

MINUTES
DEPARTMENTAL BUDGET HEARINGS
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 303
WEDNESDAY, MAY 12, 2010
AFTERNOON SESSION
(1:30 P.M. TO 4:15 P.M.)

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

Others Present: Dennis Meyer, Budget & Fiscal Officer
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 reconvened the meeting at 1:30 p.m.

WEED CONTROL (FUND 064)

This budget hearing was moved forward to Tuesday, May 11th.

RETURNING TO HEALTH & HUMAN SERVICES (FUND 805)

Board consensus was to defer further discussion of the Joint Budget Committee (JBC) funding until Kit Boesch, Human Services Administrator, is available.

INFORMATION SERVICES (FUND 610)

Appearing were Ken Kuszak, Interim Manager and Microcomputer/Network Support Coordinator; Terry Lowe, Project Manager; and Craig Gifford, Technical Support/Operations Coordinator.

Heier noted many of the departments have had increases in Information Services (IS) costs.

Ken Kuszak, Interim Manager and Microcomputer/Network Support Coordinator, attributed the rate increases to: 1) The new billing structure; 2) An increase in

networking port charges to recoup the cost of fiber projects; 3) The cost to replace and upgrade network switches; 4) Data de-duplication costs for the email system; and 5) An increase in rates for PC repair. He said the overall increase to the County budget is 1.4%.

Gwen Thorpe, Deputy Chief Administrative Officer, inquired about the impact of the Southeast Nebraska Behavioral Health Information Network (SNBHIN).

Terry Lowe, Project Manager, said SNBHIN will replace the Community Mental Health Center's (CMHC's) stand-alone system but said CMHC will still be using the network.

Stevens questioned the amount shown for the County Attorney.

Lowe explained that IS collects in arrears. He said the County Attorney's charge will decrease significantly next year because they will be on their new system and will have very little mainframe usage.

Workman asked whether those costs will be distributed to other departments.

Lowe said they will. He said the rates will be reset and costs will be distributed according to usage.

Kuszak said IS has been contacting the software vendors and requesting reductions in maintenance costs. He said they are also looking at third-party vendors as a way to reduce mainframe maintenance costs.

Schorr said two departments have suggested use of Open Source Office (free software product) as a cost saving measure.

Kuszak said there are risks involved and said there would be some loss of functionality.

Hudkins inquired about the status of fiber to the new jail.

Kuszak said they are waiting to hear whether the City's Broadband Technology Opportunities Program (BTOP) grant application was successful. If it was not, the cost to install fiber to that area will be split between several entities (Private networks, IS, Public Works & Utilities, District Energy Corporation and the County). He estimated the County's share of the cost in the \$50,000 to \$60,000 range.

Meyer said he will forward the list of microcomputer requests to Kuszak for review and recommendation.

VISITORS PROMOTION (FUNDS 018, 019)

Appearing were Jeff Maul, Lincoln Convention and Visitors Bureau (CVB) Executive Director; and Derek Feyerherm, Director of Sales.

Jeff Maul, Lincoln Convention and Visitors Bureau (CVB) Executive Director, gave an overview of the budget request (Exhibit A).

AGRICULTURAL SOCIETY

Appearing were Ron Snover, Lancaster Event Center Managing Director; and Chet Hill and Kendra Ronnau, Lancaster County Agricultural Society Board of Directors.

Ron Snover, Lancaster Event Center Managing Director, gave an overview of the budget request (Exhibit B). He said the Ag Society is requesting an additional amount, based on the lid, for the County Fair and capital projects.

Stevens said there are several items in the budget request he does not believe should be classified as capital items: 1) Bank fees and service charges; 2) Repairs and maintenance; 3) Landscaping; 4) Other improvements; 5) Road improvements; and 6) Lighting.

Snover agreed that the bank fees and service charges should not have been included. In terms of repairs and maintenance, he said the Ag Society's legal counsel verified with the County Attorney's Office that it is appropriate to include it as a capital item.

Snover also gave an overview of the Event Center budget request (see Exhibit B). He noted income in the amount of \$2,129,000 and expenses in the amount of \$1,757,500 are projected.

Stevens said it appears the Event Center is generating enough income to cover capital expenses and asked whether the Ag Society is building a reserve fund to pay off their bonds instead.

Snover said they have never had a reserve, adding cash flow remains a problem.

Stevens said it appears the Event Center has generated \$650,000 over the last four years and asked again whether the Ag Society has reserves in place.

