance will be, as of January, 2013. Figard said he will have to check. He explained that bonding would be attractive if revenue from the levy wasn't sufficient to pay for a project or if the financial market were such that it made more sense to borrow money up-front rather than accumulate the necessary funds over a long period of time. Bonding would also be outside the 15 cent lid.

ACTION ITEMS

- A. Microcomputer Request No. C#86530, \$14,102.17 from the Microcomputer Fund for Microfilm Reader/Scanner Workstation for Records and Information Management

Kerry Eagan, Chief Administrative Officer, said Brian Pillard, Records & Information Manager, has withdrawn his request for additional funds for auto scanning software and will only purchase the equipment that was approved in the budget (Exhibit B). **NOTE:** The total amount will be \$10,602.17, which is less than the approved amount of \$11,462.23 because the vendor has offered a \$1,000 trade-in on equipment.

ADDITIONS TO THE AGENDA

E. Schedule for Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) Consumer Meetings

Raybould said consumer meetings to discuss the Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) will be held on November 13th at the following times and locations: 9:00 a.m. to 12:00 p.m. at CMHC (2201 South 17th Street); 1:00 p.m. to 4:00 p.m. at MidTown Center (2966 "O" Street); 6:30 p.m. to 9:00 p.m. at CMHC.

A. Wellness Program

Schorr asked that the Lincoln-Lancaster County Health Department (LLCHD) give an update on wellness programs offered to County employees (see December 5, 2011 City-County Common Meeting minutes). **NOTE:** Representatives of Blue Cross and Blue Shield (BCBS) has also offered wellness programs and services to the County (see November 10, 2011 Staff Meeting minutes).

D. Medicaid Expansion

The Board asked that Judy Halstead, Lincoln-Lancaster County Health Department Director, and C. J. Johnson, Region V Systems Administrator, brief them on Medicaid expansion.

B. Workshop on How Social Media Can Be Used as an Investigative Tool

Schorr noted that Sue Eckley, County Risk Manager, had indicated that she had attended a workshop given by the Baylor Evnen law firm on the topic of how social media, such as Facebook, can be used as an investigative tool. Schorr requested a presentation on this topic at a Management Team meeting.

C. Pension Plan Options

Schorr requested an update from Mike Misegadis, Retirement Counselor, Prudential Retirement, on efforts to educate employees on the pension plan options. Eagan suggested that Rob Kerscher, Vice President, Key Accounts, Prudential Retirement, also attend.

ADMINISTRATIVE OFFICER REPORT

A. Nebraska Association of County Officials (NACO) Election Form

MOTION: Smoyer moved and Heier seconded to designate Commissioner Heier, with Commissioner Schorr as his backup, to cast Lancaster County's ballot. Smoyer, Heier, Raybould and Schorr voted aye. Hudkins was absent from voting. Motion carried 4-0.

B. Old Jail Re-use Study Group

Schorr said the Lincoln Independent Business Association (LIBA) has offered their expertise in the study on how to re-use the current jail facility once the new Lancaster County Adult Detention Facility (LCADF) is opened. She suggested that a tour of the facility be offered to LIBA representatives so they can see what the County is facing. Schorr also asked that documents from discussions with Don Killeen, County Property Manager; John Kay, Sinclair Hille & Associates Inc.; and Dan Spiry, BVH Architects, on re-use of the facility (see March 22, March 29, June 21 and August 2, 2012 Staff Meeting minutes) be made available on the County's website so LIBA can study them.

Ann Taylor, County Clerk's Office, stated the documents are already available on the website as attachments to the Staff Meeting minutes.

Cori Beattie, Deputy County Clerk, said they will also make them available as separate links on the new County Jail website.

4 VISITORS PROMOTION COMMITTEE (VPC) APPOINTMENT (LYNNE IRELAND) - Jeff Maul, Lincoln Convention and Visitors Bureau (CVB) Executive Director; Julie Lattimer, Visitors Promotion Committee (VPC) Chair

Jeff Maul, Lincoln Convention and Visitors Bureau (CVB) Executive Director, reported that Steve Hilton, who has served as the Visitors Promotion Committee (VPC) Chair, has resigned as he has accepted a position outside of Lancaster County and Julie Lattimer, who had served as Vice Chair, has assumed the Chair position. He said the VPC has an opening on the hotel side, which is typically filled with a representative of a downtown hotel. Maul said the VPC will bring a name forward to fill that vacancy in the near future. He said the second vacancy is in the museum category and Lynne Ireland, Deputy Director of the Nebraska State Historical Society, is the recommendation to fill that vacancy.

The Board scheduled the appointment on the November 13, 2012 County Board of Commissioners Meeting agenda.

ADMINISTRATIVE OFFICER REPORT

C. Meeting with Governor on Inheritance Tax (November 26, 2012)

There was general consensus to have the Chair, Vice Chair and Dennis Meyer, Budget and Fiscal Officer, represent Lancaster County at the meeting.

Commissioner Raybould indicated that she would also like to attend. Eagan cautioned that her attendance would constitute a quorum of the Board.

5 LANCASTER EVENT CENTER EXPANSION - Alan Wood, Lancaster County Agricultural Society Counsel; Greg Vasek, Former President of Linweld, Inc.; Ron Ecklund, Certified Public Accountant (CPA), HBE Becker Meyer Love, L.L.P.

Alan Wood, Lancaster County Agricultural Society Counsel, noted the Ag Society sought input from the community regarding the proposed expansion of the Lancaster Event Center (Phase III). He said it was suggested that the Ag Society provide more financial details (projected revenue and expenses) and how the expansion would affect the existing facility. Wood said there was also concern that there was too much reliance on property tax as the source of financing the project. As a result, the cost of project has been scaled back from \$45,000,000 to \$35,000,000. He said it won't impact the coliseum or the adjoining exhibition pavilion but will impact the scope of the parking and on-site improvements, which will not be part of the bonding and will now be phased-in over a five-year period utilizing lodging tax.

Ron Ecklund, Certified Public Accountant (CPA), HBE Becker Meyer Love, L.L.P., discussed documents detailing assumptions (revenue/expenditure growth assumption, repair and maintenance, and County tax base), debt service schedule, actual and projected cash flows and projected impacts of the project, noting Don Herz, former City Finance Director, authored the spread sheet (Exhibit C). He noted that significant positive cash flows are indicated by 2017 and funding of depreciation and repairs/maintenance have been built in. Ecklund said the project will have a positive effect on the County Fair cash flows, although it still will not be a money making activity. It will also improve the Event Center cash flows. He pointed out that their assumptions and projections are conservative.

In response to a question from Raybould, Ecklund said if the reserve fund is adequately funded (greater than 50% of expenditures), cash flows will be used to pay down debt service. He said the debt service, as it is currently constructed, has a wrap-around with the existing bonds (the bond payments will stay level throughout the entire amortization of the bond payout).

Ecklund said the project would require an increase in the tax rate, noting the tax rates are projected to decrease as cash flows begin to come in.

Greg Vasek, Former President of Linweld, Inc., pointed out that the debt and cash flow can be met with 50% occupancy.

Heier asked what the City's position is on the future of Pershing Auditorium. Wood said the City has indicated that Pershing will not continue to be an auditorium or event facility. Some of its current activities, such as the circus, can be expected to move to the Event Center.

Smoyer suggested a delay, noting the County Board is fighting to retain inheritance tax and giving approval to a \$35,000,000 facility could jeopardize those efforts.

Raybould said the Board also needs to resolve how to fund renovation of the current jail facility after the new Lancaster County Adult Detention Facility (LCADF) is opened.

Julie Burton, Assistant Managing Director, Lancaster Event Center, appeared and said a delay could affect their ability to book events. Wood added that interest rates for bonding are currently favorable.

Smoyer inquired about possible partnerships, noting the University of Nebraska-Lincoln (UNL) has expressed interest in locating an equine science facility on the County Fairgrounds (see October 4, 2012 Staff Meeting minutes). Wood said UNL is still seeking a donor and will need approval by the Board of Regents.

Schorr inquired about the Ag Society's request to the Visitors Promotion Committee (VPC) for \$2,500,000 in lodging tax revenue and asked how the project would be adjusted if that request were denied or reduced. Wood said the fallback position would be to begin to charge for parking.

Schorr asked whether the Ag Society has investigated the possibility of accessing the turnback tax. Wood said the tax is generated through the development of a hotel on the site.

6 PROBATION EXERCISE CLASSES - Cindy Wohlers-Green, Reporting Center Coordinator, Adult Probation; Gene Cotter, Chief Probation Officer, Adult Probation; Doug Cyr, Chief Administrative Deputy County Attorney; Sue Eckley, County Risk Manager

Cindy Wohlers-Green, Adult Probation Reporting Center Coordinator, requested authorization to hold aerobics classes in the auditorium space in Trabert Hall for individuals on probation. She said the classes would not require any type of equipment which lessens the chance of injury and liability. Wohlers-Green said almost all treatment facilities provide this type of activity in some manner and said many of the individuals they serve have requested some type of physical activity.

Heier asked whether there would be a cost to the County. Wohlers-Green said only for insurance.

Sue Eckley, County Risk Manager, and Doug Cyr, Chief Administrative Deputy County Attorney, addressed the issue of liability exposure.

Gene Cotter, Chief Probation Officer, agreed to check whether the State would agree to hold the County harmless for any damage or injuries that would occur, since Probation is a State agency.

Board consensus was to proceed with the classes and asked Wohlers-Green to provide an update.

7 VIDEO CONFERENCING FOR THE COURTS - Troy Hawk, District Court Administrator

Troy Hawk, District Court Administrator, said Janice Walker, State Court Administrator, and Bill Miller, Deputy State Court Administrator for Technology, met and have agreed that the State will provide \$20,000, over a two-year period, to assist with the cost of video conferencing for the Courts. He said the second year is contingent upon the Legislature approving the Court Administrator's budget. Hawk pointed out the State has given the District Court iPads (tablet computers) for the interpreters to use with the system and estimated that is an additional \$10,000 in support from the State.