Snover said no, explaining there was only \$26,000 remaining after the Ag Society paid the County Fair's losses.

Meyer said he believes the focus should be on last year's actuals. He also pointed out that the Ag Society's fiscal year ends in November.

Information regarding the Lancaster County Fair was also presented (Exhibits C & D).

RISK MANAGEMENT (FUNDS 012, 013)

Appearing was Sue Eckley, County Risk Manager.

Sue Eckley, County Risk Manager, gave an overview of the Workers Compensation budget request.

Meyer said some of the amounts won't be finalized until the fiscal year is closed out.

Eckley said IS costs increased because her department was required to report Medicare claims in an electronic format and IS had to build a new system. She also reported that several closed claims at Lancaster Manor may need to be reopened because those individuals have reported additional symptoms.

Meyer noted the County is still owed monies from the Nebraska Department of Health and Human Services (HHS) and said a portion of those funds may need to be set aside to cover these types of expenditures.

MOTION: Workman moved and Hudkins seconded to ask the County Attorney's Office for a legal opinion on whether the County can require drug testing as part of any worker's compensation claim. Stevens, Hudkins, Workman, Schorr and Heier voted aye. Motion carried.

Meyer said wellness services may be an area that could be reduced.

Eckley said flu shots and blood chemistry profiles are paid out of that fund.

Stevens suggested the County charge employees a nominal fee to participate.

Eckley said the Wellness Council newsletters and membership in the WorkWell Program are also paid out of that fund.

Eckley also gave an overview of the Other Self-Insurance Budget.

Meyer said there are four business units within the fund. He said one of the business units was set up for Lancaster Manor and said those funds could eventually be split to cover costs within the other business units. Another option for the future would be to charge some costs back to the departments.

MENTAL HEALTH CENTER (FUND 063)

Appearing were Dean Settle, Community Mental Health Center (CMHC) Director; Travis Parker, CMHC Deputy Director; and Judi Tannahill, Administrative Services Officer.

Dean Settle, Community Mental Health Center (CMHC) Director, gave an overview of the budget request. He said it appears they will be able to carryover some funds from

the Fiscal Year 2009-2010 budget to begin the shift to the Southeast Nebraska Behavioral Health Information Network (SNBHIN), the new software system, and said they should have definitive pricing for the software licenses and maintenance fees by the end of the month. He said the Region 5 Governing Board has approved \$429,000 in one-time block funding to help the initial participants pay for the licenses.

Meyer inquired about out-of-state travel.

Settle said his staff only attends conferences within the state and said much of it is paid for with grant monies.

Meyer noted CMHC's budget has increased \$124,000 over last year and asked whether their fund balances can cover that amount.

Settle said it will be tough to find the funds as CMHC has drawn down most of their funding from Region V in the first three quarters of the fiscal year.

Meyer noted the Board is considering furloughs and asked Settle how that will impact his department.

Settle said furloughs are difficult for direct care providers because there is a huge demand for services. He said it may make more sense for middle and upper managers.

Travis Parker, CMHC Deputy Director, reported receipt of a new grant that will expand the Jail Diversion Program. He said the grant will provide \$47,500 to do discharge planning for ten individuals.

In response to a question from Schorr, Judi Tannahill, Administrative Services Officer, said CMHC's rent was increased last year by \$45,000 because a dedicated janitorial position was added. She said the position was eliminated after a short period of time but said there was no adjustment to their rent.

Settle said he petitioned Don Killeen, County Property Manager, several times to have their rent reduced, but was unsuccessful.

Schorr questioned the increase in nursing services.

Settle explained the Crisis Center uses agency nurses to cover absences because they lack a nursing pool and the Health Department and Lancaster Manor no longer provide them with assistance.

Brief discussion took place regarding the 0.5% increase from Region V. Settle said he believes the increase is unnecessary. Schorr suggested it would be beneficial to schedule discussion with C. J. Johnson, Region V Systems Administrator, regarding this issue.

MOTION: Stevens moved and Hudkins seconded to adjourn the meeting at 3:48 p.m.

The Board further discussed areas of possible budget cuts as previously mentioned.

ROLL CALL: Hudkins, Workman, Stevens, Schorr and Heier voted aye. Motion carried 5-0.

NOTE: The meeting ended at 4:15 p.m.

Dan Nolte
Lancaster County Clerk

NOTE: Documents referred to are included in Proposed Budget Fiscal Year 2010 (a copy is on file in the County Clerk's Office).