Board consensus was to proceed with the two-year plan for funding the video conferencing system that was discussed at the November 1, 2012 Staff Meeting.

8 UNEXPENDED REVENUES - C. J. Johnson, Region V Systems Administrator

C. J. Johnson, Region V Systems Administrator, presented the Board with a check in the amount of \$309,714.21 for unexpended revenues related to the Community Mental Health Center (CMHC) and other local providers.

Johnson also asked the Board to reconsider reinstating \$50,000 in match to Region V and to reimburse Region V \$9,000 for costs it has incurred as a result of the CMHC Invitation to Negotiate (ITN). **NOTE:** Region V assisted in drafting the ITN document and hosted focus groups regarding the transition process for behavioral health services currently provided at CMHC to other behavioral health providers in the community.

Eagan suggested the Board needs to have a discussion about the County's match to Region V and the relationship going forward because bidders will make assumptions about the level of County funding.

MOTION: Heier moved and Raybould seconded to ask Region V Systems to submit a bill for costs it has incurred as a result of the Community Mental Health Center (CMHC) Invitation to Negotiate (ITN). Raybould, Heier, Smoyer and Schorr voted aye. Hudkins was absent from voting. Motion carried 4-0.

Ron Sorensen, CMHC Executive Director, appeared and said the General Assistance (GA) costs that have been absorbed by CMHC also need to be better defined. Johnson said he has estimated that cost to be at least \$700,000.

Board consensus was to schedule a special work session at 1:00 p.m. on November 29th to discuss County financial support for behavioral health services.

9 ACTION ITEMS

- A. Microcomputer Request No. C#86530, \$14,102.17 from the Microcomputer Fund for Microfilm Reader/Scanner Workstation for Records and Information Management

Item was moved forward on the agenda.

10 CONSENT ITEMS

There were no consent items.

11 ADMINISTRATIVE OFFICER REPORT

- A. Nebraska Association of County Officials (NACO) Election Form
- B. Old Jail Re-use Study Group
- C. Meeting with Governor on Inheritance Tax (November 26, 2012)

Items A-C were moved forward on the agenda.

- D. Consolidation Task Force

Raybould and Smoyer expressed interest in serving on the Consolidation Task Force. Schorr suggested the Board hold off on making appointments until January when the Board finalizes Committee assignments. She said she could talk to the City Council Chair in the meantime to see when the City Council plans to make their appointments to the Task Force, how large they see the group being, and other individuals they would like to include.

Eagan felt the scope of the Task Force should be decided first.

Heier suggested the issue be put on the ballot to see whether citizens are in favor of consolidating those functions.

Board consensus was to ask staff to draft a letter to the City Council proposing four areas of possible consolidation: 1) City Clerk's Office and County Clerk's Office; 2) Criminal Division of the City Attorney's Office and County Attorney's Office; 3) City Public Works & Utilities and County Engineering; and Lincoln Police Department (LPD) and County Sheriff's Office.

E. Keno Human Services Prevention Fund

Eagan said there is an interlocal agreement for operation of Keno and a subsequent agreement that the City and County would pay 5% of their respective shares of the proceeds from Keno, which is operated by the City, into the Keno Prevention Fund. A certain percentage is used for on-going grants and the rest is accumulating in a fund held by the City Treasurer that cannot be accessed until its balance reaches \$1,000,000. It has been proposed that the entire 5% now be used for grants and that the \$1 million be invested in a public endowment and allowed to accumulate to \$1,500,000 (see Exhibit D). He suggested the best approach on how to address the funds would be through amendment of the agreement, rather than separate resolutions by the County Board and City Council.

12 PENDING

There were no pending items.

13 DISCUSSION OF BOARD MEMBER MEETINGS

A. Public Building Commission (PBC) - Hudkins, Raybould

Raybould said the meeting was routine in nature.

B. Chamber Coffee - Raybould, Smoyer

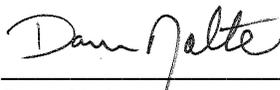
Schorr said she reported on video conferencing for the Courts and the request from the Lancaster County Agricultural Society for the Lancaster Event Center expansion.

14 EMERGENCY ITEMS AND OTHER BUSINESS

There were no emergency items or other business.

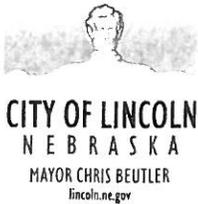
15 ADJOURNMENT

MOTION: Heier moved and Smoyer seconded to adjourn the meeting at 10:42 a.m. Heier, Raybould, Smoyer and Schorr voted aye. Hudkins was absent from voting. Motion carried 4-0.



Dan Nolte
Lancaster County Clerk





**SW 40th Viaduct
Fast Facts
November 8, 2012**

Contacts:

City Design Project Manager:
Design Consultant:

Devin Biesecker, (402) 937-5515
Kirkham Michael

Project Information:

Estimated Project Cost	
Design Engineering	\$ 2,490,541
Right-of-Way	\$ 568,738
Utilities	\$ 66,556
Construction	\$ 9,399,236
Construction Engineering	\$ <u>939,924</u>
Total	\$ 13,484,995

Project Schedule*:

Anticipated Construction Start	3/18/2013
Construction Duration	902 calendar days
Construction Complete	9/6/2015

* Dates are contract dates and do not reflect contractor's schedule.

Bid Tab:

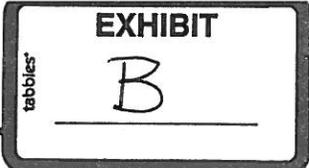
UNITED CONTRACTORS, INC.	\$ 9,399,236.88
HAWKINS CONSTRUCTION COMPANY	\$ 9,424,272.32
COMMERCIAL CONSTRUCTION, INC.	\$ 9,856,803.13
CRAMER AND ASSOCIATES, INC.	\$ 10,610,787.81

City Council resolution public hearing November 19, 2012 to concur with the low bid.

Engineers Estimate	\$ 9,430,534.41
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Contractor Project History:

Westbound I-80 Bridge over the Platte River
Several I-80 bridges in Lancaster county as a part of the I-80 widening
'O' Street Antelope Valley



Kerry P. Eagan

From: Brian E. Pillard
Sent: Wednesday, November 07, 2012 3:57 PM
To: Kerry P. Eagan
Cc: Sandy K. Ries
Subject: FW: Approval Request - 86630

Due to budget considerations and after talking to Linda Sanchez-Masi at District Court regarding their microfilm scanning volumes, I am more comfortable at this point with declining the \$3,500 optional auto scanning software and going ahead without it. The total would be \$10,602.17 which is below the approved budget of \$11,462.23. The lower number is due mostly to the vendor offering a \$1,000 trade in on the equipment we are replacing.

I am anxious to get this new equipment. Let me know if there is anything more the County Board needs from me.

Brian Pillard
Records Manager
Lancaster County Nebraska
(402) 441-6065
BPillard@lancaster.ne.gov

From: Brian E. Pillard
Sent: Friday, November 02, 2012 5:07 PM
To: Sandy K. Ries; Kerry P. Eagan
Subject: RE: Approval Request - 86630

Hi Kerry:

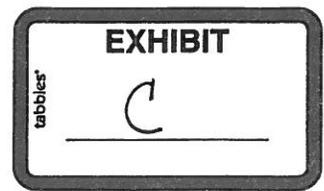
I understand the County Board already approved the estimate of \$11,462.23 as part of the micro computer budget. The \$14,102.17 now is because it includes an optional \$3,500 for auto scan functions. Auto scan means one can load the film and have the scanner scan an entire file. This is normally how we use the reader (needing an entire file). Without the auto scan, an operator would scan one frame at a time. Because we have a relatively low volume, I would be willing to forego the \$3,5000 optional feature which would bring the total under the approved amount and be at \$10,602.17. If I was deciding, I would purchase the optional software to give us the ability to auto scan. It would be a very attractive feature for District Court, and Public Defender files.

Brian Pillard
Records Manager
Lancaster County Nebraska
(402) 441-6065
BPillard@lancaster.ne.gov

From: Sandy K. Ries
Sent: Friday, November 02, 2012 3:55 PM
To: Kerry P. Eagan
Cc: Brian E. Pillard
Subject: Approval Request - 86630

Kerry,
Sending over for your approval. Please approve and return.

Thanks,



Lancaster County Ag Society
Assumptions
As of November 30, 2012

Revenue/Expenditure Growth Assumptions:

Tax revenues	2.50%
Other revenues	2.50%
Expenditure growth	2.50%

Repair & Maintenance:

Estimated capital costs	35,000,000
Annual repair & maintenance as a percent of capital costs	1.00%
Inflation rate	2.50%

County Tax Base:

Tax base for 2012/2013	18,000,000,000
Tax Base inflator	2.00%

Note: Tax base inflator includes 1% growth plus 1% inflation.

LANCASTER COUNTY FAIRGROUNDS JOINT PUBLIC AGENCY

LIMITED TAX FACILITY BONDS, SERIES 2013

\$35,000,000 PROJECT - 25-YEAR WRAPAROUND AMORTIZATION

PRELIMINARY INTEREST RATES PLUS 75 BASIS POINTS AS OF 1/12/12

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
01/01/2013	-	-	-	-	-
06/15/2013	-	-	637,206.06	637,206.06	-
12/15/2013	-	-	699,372.50	699,372.50	1,336,578.56
06/15/2014	-	-	699,372.50	699,372.50	-
12/15/2014	830,000.00	1.600%	699,372.50	1,529,372.50	2,228,745.00
06/15/2015	-	-	692,732.50	692,732.50	-
12/15/2015	845,000.00	1.800%	692,732.50	1,537,732.50	2,230,465.00
06/15/2016	-	-	685,127.50	685,127.50	-
12/15/2016	860,000.00	2.000%	685,127.50	1,545,127.50	2,230,255.00
06/15/2017	-	-	676,527.50	676,527.50	-
12/15/2017	880,000.00	2.100%	676,527.50	1,556,527.50	2,233,055.00
06/15/2018	-	-	667,287.50	667,287.50	-
12/15/2018	895,000.00	2.250%	667,287.50	1,562,287.50	2,229,575.00
06/15/2019	-	-	657,218.75	657,218.75	-
12/15/2019	920,000.00	2.450%	657,218.75	1,577,218.75	2,234,437.50
06/15/2020	-	-	645,948.75	645,948.75	-
12/15/2020	940,000.00	2.650%	645,948.75	1,585,948.75	2,231,897.50
06/15/2021	-	-	633,493.75	633,493.75	-
12/15/2021	965,000.00	2.850%	633,493.75	1,598,493.75	2,231,987.50
06/15/2022	-	-	619,742.50	619,742.50	-
12/15/2022	990,000.00	3.000%	619,742.50	1,609,742.50	2,229,485.00
06/15/2023	-	-	604,892.50	604,892.50	-
12/15/2023	1,020,000.00	3.200%	604,892.50	1,624,892.50	2,229,785.00
06/15/2024	-	-	588,572.50	588,572.50	-
12/15/2024	1,055,000.00	3.300%	588,572.50	1,643,572.50	2,232,145.00
06/15/2025	-	-	571,165.00	571,165.00	-
12/15/2025	1,095,000.00	3.400%	571,165.00	1,666,165.00	2,237,330.00
06/15/2026	-	-	552,550.00	552,550.00	-
12/15/2026	1,130,000.00	3.550%	552,550.00	1,682,550.00	2,235,100.00
06/15/2027	-	-	532,492.50	532,492.50	-
12/15/2027	1,165,000.00	3.650%	532,492.50	1,697,492.50	2,229,985.00
06/15/2028	-	-	511,231.25	511,231.25	-
12/15/2028	1,915,000.00	4.250%	511,231.25	2,426,231.25	2,937,462.50
06/15/2029	-	-	470,537.50	470,537.50	-
12/15/2029	1,995,000.00	4.250%	470,537.50	2,465,537.50	2,936,075.00
06/15/2030	-	-	428,143.75	428,143.75	-
12/15/2030	2,080,000.00	4.250%	428,143.75	2,508,143.75	2,936,287.50
06/15/2031	-	-	383,943.75	383,943.75	-
12/15/2031	2,165,000.00	4.250%	383,943.75	2,548,943.75	2,932,887.50
06/15/2032	-	-	337,937.50	337,937.50	-
12/15/2032	2,260,000.00	4.250%	337,937.50	2,597,937.50	2,935,875.00
06/15/2033	-	-	289,912.50	289,912.50	-
12/15/2033	2,355,000.00	4.500%	289,912.50	2,644,912.50	2,934,825.00
06/15/2034	-	-	236,925.00	236,925.00	-

LANCASTER COUNTY FAIRGROUNDS JOINT PUBLIC AGENCY

LIMITED TAX FACILITY BONDS, SERIES 2013

\$35,000,000 PROJECT - 25-YEAR WRAPAROUND AMORTIZATION

PRELIMINARY INTEREST RATES PLUS 75 BASIS POINTS AS OF 1/12/12

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/15/2034	2,460,000.00	4.500%	236,925.00	2,696,925.00	2,933,850.00
06/15/2035	-	-	181,575.00	181,575.00	-
12/15/2035	2,570,000.00	4.500%	181,575.00	2,751,575.00	2,933,150.00
06/15/2036	-	-	123,750.00	123,750.00	-
12/15/2036	2,690,000.00	4.500%	123,750.00	2,813,750.00	2,937,500.00
06/15/2037	-	-	63,225.00	63,225.00	-
12/15/2037	2,810,000.00	4.500%	63,225.00	2,873,225.00	2,936,450.00
Total	\$36,890,000.00	-	\$25,045,188.56	\$61,935,188.56	-

Yield Statistics

Bond Year Dollars	\$605,545.44
Average Life	16.415 Years
Average Coupon	4.1359718%
Net Interest Cost (NIC)	4.1908000%
True Interest Cost (TIC)	4.1592275%
Bond Yield for Arbitrage Purposes	4.0807192%
All Inclusive Cost (AIC)	4.2121301%

IRS Form 8038

Net Interest Cost	4.1359718%
Weighted Average Maturity	16.415 Years

Lancaster County Ag Society
Actual and Projected Cash Flows
For the periods ending November 30

Line	Actual			Projected																
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
County Fair:																				
1	Tax receipts, net	192,083	194,390	191,218	194,800	194,000	198,850	203,821	208,917	214,140	219,493	224,981	230,605	236,370	242,279	248,336	254,545	260,908	267,431	274,117
2	Fair receipts	129,372	219,664	213,284	308,100	298,600	306,065	313,717	321,560	329,599	337,838	346,284	354,942	363,815	372,910	382,233	391,789	401,584	411,623	421,914
3	County fair receipts	321,455	414,054	404,502	502,900	492,600	504,915	517,538	530,476	543,738	557,332	571,265	585,547	600,185	615,190	630,570	646,334	662,492	679,055	696,031
4	Expenditures	(477,822)	(590,017)	(610,708)	(632,365)	(645,700)	(661,843)	(678,389)	(695,348)	(712,732)	(730,550)	(748,814)	(767,534)	(786,723)	(806,391)	(826,551)	(847,214)	(868,395)	(890,105)	(912,357)
5	Current cash flows	(156,367)	(175,963)	(206,206)	(129,465)	(153,100)	(156,928)	(160,851)	(164,872)	(168,994)	(173,219)	(177,549)	(181,988)	(186,537)	(191,201)	(195,981)	(200,880)	(205,902)	(211,050)	(216,326)
6	Net impact with Phase III						112,500	115,313	118,195	121,150	124,179	127,283	130,466	133,727	137,070	140,497	144,010	147,610	151,300	
7	Total cash flows	(156,367)	(175,963)	(206,206)	(129,465)	(153,100)	(156,928)	(160,851)	(164,872)	(168,994)	(173,219)	(177,549)	(181,988)	(186,537)	(191,201)	(195,981)	(200,880)	(205,902)	(211,050)	(216,326)
Capital Projects:																				
11	Tax receipts, net	85,030	110,852	112,243	102,000	102,000	104,550	107,164	85,731	68,585	54,868	43,894	35,115	28,092	22,474	17,979	14,383	11,507	9,205	7,364
12	Lodging tax		275,000																	
13	Capital project receipts	85,030	385,852	112,243	102,000	102,000	104,550	107,164	85,731	68,585	54,868	43,894	35,115	28,092	22,474	17,979	14,383	11,507	9,205	7,364
14	Expenditures	(126,067)	(400,559)	(187,599)	(101,000)	(102,000)	(104,550)	(107,164)	(109,843)	(112,589)	(115,404)	(118,289)	(121,246)	(124,277)	(127,384)	(130,569)	(133,833)	(137,179)	(140,608)	(144,123)
15	Current cash flows	(41,037)	(14,707)	(75,356)	1,000	-	-	-	(24,112)	(44,004)	(60,536)	(74,394)	(86,131)	(96,185)	(104,910)	(112,590)	(119,450)	(125,672)	(131,403)	(136,759)
16	Net impact with Phase III								(350,000)	(358,750)	(367,719)	(376,912)	(386,335)	(395,993)	(405,893)	(416,040)	(426,441)	(437,102)	(448,030)	(459,230)
17	Total cash flows	(41,037)	(14,707)	(75,356)	1,000	-	-	-	(374,112)	(402,754)	(428,255)	(451,306)	(472,465)	(492,178)	(510,803)	(528,630)	(545,891)	(562,774)	(579,432)	(595,989)
Event Center:																				
20	Event center receipts	1,549,874	1,944,222	1,910,000	2,135,250	2,052,100	2,103,403	2,155,988	2,209,887	2,265,134	2,321,763	2,379,807	2,439,302	2,500,285	2,562,792	2,626,861	2,692,533	2,759,846	2,828,843	2,899,564
21	Event center expenditures	(1,366,627)	(1,626,537)	(1,618,957)	(1,829,495)	(1,752,000)	(1,795,800)	(1,840,695)	(1,886,712)	(1,933,880)	(1,982,227)	(2,031,783)	(2,082,577)	(2,134,642)	(2,188,008)	(2,242,708)	(2,298,776)	(2,356,245)	(2,415,151)	(2,475,530)
22	Current cash flows	183,247	317,685	291,043	305,755	300,100	307,603	315,293	323,175	331,254	339,536	348,024	356,725	365,643	374,784	384,153	393,757	403,601	413,691	424,033
23	Net impact with Phase III						(47,534)	10,994	202,052	458,297	775,214	982,568	1,002,507	1,022,944	1,043,893	1,065,365	1,087,374	1,109,934	1,133,057	1,156,759
24	Total cash flows	183,247	317,685	291,043	305,755	300,100	260,069	326,287	525,227	789,551	1,114,750	1,330,592	1,359,231	1,388,587	1,418,677	1,449,519	1,481,132	1,513,535	1,546,748	1,580,792
Combined Activity:																				
27	Receipts	1,956,359	2,744,128	2,426,745	2,740,150	2,646,700	2,712,868	2,780,689	2,826,095	2,877,457	2,933,962	2,994,966	3,059,964	3,128,562	3,200,455	3,275,410	3,353,250	3,433,845	3,517,102	3,602,959
28	Expenditures	(1,970,516)	(2,617,113)	(2,417,264)	(2,562,860)	(2,499,700)	(2,562,193)	(2,626,247)	(2,691,903)	(2,759,201)	(2,828,181)	(2,898,886)	(2,971,358)	(3,045,642)	(3,121,783)	(3,199,827)	(3,279,823)	(3,361,819)	(3,445,864)	(3,532,011)
29	Current cash flows	(14,157)	127,015	9,481	177,290	147,000	150,675	154,442	134,191	118,256	105,781	96,080	88,606	82,920	78,673	75,583	73,427	72,027	71,238	70,948
30	Net impact with Phase III						(47,534)	123,494	(32,635)	217,742	528,645	729,835	743,456	757,417	771,727	786,396	801,431	816,841	832,637	848,828
31	Cash used for debt service											(250,313)	(517,003)	(658,045)	(732,293)	(774,025)	(800,247)	(819,354)	(835,458)	(850,547)
32	Total cash flows	(14,157)	127,015	9,481	177,290	147,000	103,141	277,936	101,556	335,999	634,427	575,602	315,059	182,292	118,108	87,954	74,610	69,514	68,418	69,229
33	Cumulative cash balances					324,290	427,431	705,367	806,923	1,142,922	1,777,348	2,352,951	2,668,010	2,850,302	2,968,409	3,056,363	3,130,974	3,200,487	3,268,905	3,338,135
Test for Excess Revenues Available for Debt Service:																				
36	Event Center expenditures					1,752,000	2,120,944	2,308,889	2,379,370	2,458,471	2,553,444	2,637,890	2,703,838	2,771,433	2,840,719	2,911,737	2,984,531	3,059,144	3,135,623	3,214,013
37	Reserve Fund balance greater than 50% of expenditures				-	-	-	-	-	-	500,626	1,034,005	1,316,091	1,464,585	1,548,050	1,600,494	1,638,708	1,670,915	1,701,094	1,731,128
38	Amount available for debt service (50%)				-	-	-	-	-	-	250,313	517,003	658,045	732,293	774,025	800,247	819,354	835,458	850,547	855,564
Property Tax Levy Calculation:																				
41	Current Debt Service	703,543	701,813	704,563	701,605	703,105	703,870	703,885	703,345	702,033	704,932	701,603	702,203	702,003	706,589	707,653	703,790	698,205	701,760	704,025
42	New Debt Service						2,228,745	2,230,465	2,230,255	2,233,055	2,229,575	2,234,438	2,231,898	2,231,988	2,229,485	2,229,785	2,232,145	2,237,330	2,235,100	2,229,985
43	Total debt service	703,543	701,813	704,563	701,605	703,105	2,932,615	2,934,350	2,933,600	2,935,088	2,934,507	2,936,041	2,934,101	2,933,991	2,936,074	2,937,438	2,935,935	2,935,535	2,936,860	2,934,010
45	County Tax Base, in thousands	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,360,000	18,727,200	19,101,744	19,483,779	19,873,454	20,270,924	20,676,342	21,089,869	21,511,666	21,941,900	22,380,738	22,828,352	23,284,919	23,750,618
47	Tax Levy for Current Debt	0.0039	0.0039	0.0039	0.0039	0.0039	0.0038	0.0038	0.0037	0.0036	0.0035	0.0035	0.0034	0.0033	0.0033	0.0032	0.0031	0.0031	0.0030	0.0030
48	Tax levy for new debt	-	-	-	-	-	0.0121	0.0119	0.0117	0.0115	0.0112	0.0110	0.0108	0.0106	0.0104	0.0102	0.0100	0.0098	0.0096	0.0094
49	Less: JPA debt payment						-	-	-	-	-	(0.00123)	(0.00250)	(0.00312)	(0.00340)	(0.00353)	(0.00358)	(0.00359)	(0.00359)	(0.00358)
50	Adjusted tax levy for new debt						0.0121	0.0119	0.0117	0.0115	0.0112	0.0098	0.0083	0.0075	0.0070	0.0066	0.0064	0.0062	0.0060	0.0058
51	Combined tax levy	0.0039	0.0039	0.0039	0.0039	0.0039	0.0160	0.0157	0.0154	0.0151	0.0148	0.0132	0.0117	0.0108	0.0102	0.0099	0.0095	0.0093	0.0090	0.0088

Lancaster County Ag Society
 Impacts of Phase III
 For the periods ending November 30

Line	Actual			Projected																
	2009	2010	2011	2012	Construction Period															
					2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
1	County Fair:																			
2	<i>Receipts</i>																			
3	Concerts						200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773	256,017	262,417	268,978	
4	Vendors						50,000	51,250	52,531	53,845	55,191	56,570	57,985	59,434	60,920	62,443	64,004	65,604	67,244	
5	Miscellaneous Events						25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222	32,002	32,802	33,622	
6	Total receipts						275,000	281,875	288,922	296,145	303,549	311,137	318,916	326,889	335,061	343,437	352,023	360,824	369,844	
7	<i>Expenditures:</i>																			
8	Concerts						150,000	153,750	157,594	161,534	165,572	169,711	173,954	178,303	182,760	187,329	192,013	196,813	201,733	
9	Vendors						2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122	3,200	3,280	3,362	
10	Miscellaneous Events						10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121	13,449	
11	Total expenditures						162,500	166,563	170,727	174,995	179,370	183,854	188,450	193,161	197,990	202,940	208,014	213,214	218,544	
12	Net impact with Phase III						112,500	115,313	118,195	121,150	124,179	127,283	130,466	133,727	137,070	140,497	144,010	147,610	151,300	
13	Capital Projects:																			
14																				
15	Transfer from cash reserves for repair and maintenance							(350,000)	(358,750)	(367,719)	(376,912)	(386,335)	(395,993)	(405,893)	(416,040)	(426,441)	(437,102)	(448,030)	(459,230)	
16																				
17																				
18	Event Center:																			
19	<i>Receipts:</i>																			
20	Event Center Rental Income	10.00%	25.00%	35.00%	50.00%	75.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	
21	Concession Income						92,250	236,391	339,221	496,716	763,701	999,352	962,835	986,906	1,011,579	1,036,868	1,062,790	1,089,360	1,116,594	1,144,509
22	Sponsorship/Naming Rights						30,360	77,798	111,639	163,472	251,338	309,146	316,875	324,796	332,916	341,239	349,770	358,515	367,477	376,664
23	Commercial Rental Income						150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
24	Campground Income						5,000	15,000	20,000	25,000	30,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
25	Total receipts						277,610	479,188	694,710	982,888	1,346,431	1,588,675	1,623,767	1,659,736	1,696,604	1,734,395	1,773,129	1,812,833	1,853,528	1,895,242
26	<i>Expenditures</i>																			
27	Utilities						138,000	141,450	144,986	148,611	152,326	156,134	160,038	164,039	168,140	172,343	176,652	181,068	185,595	190,235
28	Wages/Benefits						150,000	270,000	276,750	283,669	290,760	298,029	305,480	313,117	320,945	328,969	337,193	345,623	354,263	363,120
29	Concession Expense						12,144	31,119	44,656	65,389	100,535	123,658	126,750	129,919	133,167	136,496	139,908	143,406	146,991	150,666
30	Other Expenses						25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222	32,002	32,802	33,622	34,463
31	Total expenditures						325,144	468,194	492,658	524,591	571,217	606,107	621,260	636,792	652,711	669,029	685,755	702,899	720,471	738,483
32	Net impact with Phase III						(47,534)	10,994	202,052	458,297	775,214	982,568	1,002,507	1,022,944	1,043,893	1,065,365	1,087,374	1,109,934	1,133,057	1,156,759
33																				
34																				
35	NET CASH FLOW PHASE III OPERATIONS						(47,534)	123,494	(32,635)	217,742	528,645	729,835	743,456	757,417	771,727	786,396	801,431	816,841	832,637	848,828

File: County Ag Society Projections Ver 5, 11/5/2012
 Data Source: Lancaster County Ag Society Staff
 Prepared by: Don Herz

JOE KELLY
LANCASTER COUNTY ATTORNEY
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Lincoln, NE 68508-2810
402.441.7321/FAX 402.441.7336

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LANCASTER COUNTY
BOARD

November 6, 2012



Kit Boesch
Human Services Administrator
County-City Building
Lincoln, NE 68508

RE: Investment of keno funds

Dear Kit,

You have requested the opinion of our office regarding the investment of keno funds. Specifically you have asked whether it is legally possible to invest "the \$1 million Keno Fund" in "higher interest funds" than those in which it is presently being invested.

It appears that your inquiry relates to the 2005 interlocal agreement between the County and the City of Lincoln, which created the Keno Prevention Fund. Pursuant to the terms of that agreement, both the City and the County pay 5% of their respective shares of the proceeds from the joint keno lottery operated by the City, into a joint fund known as the Keno Prevention Fund. Under the terms of the agreement, that fund is maintained and administered by the City Treasurer. The agreement requires that the Treasurer establish a separate endowment fund and deposit 40% of the Keno Prevention Fund monies into that endowment fund, which shall not be accessed until its balance reaches \$1,000,000. Your question is whether those endowment funds may be invested in "higher interest funds," than those in which other funds are invested.

That question apparently stems from the enactment of **Neb. Rev. Stat. 19-5101** in 2009. That provision, which was the result of a constitutional amendment adopted in 2008, authorizes cities with populations of over 5,000, to invest public endowment funds, "in the manner required of a prudent investor who shall act with care, skill and diligence under the prevailing circumstance and in such investments as the governing body of such city, acting in a fiduciary capacity for the exclusive purpose of protecting and benefitting such investment, may determine." That language authorizes a broader range of investments, with the potential for higher rates of return, than is statutorily allowed for other public funds.

However, by its terms, section 19-5101 applies only to public endowment funds. We have been advised by representatives from the City that no such endowment fund has yet been established pursuant to the interlocal. Thus, there are presently no keno funds to which the investment options authorized by 19-5101 would apply.

If we can be of any further assistance in this matter. please contact our office.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mike".

Michael E. Thew
Deputy County Attorney